



VIRTUAL HOUSING COMMITTEE MEETING

TUESDAY, NOVEMBER 12, 2024, 11:00 AM

To participate electronically, click below:

<https://us02web.zoom.us/j/4782465738?pwd=UHcxYkxUOHFHThFoYlJcWxZb3BUdz09>

Meeting ID: 478 246 5738, Password: 329703

To connect by phone: 1-301-715-8592 - Meeting ID 478 246 5738#

[Deviations from agenda order may occur](#)

For additional information visit www.sisterbaywi.gov and click on Meetings

1	Patrice Champeau - Chairperson	2	Gustavo Gallardo
3	Razvan Ciobanu	4	Lauren Aurelius
5	Lori Allen	6	Kay Smith
7	Marissa Downs		
	<i>Julie Schmelzer – Village Administrator</i>		

AGENDA

1. Call to Order & Roll Call
2. Approve Agenda [pg. 1](#)
3. Approve Meeting Minutes: October 22, 2024 [pgs. 2-3](#)
4. Comments, Correspondence and Concerns from the Public (3 minutes) [pgs. 4-6](#)
5. Discussion/Action Items
 - a. Geneva Ridge; Sturgeon Bay Affordable Housing Project (the contractor will be available by phone and share information) [pgs. 7-42](#)
6. Discussion Regarding Matters to be Placed on a Future Agenda, Referred to a Committee, Official, or Employee
7. Set Meeting Schedule & Topic(s); Speaker Invite List
8. Adjourn

Public Notice

Questions regarding the nature of the Agenda items or more detail on the items listed can be directed to Julie Schmelzer, Village Administrator, at julie.schmelzer@sisterbaywi.gov. It is possible that members of and possibly a quorum of members of other governmental bodies may attend the meeting to gather information; no action will be taken by any governmental body other than the body specifically referred to above. Upon reasonable notice, a good faith effort will be made to accommodate the needs of disabled individuals through sign language interpreters or other auxiliary aid or accommodation at no cost to the individual. Due to the difficulty in finding interpreters, requests should be made as far in advance as possible, preferably a minimum of 48 hours. For additional information or to request this service, contact the Sister Bay Village Administration Office at 854-4118, (FAX) 854-9637, or by writing to the Village Administration Building, 2383 Maple Drive, PO Box 769, Sister Bay, WI 54234. Copies of reports and other supporting documentation are available for review at the Village Administration Building during operating hours (8 a.m. to 4 p.m. Mondays – Thursdays, and 8 a.m. to noon on Fridays).

The Village of Sister Bay is an Equal Opportunity Provider and Employer.

POSTED DATE/SIGNATURE _____

VILLAGE OF SISTER BAY HOUSING COMMITTEE (VIRTUAL)
MEETING MINUTES
MONDAY, OCTOBER 22, 2024
(DRAFT)

1. Call Meeting to Order & Roll Call

Chair Patrice Champeau called the meeting to order at 11:01 a.m.

Present: Chair and Trustee Patrice Champeau, Lauren Aurelius, Marissa Downs, Kay Smith

Excused: Lori Allen, Razvan Ciobanu

Absent: Gustavo Gallardo

Staff: Administrator Julie Schmelzer

Others: Louise Howson

2. Approval of Agenda

Motion by Champeau, second by Smith, to approve the agenda as presented. Motion carried unanimously.

3. Approve Minutes

Motion by Smith, second by Aurelius, to approve the minutes from the October 14, 2024, meeting as presented. Motion carried unanimously.

4. Comments, Correspondence and Concerns from the Public

(None, but Howson did comment later in the meeting.)

5. Discussion/Action Items

a. Resale Formula/Deed Restriction

Smith, who sits on the Door County Housing Partnership Board with Downs, shared a portion of the Partnership's policies. Downs explained the Partnership follows the Community Land Trust Model. Smith explained the land is actually owned by the Trust, which in this case is the Partnership, and leased to the homeowner. To follow such model, someone would have to agree to own the land. Schmelzer explained she did not think the village would be interested in retaining ownership to the land and monitoring the sales. Downs explained the deed holder also has to put about \$100,000 into the project. Schmelzer added that since the village already purchased the land [referring to the former Wiltse site] and has budgeted \$3.5 million for the infrastructure, she did not believe the village would be willing to contribute an additional \$100,000 to each home. Champeau and Howson, both of whom are Village Trustees, concurred. Downs also explained the land is held by a non-profit and there has to be some type of payment in lieu of taxes. Smith explained Minnesota has the largest number of community land trusts and her boss recently attended a conference and learned about the different models that land trusts utilize. As for resale, the Partnership's model allows a homeowner to sell, but the homeowner is limited to increasing the sale price just 1% every year, plus the value of any improvements they made to the home, which was considered the "Value Added Policy". To keep homes affordable, the Partnership defines "affordability" based on the AMI and the formula is used to determine eligibility and to set the purchase price. They do not allow the mortgage to exceed 30% of the AMI. Members agreed using a formula to determine affordability made sense, and the 1% increase was reasonable, and possibly something the village could replicate on deed restrictions to keep the

homes affordable. Members agreed to research other models before making a recommendation to the Board on which model to pursue.

b. Developer Incentives

Schmelzer reminded the group their plan was to develop a list of incentives for multi-family developers, and for those using incentives, they'd be eligible to develop village properties, such as the land currently available and ready for development on Northwoods Drive. The list is to be completed by January. The available incentives were briefly discussed with Smith explaining her role at NeighborWorks Green Bay is to help developers with incentives and she'd be willing to work with any developers interested in pursuing incentives.

6. Discussion Regarding Matters to be Placed on a Future Agenda, Referred to a Committee, Official or Employee

Members expressed they'd like someone to discuss the Geneva Ridge project in Sturgeon Bay, and share information on how homes can be built for under \$250,000. Members also discussed the idea of modular homes, and felt with transportation costs, modular homes would not be affordable.

7. Set Meeting Schedule & Topic(s); Speaker Invite List.

(Discussed in part under item 6.) It was the consensus that the committee should meet again in two weeks. The meeting date and time was set for November 12, 2024, at 11:00 a.m.

8. Adjournment

Motion by Smith, second by Aurelius, to adjourn. Motion carried unanimously. The meeting was adjourned at 12:08 p.m.

Respectfully submitted,

Julie Schmelzer, Acting Recording Secretary



Public Correspondence 11/12 Housing Committee Meeting

From ldhowson@gmail.com <ldhowson@gmail.com>

Date Thu 11/7/2024 8:29 AM

To Julie Schmelzer <julie.schmelzer@sisterbaywi.gov>; Heidi Teich <heidi.teich@sisterbaywi.gov>

 1 attachment (19 KB)

LibertyGroveAffordableHousingMeeting.docx;

Hello Julie and Heidi,

Please find attached a recap of the Liberty Grove Affordable Housing Public Forum Meeting held on Tuesday, October 29, 2024. I would like to request that this be included as public correspondence for the November 12, 2024 Housing Committee meeting.

Please let me know if you have any questions.

Thanks so much,

Louise

Louise D. Howson

M 847-971-5440

ldhowson@gmail.com

Liberty Grove Affordable Housing Meeting – Public Forum
Tuesday, October 29, 2024

The Town of Liberty Grove's Community Development Committee hosted a public forum for the community on Tuesday, Oct. 29 at 7 pm to share ideas to address the need for affordable housing in the community. In anticipation of the meeting, the committee sent a four-page survey to all property owners.

Moderator : Alan Kroll (Committee Member)

Attendees : Janet Johnson, Bud Kalms, Tami Jo (Committee Member)

Speaker: Pete Hurth, Senior Project Manager, Engineer, Stantec Corp.

Survey Results

- 165 responses – 110 full time residents - 55 seasonal - 4 businesses
- 155 respondents currently own a home
- 2 wanted to buy first home – 109 said they had what they needed – 40 had pre-approval for buying a home
- Needs: 28 wanted a single level home – 37 needed high-speed internet – 14 needed space for home based business
- 138 people said they favored living here because of the favorable weather
- Employers – not enough response to make an evaluation

Peter Hurth's Presentation

- Peter lives in Sevastopol – owns a home as well as some short term rentals
- He spoke about design and development of properties, and the cost structure in developing properties.
- He has been able to gather costs while working with builders, and reviewed current builder costs for single family and multifamily homes.

Housing Options Based on Current County Zoning

Conservation Subdivision – Example: Baileys Harbor, Boreal Preserve – 40 Acres

- 60% of land deed (minimum) restricted to open space
- Allows 10K SF lots - 1 lot per 3 acres (not 5 acres)
- 13 lots – road maintained by homeowners through HOA
- Owner still can't get to the point where he can build a small home there once he adds in land cost, utilities, infrastructure
- 3 homes – 900-1150 – 1200SF– LEED construction - \$350 - \$400K (w/o taxes) and that is making no profit on the homes.
- If they were 600-700SF might be \$290K.

Secondary Dwelling Units

- 2nd home on same lot under 700SF – not easy to do depends on zoning codes
- Cannot rent 2nd home

Horseshoe Bay Golf Club

- They needed housing for 30 employees and have 9 acres available. They are starting with one 10 Unit Townhome development – all on one well – The builders cost is cost \$250K per units - \$2.5M
- They will be used for HBGC employees – probably a loser from a cash flow perspective. If they sold this townhome for \$250, the builder breaks even, and they won't do that.
- 1200 SF - 2 Bedrooms 2 Baths – 1 car garage across the parking lot – Keller is builder

Carlsville Apartments at BP Gas Station

- 8 Unit building – 2 Bedroom 2 bath – 1200 SF – 1 car garage across parking lot – septic + well - Cost to build \$194K - Rent \$1400 – Thielens is builder

Portside Sturgeon Bay

- Two 8 Unit Buildings – City sewer and water – 1 car garage - cost is \$181K per unit

Geneva Ridge – Sturgeon Bay - Workforce Housing subdivision on a TIF -

- City paid for land, roads, sewer and water and other infrastructure
- Everyone doing smaller lots 68' wide lot with 7' side yard – every foot of sewer and water pipe and curb and gutter is adding up to the point where it's so expensive to develop a lot they can't do it. At some point all the trenching costs more than just drilling a new well. It costs \$10K to develop one lot in a Campground.
- \$35K per lot (even 68' lot) to get sewer and water – so developer needs incentive: land free or TIF district. If developer doesn't sell the lots they have to carry the lots, pay taxes.

A builder might tell you the house is \$210 per square foot but then you have to add in fees, infrastructure etc.

Talking to 3 different builders – Portside – Thielens – Keller – It boils down to it costing them in the \$170's to \$220's to get a 1200 SF chunk of an 8 unit building.

County Zoning Open Space Requirement:

- Heartland 5 requires 60% open space - Heartland 10 requires 80% open space
- SF 20 – ½ acre lot - requires only 30% open space

“If County really wants more people to build homes they need to reduce the amount of open space that is required “

Pete closed his presentation by saying “So that's all my doom and gloom”

The Details

What are the requirements for someone to purchase at Geneva Ridge?

Per the Development Agreement with the City of Sturgeon Bay, the homebuyer must be an active full-time employee of a Door County based business.

Are short term rentals allowed here?

There will be a deed restriction preventing any rentals for less than 28 consecutive days.

Can I buy a lot and build the home myself?

No, it must be sold with a home package (6 floor plans available)

What is the deferred assessment?

The cost of developing the utilities and streets (approximately \$36,000) will be a deferred assessment on the property. The assessment reduces in equal amounts annually until reaching \$0 at year 6.

How do I avoid paying the deferred assessment fee?

- 1) Keep the home for 6 years. At that point, the home can be sold to anyone at any price.
- 2) Sell the home to another person employed full time in Door County, and sell the home for the initial purchase + increases in the consumer price index - or less.

What if I sell the house to a non-full time employed person in Door County before year 6?

The deferred assessment will be due at closing, the home can be sold for any price, and the assessment will be prorated by the number of years you have owned it. For example, if you have owned the home for 4 years and the assessment was \$36,000 to start, \$12,000 in deferred assessment will be due at closing.

How long will it take for my home to be constructed and who is the builder?

Approximately 8 months. Portside Builders is the General Contractor.

Call us today to ask how to reserve your new home at Geneva Ridge!

PORTSIDE BUILDERS Inc.
 810 South Lansing Avenue
 Sturgeon Bay, Wisconsin 54235
 920-743-8235
www.portsidebuilders.com

Project Name	Geneva Ridge
DATE:	February 20th 2024
JOB LOCATION:	Sturgeon Bay, WI Door County
Sales Associate:	Paul Shefchik

General Contract Spec's

All work is to be done to conform to state and local code requirements

All specifications to follow include supplying the products, materials and the labor to produce, construct and or install in a good workmanship manner standard to the industry, unless otherwise specified

Cost of all permits to be Included

Permit fees to included, Local permits, HVAC, Plumbing and Electrical permit fees

Sturgeon Bay, Park and Rec fees are Included

Sturgeon Bay, One tree deposit is Included

Surveying cost to be: Included

Winter Expenses, gas and use of heaters for temporary heat to be: Included as needed

Temporary Power, until date of building completion or closing is: Included

Dumpster and hauling away of construction debris is: Included

Portable toilet during construction is: Included

Excavation, Lot Preparation and Site Improvements

- Grade level shall be established by the Contractor based on existing conditions
- Erosion control of a breaker run tracking pad is Included
- Stripping of topsoil, if any and stock pile on site
- Excavate for the 4' tall, house foundation walls
- Excavate for the 4' tall, garage foundation walls
- Excavate for 4' tall, front porch foundation walls
- Back filling and rough grading with existing material and Imported fill (if needed)
- Supply and install clean stone fill in the Entire house foundation area
- Supply and install clean stone fill in the garage area
- Supply and install clean stone fill in the front porch area
- Supply and install 6" of gravel for the sidewalk
- Supply and install 6" of gravel for the back patio
- Rough grading with existing topsoil material after construction for the owners landscaper
- Driveway sub-bases for the driveway per the site plan
- Description: Sub-base is 6" of breaker run under 6" of 1/2" gravel
- Driveway to be: 2" compacted blacktop
- City Sewer line - install 4" sewer lateral
- City Water line - install water lateral
- Electrical line from the transformer to the house to be: Included
- Natural gas line from the lot line to the house to be: Included
- Landscaping: Lawn Seeding and Planting Beds to be: by home Owner

Foundation and footings

- Foundation and footings to be of poured read mix 3,000 psi concrete
- House foundation walls sizes: 8" w. x 4' tall with 2 rows of rods with 16" x 8" footing
- Garage foundation walls sizes: 6" w. x 4' tall with 2 rows of rods with 16" x 8" footing
- Front Porch foundation walls sizes: 6" w. x 4' tall with 2 rows of rods with 16" x 8" footing
- House, Recessed Concrete Floor ledges to be: 4" w. x 5.5" tall
- Garage, Recessed Concrete Floor ledges to be: 2" w. x 5.5" tall
- 1/2" x 10" anchor bolts to fasten the treated bottom plates
- Foundation walls to living areas to have 2" Styrofoam from top of wall down to footings
- Install 2" x 4' x 8' styrofoam on the exterior side of the house foundation walls
- Styroguard shall cover foundation insulation exposed to the weather

FLAT CONCRETE

- Concrete, 1st floor to be: 4", 3,000 psi concrete with a smooth troweled finish
- Supply and install 6 mil visqueen vapor barrier under the Concrete floor
- 1st floor concrete with #10, welded wire mesh
- Garage floor to have 4", 4,000 psi concrete with a smooth troweled finish over clear stone base
- Garage floor concrete to have: #10, welded wire mesh
- Garage floor to have: Two floor drains, by Plumber
- Garage concrete floor to be: Zero clearance to the house
- Garage concrete floor to be saw cut for relief cuts
- Concrete sealer for the garage floor is: Included
- **Exterior 4,000 psi concrete to be: 4" thick with a broomed finish**
- **The Stone base under the concrete to be by Excavator**
- Front Porch..... Included per plan
- Back Patio.....Included per plan
- Sidewalks.....Included per plan

BUILDING MATERIALS

Note: All specified dimensional lumber, plywood, underlayments, OSB's etc., are industry standard nominal sizes. All factory finished materials to be standard colors unless otherwise specified.

- 1" x 4" x 8' rigid styrofoam for on the recessed concrete floor ledge (thermal break material at house to garage)
- 2" x 4' x 8' rigid styrofoam, #150 foam for on the house foundation walls
- 12" x 50' roll of styro guard with styro guard outside and inside comers
- House - Exterior walls to be: 2 x 6 with 2 x 6 studs at 16" on center
- House to Garage walls to be: 2 x 6 with 2 x 6 studs at 16" on center
- Garage - Exterior wall to be: 2 x 4 with 2 x 4 studs at 16" on center
- House - Interior walls to be: 2 x 4 with 2 x 4 studs at 16" on center
- House, 1st floor wall height is: 8' 2-5/8"
- Garage wall heights: 8' 2-5/8"
- All walls have double top plates and double bottom plates, 1st bottom plate is Treated, 2nd bottom plate is spf
- All bottom wall plates over concrete are treated lumber
- Exterior foundation plates are installed over sill seal and caulked
- All other plates and studs to be standard & better SPF
- Braced Wall Engineered requirements are: Included
- Recess the wall behind the Refrigerator, 2" back
- Exterior house and garage wall sheathing to be 7/16" OSB
- All exterior wall sheathing is covered with Tyvek house wrap with all window and door seams taped
- All Tyvek house / garage wrap - Vertical and Horizontal seams to be Taped
- The walls between the house and the garage to be covered with Tyvek house wrap - No sheathing
- All windows sills and pan flashing made of Vycor
- Window and door openings to be wrapped with self adhesive rubber anti-leak membrane

Roof construction to be: Engineered Trusses

- Roof Truss with spacing at 24" on center
- Eaves Overhangs: 24" overhang at eaves
- Gables Overhangs: 12" at gables
- Flat ceiling in the entire house, garage and front porch
- Roof sheathing to be: 15/32" OSB with H-clips between trusses
- Synthetic felt paper installed with Staples
- Ice and water shield at all aluminum valleys and galvanized shingle tin areas and at all roofs butting up to a wall

Roofing to be: Certainteed, Landmark, 235 lb. shingles with limited lifetime warranty

- Roof flashing to be: G. P. Aluminum, gutter apron on the eaves
- Roof flashing to be: G. P. Aluminum, Style D-edge on the gables
- Galvanized shingle tins where needed
- Colored, Aluminum, preformed valley flashing
- Attic ventilation shall be: Certainteed, filtered, shingle ridge vent

Soffit and fascia to be: GP, Georgia Pacific, prefinished aluminum in standard stocked colors

- 6" aluminum fascia on the eaves and gables
- 16" aluminum, center vented, soffit panels on the eaves
- 16" aluminum, solid, soffit panels on the gables and front covered porch
- Front Porch Soffit to be flushed with the eave height
- No box returns, - the gable fascia is to run out into the eave fascia

Window Brand: Thermo Tech, Classic Series

- Windows to be: Vinyl Lines, White Exterior and White Interior color
- Casements windows with folding cranks
- White - Vinyl exterior and interior frames with Clear Pine extension jambs
- Low-E insulated, argon filled glass, Double pane
- High Performance 6' x 6' 10" sliding patio doors with sliding screen door if shown on the plans
- Supply and install a Flashing over the top of any and all windows that are mulled together

Exterior Doors to be: Therma-Tru doors

- Door Hinges to be: Brushed Nickel finish

Front Door – 3' 0" x 6' 8" Traditions Steel, TS-210, 6 door in a aluminum clad frame, 6-9/16" jamb, RHSI

- House to garage door – 3' 0" x 6' 8" Traditional Steel, TSF-210, 6 panel door, 20 minute rated door and frame, in a primed, wood frame, 6-1/8" jamb, LHSI

- If any the Furnace room door will be Traditional Steel, TS-210 in a primed, wood frame, 4-9/16" jamb,

Garage overhead doors to be: Ameritherm, insulated steel door

- Colonial Raised panels
- Torsion spring hardware
- Sizes: One 16' x 7'
- Extruded aluminum exterior clad frames in standard colors for a 2 x 4 wall

Garage Door Opener

- One – Lift Master 81600, ½ horse powered chain drive garage door opener, 7' tall door
- Two remote transmitters for the 16' door
- One - Keyless entry, keypad switch is: Included

Siding and Trim to be: Georgia Pacific, Forest Ridge in standard colors

- Lap Siding to be: Double - 4" vinyl (.042 thickness) standard colors, lap siding
- Outside Corners to be: 4" vinyl outside corners
- Inside Corners to be: 2" vinyl inside corners
- J - channels and under sill trim as needed
- J block and J vents as needed
- Include siding nails, clear silicone and OSI colored caulk as needed

Interior Finish, Doors, Casing, Base, Locks, Closet Shelving

- Garage finish: Rough in electrical per plan, sheetrock & Plaster the ceiling and the adjoining walls to the house only
- Swinging doors and Slide by doors: 1-3/8" x 6' 8" doors
- Interior Doors: Radiata Pine, 6 Panel, Raised Panel, doors with Ogee sticking, Single hip
- Door jambs to be: Maple, 4-5/8" with solid wood edges
- Door stops to be: Maple, 3/8" x 1-3/8" x 7' colonial stops
- Door and window casing to be: Maple, 9/16" x 2-1/4" Colonial Casing
- Window and Door Casing to have: Mitered corners
- Base to be: Maple, 9/16" x 2-1/4" Colonial Base
- Base Shoe to be: Not included Fit the Base to the Hard surface floor
- Garage, casing and base: Not included
- Doors to have Three - 3½" x 3½" round corner door hinges in satin nickel finish
- Door bumpers to be: Flex bumpers or Hinge bumper in satin nickel finish, as needed
- Door locks to be: Schlage, Accent Levers in 619 Satin Nickel finish
- Schlage,- single cylinder dead bolt - Not included
- Keyed locks on the 2 exterior doors
- Privacy levers on the bedrooms and bathroom doors
- Passage levers on closet doors
- 2-1/8" round pulls on the slide by doors
- Closet shelves to be: White melamine shelf with white metal clothes poles, per plan
- Master bedroom closet to have 2 rows of shelves and 2 poles on 1 wall and 1 shelf and pole on the other wall
- One 12" white laminate shelf above the washer and dryer
- All other closets to have 1 shelf and pole per closet

All framing, soffit, roofing, siding and finish labor for installation of specified materials is included.

HVAC SYSTEM

Heating Fuel: Natural Gas

Heating plant: High efficiency, force air furnace

- AFUE rated 95% efficient, Single stage, Sealed combustion furnace
- Standard up right furnace
- 1 zone system
- 1 – Honeywell, programmable thermostat
- External filter rack with 1" furnace filter
- Fresh air intake consisting of skuttle gravity barometric damper
- PVC vented with intake air up thru the roof
- Ceiling registers on the 1st floor with 4 return registers as needed

**DEVELOPMENT AGREEMENT
(Geneva Ridge Subdivision)**

This Development Agreement is made this 10th day of August, 2023, between the CITY OF STURGEON BAY, WISCONSIN, a Wisconsin municipal corporation (the "City") and JPEJ, LLC, ("Developer").

RECITALS

A. The City has fee title to 5.47 acres of property abutting S. Hudson Avenue, consisting of parcel no. 2816818000607B, and more particularly described in Section A.1 below (the "Property").

B. The City determined that the Property should be developed into single-family residential dwellings suitable for the City's and region's workforce. Such development is consistent with the Property's existing zoning district classification and with the Property's future land use designation under the City's Comprehensive Plan.

C. The Developer has creating house plans and determined such homes can be constructed at costs that are affordable for the City's and region's workforce, subject to the City's financial assistance for the installation of necessary infrastructure to serve the homes.

D. The City has determined it would be beneficial to the health, welfare and prosperity of its residents to provide financial assistance for the Project, in the form of paying the cost of certain infrastructure such as streets and utilities.

E. The City has determined the development and fulfillment, generally, of the terms and conditions of this Agreement are in the vital and best interests of the City and its residents and serve public purposes in accordance with State and local law, because the Project will provide needed workforce housing, expand the City's tax base, and increase property tax revenues in Sturgeon Bay.

F. The City has determined that, but for the City's provision of financial assistance to Developer, the Project would not occur.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are acknowledged, the parties agree as follows:

A. The Property and Project.

1. Legal Description of Project Site. The Property is legally described as follows:

Part of the Northwest ¼ of the Northwest ¼, Section 18, T27N-R26E, City of Sturgeon Bay, Door County, Wisconsin, more fully described as follows:

Lot 2 of Certified Survey Map #2862 recorded in Volume 17, Page 192 as Document #780737

Tax Parcel No. 2816818000607B

2. Project Described. A residential development of approximately 24 single-family dwelling units located on the Property. The lots and homes will front on S. Hudson Avenue and the extensions of S. Geneva Avenue and S. Fulton Avenue. The homes will have several floor plan options and will include attached garages. The homes will be served by municipal sanitary sewer and water and other utilities (the Project).

B. City's General Obligations. The City commits to the following:

1. Creation of Lots. City shall take the necessary steps to create the lots or parcels for the Project as follows:

a. Land Division. The land division may be accomplished by a combination of certified survey map and subdivision plat. All lots shall comply with the Sturgeon Bay Zoning Code and Subdivision Code. The lots shall be approximately 65 feet in width, unless a different size and number of lots is mutually agreed upon by City and Developer.

b. Timing. The City shall create the lots fronting on S. Hudson Ave within 60 days or sooner of approval of this Agreement. Lots fronting on other streets shall be created by April 1, 2024 or before. These deadlines may be extended through mutual agreement of the parties.

2. Infrastructure. City shall be responsible for the costs to design and install the streets and utilities necessary to serve the homes. Infrastructure improvements include sanitary sewer mains and laterals to the property line; water mains and laterals with the curb stop to the property lines; stormwater sewers, site grading, detention ponds and other stormwater management facilities; electrical lines and equipment (except for individual lot services); natural gas lines; CATV; phone service; and streets, curb & gutter, and sidewalks where installed (the Infrastructure).

3. Infrastructure Completion. City shall complete, at its cost, the construction of the Infrastructure serving the Project. The construction shall be completed by December 31, 2024 unless mutually extended. The Infrastructure shall be consistent with the plans developed by the City under section B.2. above. Prior to the commencement of construction of Infrastructure, City shall present plans for the work to Developer for its review and comment.

4. Exclusivity Period for Developer. The City agrees to hold the lots exclusively for the Developer to construct the homes for a period of 5 years after the recording of the subdivision plat. After that five-year period the City may transfer ownership of remaining lots, develop the lots, or use the lots in any manner it desires.

5. Sale of Lots. During the exclusivity period the City agrees to abide by the procedures and requirements for transferring of ownership of the lots and homes as identified in Section D below.

6. Permits and Licenses. The City will cooperate in good faith with respect to all permits necessary for completion of the Project.

C. Developer's General Obligations. The Developer commits to the following:

1. Individual Lot Improvements. Developer is responsible for extending the sanitary sewer and water laterals to the dwelling units as well as other utility services on each lot. Developer (or the homebuyer) is responsible for all final grading and landscaping of the lots. Street trees shall be governed by s. 8.07(10)(a) of the Sturgeon Bay Municipal Code.

2. Building Permits/Approvals. Developer is responsible to obtain, directly or through its agents, all building permits and other permits or approvals required to construct the Project. Nothing in this Agreement shall be deemed prior authorization of City to issue permits or grant approvals.

3. Replatting. The initial cost of dividing the Property into lots shall be the responsibility of the City under section B.1.a. above. However, any costs associated with adjusting lot lines or replatting after the initial creation of the lots or parcels shall be the responsibility of Developer.

4. Construction of Homes. Developer shall construct single-family homes on the lots consistent with the house footprints and floor plans shown in Attachment A. Without City's prior written consent, Developer will not materially change the footprint or floor plan of the homes.

5. General Construction Requirements. Developer shall abide by all of the following in the construction of the infrastructure and homes within the Project:

a. Compliance with Plans. All work shall be in strict compliance with the plans as approved by the State, the City and any other agency entitled to give approval.

b. Quality of Work. All work to be performed by Developer in and on the Property shall be performed in a good and workmanlike manner and consistent with the prevailing industry standards for high quality construction in the Sturgeon Bay area. Developer shall perform all work in compliance with all applicable laws, regulations, ordinances, and permits, and Developer shall at its sole cost and expense obtain and maintain all necessary permits and licenses for such work. Every contractor hired by the Developer shall be licensed and qualified to perform that part of the work assigned to it. Before any such contractor is allowed to perform any such work, the contractor shall comply with the insurance requirements set forth in Section E, below.

c. Compliance with Laws. All work upon the Project site shall comply with all applicable laws, codes and regulations of authorities having jurisdiction over Property at the time of construction.

d. Reports, Information and Inspections. During the period of construction, Developer shall provide the City with information requested by the City concerning the progress of the Project and any issues having a material effect on the Project, when requested. The City may come upon the Property to inspect the Project during normal hours of construction and, upon reasonable advance notice to Developer, which may be verbal notice, at any other time the City deems appropriate for the purpose of inspecting the Project and investigating its status and any matters that may affect the Project and compliance with this Agreement. The City may also discuss the status of construction with Developer's general contractor and any subcontractor or material supplier for the Project.

e. Debris. Until the Project is finished, without the requirement of notice from the City, Developer shall keep the Property and adjoining streets clean and free of construction debris. If the City does give Developer notice of the need to clean up any debris identified by the City, Developer shall complete such clean up within 24 hours of receipt of the City's notice. Any debris not so removed or cleaned up with the 24-hour period may be removed or cleaned by the City at Developer's expense.

6. Sale of Homes. Developer agrees to abide by the procedures and requirements for transferring of ownership of the homes as identified in Section D below.

7. Cooperation. Developer will fully cooperate with the City in the performance of its obligations under this Agreement.

D. Purchase of Lots/Homes.

1. Timing. The City shall retain ownership of the lots until completed homes are ready to be transferred to the homebuyers. The transfer of ownership shall occur as soon as practical after both the completion of the home and an accepted offer to purchase by the homebuyer.

2. Price. The purchase price shall be as identified in Attachment A for each house style, plus the cost for any upgrades that were included in the home construction at the request of the homebuyer. City agrees to periodic adjustments to the purchase prices based upon changes in the costs of construction materials or other factors. There shall be no more than two price adjustments per year and such adjustments shall be agreed upon between the City and Developer.

3. City Compensation. In lieu of receiving compensation for the lots, the City agrees to accept a deferred special assessment for each lot sold as described in section D.6 below.

4. Homebuyer Restriction. The homebuyer shall be an active full-time employee of a Door County based business at the time of closing the sale of the lot/home. The City shall approve all prospective homebuyers for reasonable compliance under this provision.

5. Deed Restriction. Every sale of homes shall include a deed restriction that prevents the future lease of the home for periods of less than 28 consecutive days. The intent of the deed restriction is to prevent the homes from being used as short-term rentals/tourist rooming houses.

6. Deferred Special Assessment. Every sale of homes shall include a deferred special assessment.

a. Amount. The amount of the deferred special assessment shall be equal to the pro-rated cost of providing the city-funded portion of the Infrastructure serving the lots.

b. Forgiveness of Special Assessment. On the anniversary of the closing of the sale of the home, one-sixth of the original assessment amount shall be forgiven, provided the initial homebuyer continues to own the home.

c. End of Deferment. Upon sale of the home to a subsequent homebuyer, the remaining portion (if any) of the deferred special assessment shall become due and shall be paid in full to the City at the closing, except as provided in the following subsection.

d. Exceptions. The City may continue the deferred special assessment for subsequent homebuyers in the following circumstances:

- i. Transfers of ownership due to marriage, divorce, or other circumstances whereby the residency of the original employee/homebuyer is not affected.
- ii. Sales to subsequent homebuyers whereby the sale price for the home is limited to not more than the initial purchase price plus an inflation factor, which shall be the percentage increase of the consumer price index during the months that the initial homebuyer owned the home. This exception shall only apply if the subsequent homebuyer meets the criterium under section D.4 above. Under this provision the deferred special assessment shall continue to be deferred and shall continue to be forgiven as described under section D.6.b. above.

E. Insurance.

1. Coverage Types and Amounts. Developer shall deliver to the City certificates of insurance, copies of endorsements, and other evidence of insurance Developer is required to purchase and maintain, or cause to be purchased or obtained by contractors or other vendors, in the types and amounts of coverage as listed below:

a. Workers Compensation and Related Coverage. Workers compensation coverage as required for state and federal workers, but, in no event less than the following limits: Bodily Injury by Accident - \$100,000 per accident; Bodily Injury by Disease - \$100,000 per employee; and \$500,000 policy limit.

b. Comprehensive General Liability Insurance. Commercial general liability insurance written on a commercial general liability form, protecting Developer and any subcontractor during the performance of work covered by this Agreement from claims or

damages for personal injury, including accidental death, as well as claims for property damages arising from operations under this Agreement, whether such operations are by Developer itself, any contractor, subcontractor, or anyone directly or indirectly employed by any of them. Such coverage shall include an endorsement for completed operations. The amounts of such insurance shall be subject to the following limits: General Aggregate Limit - \$2,000,000; Personal and Advertising Injury Limit (per person/organization) - \$2,000,000; Bodily Injury and Property Damage - \$2,000,000 per occurrence; Fire Legal Liability Damage Limit - \$100,000 per occurrence; Medical Expense Limit - \$10,000 per person.

c. Comprehensive Automobile Liability and Property Damage. Comprehensive Automobile Liability and Property Damage coverage protecting Developer and any subcontractor during the performance of work covered by this Agreement from claims or damages associated with operations of owned, hired, and non-owned motor vehicles. The amounts of such insurance shall be subject to the following limits: Bodily Injury - \$250,000 per person; \$1,000,000 per occurrence; and Property Damage - \$250,000 per occurrence.

d. Umbrella Coverage. Umbrella coverage protecting Developer, its general contractor and any subcontractor during the performance of work covered by this Agreement with limits of \$3,000,000 for bodily injury, personal injury, and property damage on a combined basis with the stated underlying limits of Sections E.1.a to E.1.c above.

e. Builder's Risk Insurance. Builder's Risk insurance for all portions of the Property upon which construction is occurring with coverage equal to the total amount of the construction contracts for any and all such construction activities. Nothing in this Agreement is intended to relieve Developer of its obligation to perform under this Agreement and, in the event of loss, Developer shall use the proceeds of such insurance to promptly reconstruct the damaged or lost improvements.

f. Fire and Casualty Insurance. Upon the construction of any improvements on the Property that are intended to remain in Developer's possession or is in Developer's possession prior to conveyance to third parties as contemplated by this Agreement, Developer shall obtain and keep in full force adequate fire and casualty insurance with coverage in an amount equal to and adequate to rebuild improvements to their original condition. In the event of loss, Developer shall use the proceeds of such insurance to promptly reconstruct the damaged or lost improvements.

2. General Requirements. All policies of insurance shall be written by insurance companies authorized to do business in the state of Wisconsin. Before commencement of construction, the Developer shall file with the City certificates of insurance and copies of the required policies and all endorsements thereto, setting forth that all required coverage is in full force and effect.

F. Representations and Warranties and Covenants of Developer.

Developer represents and warrants to the City and covenants with the City as follows:

1. Accuracy of Documents. All copies of documents, contracts and agreements Developer has furnished to the City are true and correct in all material respects.
2. Taxes. Developer has paid, and will pay when due, all federal, state and local taxes, and will promptly prepare and file returns for accrued taxes prior to any taxes becoming delinquent.
3. Payment of Contractors and Material Suppliers. Developer will timely and fully pay for all work performed and materials furnished for the Project.
4. Liens. Developer shall not cause or allow any lien to attach to the Property. If any lien, including, without limitation, any construction lien, is filed against the Property, Developer will notify the City and cause such lien to be discharged through payment, as provided by statute or bonded over in an amount satisfactory to the City within 60 days of the filing of such lien, irrespective of the merits of the lien claim and shall provide proof of such discharge or bonding to the City within in such 60 days.
5. Statements and Information True. No statement of fact by Developer contained in this Agreement and no statement of fact or other information furnished or to be furnished by Developer to the City pursuant to this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading at the time when made.
6. Organization. Developer is a for-profit limited liability company, duly formed and validly existing under the laws of the State of Wisconsin and has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business. Developer is duly licensed or qualified to do business and in good standing in the State of Wisconsin and all other jurisdictions in which failure to do so would have a material adverse effect on its business or financial condition.
7. Authority. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action of Developer and constitute the valid and binding obligations of Developer enforceable in accordance with their terms, subject only to applicable bankruptcy, insolvency, reorganization, moratorium, general principles of equity, and other similar laws of general application affecting the enforceability of creditors' rights generally. The person who executes this document has been duly authorized by all necessary company action to execute and deliver this Agreement and to bind Developer to its terms
8. No Violations. The execution, delivery, and performance of Developer's obligations pursuant to this Agreement will not violate or conflict with Developer's organizational documents or any instrument or agreement by which Developer is bound, nor will the execution, delivery, or performance of Developer's obligations pursuant to this Agreement violate or conflict with any law, order, rule or regulation of any court or of any federal, state or municipal regulatory

body or administrative agency or other governmental body having jurisdiction over Developer or any portion of the Property.

9. No Litigation. There is no litigation or proceeding pending or threatened against or affecting Developer that would adversely affect Developer or the enforceability of this Agreement, the ability of Developer to complete the Project or the ability of Developer to perform its obligations under this Agreement.

At all times during the term of this Agreement, the representations and warranties contained herein shall be true and Developer shall comply with all covenants contained herein.

G. Representations and Warranties and Covenants of City. The City hereby warrants and represents to the Developer that:

1. Authority. Subject to the approval of City Common Council, the execution, delivery, and performance of this Agreement and the consummation of the transactions contemplated hereby are hereby duly authorized and approved by the City, and no other or further acts or proceedings of the City or its officials are necessary to authorize and approve the execution, delivery, and, subject to annual appropriation by the City Common Council, performance of this Agreement, and the matters contemplated hereby.

2. Enforceability. This Agreement, the exhibits, documents, and instruments associated herewith and made a part hereof, have, if applicable, been duly executed and delivered by the City and constitute the legal, valid, and binding agreement and obligation of the City, enforceable against the City in accordance with their respective terms, except as the enforceability thereof may be limited by applicable law.

H. Further Compliance with Laws.

1. Public Protection & Safety: The City and Developer shall each take all steps necessary to avoid damage, bodily injury or death arising out of the improvements whether from maintaining an "attractive nuisance" or otherwise.

2. Compliance with Environmental Laws. Developer shall ensure the Property shall remain free of Hazardous Materials, except to the extent Hazardous Materials are temporarily necessary to be on the Property for purposes of construction of the improvements, and then only as are being stored and handled in strict compliance with all Environmental Laws. Developer shall provide the City with copies of all environmental reports pertaining to the Property no later than ten days after receiving the same. As used herein, the term "Hazardous Materials" means (i) hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases, including but not limited to substances defined as "hazardous wastes," "hazardous substances," "toxic substances," "pollutants," "contaminants," "radioactive materials," or other similar designations in, or otherwise subject to regulation under, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, 42 U.S.C. 9601 et seq.; the Toxic Substance Control Act, 15 U.S.C. 2601 et seq.; the Hazardous Materials Transportation Act, 49 U.S.C. 1802; the Resource Conservation and Recovery Act, 42 U.S.C. 9601. et seq.; the Clean Water Act, 33 U.S.C. 1251; the Safe Drinking

Water Act, 42 U.S.C. 300f et seq.; the Clean Air Act, 42 U.S.C. 7401 et seq.; and in any permits, licenses, approvals, plans, rules, regulations or ordinances adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar federal, state or local laws, regulations, rules or ordinances now or hereafter in effect relating to environmental matters (collectively, "Environmental Laws"); and (ii) any other substances, constituents or wastes subject to any applicable federal, state or local law, regulation or ordinance, including any Environmental Law, now or hereafter in effect, including but not limited to (A) petroleum, (B) refined petroleum products, (C) waste oil, (D) waste aviation or motor vehicle fuel and (E) asbestos containing materials.

3. Nondiscrimination. In the performance of improvements under this Agreement, the Developer shall not discriminate against any employee or applicant for employment nor shall the Property or any portion thereof be sold to, leased or used by any party in any manner to permit discrimination or restriction on the basis of race, religion, marital status, age, color, sex, sexual orientation, physical condition, disability, national origin or ancestry. The construction of the improvements shall comply with all effective laws, ordinances and regulations relating to discrimination on any of the foregoing grounds. Any additional costs that may be incurred by the Developer to comply with this provision shall be borne by Developer.

I. Indemnification.

1. General Indemnification. In addition to, and not to the exclusion or prejudice of, any provisions of this Agreement, Developer shall indemnify and save harmless the City, its council members, officers, employees, agents, attorneys and insurers, and the respective successors and assigns of all of them (each an "Indemnified Party") and shall defend the same, from and against any and all liabilities, claims, losses, damages, interest, actions, suits, judgments, costs, and expenses, including reasonable attorneys' fees, and the like to whomsoever owed and by whomsoever and whenever brought or obtained, which may in any manner, directly or indirectly, result from, relate to, or arise in the course of, any act or failure to act by Developer in connection with its development of the Project (each, an "Indemnified Claim"), including without limitation:

- a. Any breach by Developer of the terms of this Agreement;
- b. any negligent acts of Developer, any professional and any contractor that provides services, labor or material for the Project;
- c. any non-compliance with laws, ordinances, rules or regulations applicable to Developer's obligations under this Agreement;
- d. the design, development, or construction of the Project; or
- e. any governmental, regulatory or other proceedings to the extent any such proceedings result from Developer's failure to comply with its obligations under this Agreement or otherwise.

2. No Limitation on Indemnity. In any and all claims against one or more of the Indemnified Parties by any employee of the Developer, any contractor, anyone directly or indirectly employed by any of them or anyone for whose acts any of them may be liable, the indemnification obligation under this section shall not be limited in any way by any limitation on the amount or type of damages, compensation or benefits payable by or for the Developer or any contractor under Workers' Compensation Acts, disability benefit acts or other employee benefit acts.

3. Indemnification Procedures. Developer shall promptly assume full and complete responsibility for the investigation, defense, compromise and settlement of any claim, suit or action arising out of or relating to an Indemnified Claim following written notice thereof from an Indemnified Party, which notice shall be given by the Indemnified Party within 10 days of the Indemnified Party gaining actual knowledge of such Indemnified Claim. Failure to provide such timely notice shall not eliminate Developer's indemnification obligations unless, and only to the extent to which, such failure has substantially prejudiced Developer. The Indemnified Claim shall be defended by legal counsel reasonably acceptable to the Indemnified Party. If the Indemnified Party originally approves of such defense counsel, but later disapproves, Developer shall retain counsel that is reasonably acceptable to the Indemnified Party. Notwithstanding the foregoing, in its sole discretion and at its expense, an Indemnified Party may participate in or defend or prosecute, through its own counsel(s), any Indemnified Claim for which it is entitled to indemnification by Developer; provided, however, that if the Indemnified Party is advised in writing by its legal counsel that there is a conflict between the positions of Developer and the Indemnified Party in conducting the defense of such Indemnified Claim or that there are legal defenses available to the Indemnified Party different from or in addition to those available to Developer, then at Developer's expense, counsel for the Indemnified Party, shall be entitled to conduct the defense only to the extent necessary to protect the interests of the Indemnified Party. Developer shall not enter into any compromise or settlement without the prior written consent of the Indemnified Party and, if the Indemnified Party is not the City, the City, which consent shall not be unreasonably withheld. The absence of a complete and general release of all claims against the Indemnified Party shall be reasonable grounds for the Indemnified Party to refuse to provide written consent to a compromise or settlement. To the extent Indemnified Claims have been made against them, the Indemnified Parties shall reasonably cooperate in the defense or prosecution of any claim hereunder, including the retention of and access to records and, as to current employees and personnel only, making employees and other personnel available on a mutually convenient basis to provide such information as the Indemnified Party may have regarding the matter in issue and an explanation of any material provided or made available. No failure of an Indemnified Party to cooperate as set forth above shall affect Developer's obligation to defend any other Indemnified Party. If Developer does not assume the defense of such Indemnified Claim, Developer shall reimburse the Indemnified Party for the reasonable fees and expenses of counsel(s) retained by the Indemnified Party and shall be bound by the results obtained by the Indemnified Party; provided, however, that no such Indemnified Claim shall be settled without Developer's prior written consent, which consent shall not be unreasonably withheld. The absence of a complete and general release of all claims against Developer shall be reasonable grounds for Developer to refuse to provide written consent to a compromise or settlement.

J. Default.

1. Events of Default. The occurrence of any one or more of the following events shall constitute a default ("Default") hereunder:

a. Failure to Pay. Developer or the City fails to pay any amounts due from it under this Agreement on or before the date when due and such failure shall continue for 10 days following notice thereof from the other party;

b. Other Failures under this Agreement. Developer fails to timely perform or observe any of its covenants or obligations (other than payment obligations) under this Agreement, or the City fails to timely perform its obligations under this Agreement, and such failure continues for 30 days following notice thereof from the other party (or such longer period of time as is necessary to cure the default as long as (i) the failing party has commenced the cure of the default within the 30-day period, (ii) the failing party is diligently pursuing the cure of the default, and (iii) the default is cured not later than 90 days following the notice thereof from the other party);

c. Insurance and Dangerous Conditions. Section 1(b) above notwithstanding, if the Default is a failure to keep required insurance in force or results or threatens to result in imminent harm to persons or property, as determined by the City in its sole discretion, the cure period will be two business days, during which time Developer shall cease all operations upon the Property except, in the case of imminent harm, those operations dedicated to curing such condition;

d. Untrue Representations and Warranties. Any representation or warranty made by Developer or City in this Agreement, or any document or financial statement delivered pursuant to this Agreement, was false in any material respect as of the time when made or given;

e. Abandonment and Delay. Active and visible construction work of any portion of the Project is not occurring for more than 30 consecutive days or a total of 90 days or if any portion of the Project is damaged by fire or other casualty and is not repaired, rebuilt or replaced as required in this Agreement;

f. Insolvency. Developer: (i) becomes insolvent or does not pay, or is unable to pay, or admits in writing its inability to pay, its debts as they mature; or (ii) makes a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its assets; or (iii) becomes the subject of an "order for relief" within the meaning of the United States Bankruptcy Code, or files a petition in bankruptcy, for reorganization or to effect a plan or other arrangement with creditors; or (iv) has a petition or application filed against it in bankruptcy or any similar proceeding, or has such a proceeding commenced against it, and such petition, application or proceeding remains undismissed for a period of 90 days or Developer files an answer to such a petition or application, admitting the material allegations thereof; or (v) applies to a court for the appointment of a receiver or custodian for any of its assets or properties, or has a receiver or custodian appointed for any of its assets or properties, with or without consent, and such receiver is not discharged within 90 days after appointment; or (vi) adopts a plan of complete liquidation of its assets;

g. Cessation of Existence. Developer is dissolved or ceases to exist;

h. Fraud and Other Illicit Behavior. Developer or any person having an ownership interest of greater than 25% of Developer is convicted of, pleads no contest to, or enters into any other agreement other than a dismissal with no conditions as to any allegation of: (1) fraud; or (2) indecent or illicit behavior that in the determination of the City would threaten the reputation of Developer or Developer's ability to complete Project according to the requirements of this Agreement or as anticipated; or

i. Default Under Loan Documents. A default occurs on any indebtedness of or loan to Developer relating to the Project or any agreement providing security for such indebtedness.

2. Remedies.

a. Available Remedies. Upon the occurrence of any Default, without further notice, demand or action of any kind by the non-defaulting party, the non-defaulting party may pursue any or all of the rights and remedies available to it at law and/or in equity and/or under this Agreement against the defaulting party, including without limitation,

(i) Termination. Terminate this Agreement by written notice to the defaulting party;

(ii) Offset and Recoupment. If Developer defaults, the City may offset or recoup against any amounts that may then or thereafter come due from City to the Developer, whether under this Agreement or otherwise, an amount of damages reasonably estimated by the City resulting from Developer's breach;

(iii) Specific Performance. Sue for specific performance; and/or

(iv) Sue for Damages. Sue for all damages caused by the Default.

In addition, the non-defaulting party shall have the right to suspend performance of any of its obligations or covenants under this Agreement, including, without limitation, in the case of the City, the obligation to make payments to Developer.

b. Remedies Cumulative. All remedies are cumulative. i.e., no election by the non-defaulting party of one remedy available to it will preclude the non-defaulting party from exercising any or all other remedies listed above or at law or in equity.

c. No Waiver. No failure or delay on the part the City in exercising any right or remedy shall operate as a waiver thereof nor shall any single or partial exercise of any right preclude other or further exercise thereof or the exercise of any other right or remedy.

d. City's Right to Cure Default. In case of failure by Developer to pay any fees, assessments, charges or taxes arising with respect to the Project or to comply with the terms

and conditions of this Agreement, the City may pay such fees, assessments, charges or taxes or take such action as it deems, in its sole discretion, to be necessary to remedy the failure of Developer, and, in that event, the cost thereof shall be payable by Developer to the City upon demand.

e. Interest. Any amount of money owed by one party to the other that is not paid when and as due shall accrue interest from the date due until the date paid at the rate of 12% per annum.

f. Attorney Fees. In any legal proceeding to interpret or enforce the terms of this Agreement, the prevailing party shall be entitled to collect the costs and expenses, including, but not limited to attorneys' fees and costs, incurred, whether the same were incurred before, during or in the enforcement of judgment or award resulting from, such legal proceeding. In any such action, the parties shall request that the presiding official make a specific finding as to which of the parties is the prevailing party.

g. Limitation of Damages. Under no circumstances will the City or its elected officials, officers, employees, agents, attorneys, insurers of any of the successors and assigns thereof be liable to Developer or any member, officer, employee, agent, attorney, insurer, surety or any successor or assign of any of the same for any indirect, incidental, consequential, exemplary or punitive damages. The City reserves all rights to the immunity and damage limitations set forth in the Wisconsin Statutes, including in §893.80 thereof. Likewise, under no circumstances will the Developer or its officers, employees, agents, attorneys, insurers of any of the successors and assigns thereof be liable to the City or any elected official, officer, employee, agent, attorney, insurer, surety or any successor or assign of any of the same for any indirect, incidental, consequential, exemplary or punitive damages.

K. Miscellaneous.

1. Termination of Agreement. Unless otherwise specifically provided, this Agreement shall terminate upon the occurrence of the earlier of: (a) the parties signing an agreement to terminate; (b) the sale of all of the lots created under Section B.1.a; and (c) five years from the date of creation of the subdivision plat.

2. Assignment. Except as set forth in Section K.3 below, Developer may not assign this Agreement or any of its rights under it without prior written consent of the City, which the City may withhold in its absolute discretion. Any permitted assignment shall be bound by all of the provisions of this Agreement. Nothing shall prevent Developer from establishing an operating entity for the purpose of constructing improvements to or operating the facility, provided Developer first provides the City with evidence satisfactory to the City in its sole discretion, of the ability, including financial ability, of such entity to timely and fully perform all of Developer's obligations and covenants under this Agreement. Any such entity shall construct the improvements and operate the facility in accordance with all provisions of this Agreement.

3. Collateral Assignment. Developer may assign its rights and obligations under this Agreement to a lender or lenders, solely for purposes of providing collateral security for a loan

issued to Developer for the purposes of the construction and development of the Project. Any such assignment shall be contingent upon, or become effective only following, the occurrence of an event of default by the Developer under the terms of the loan. So long as Developer has notified the City of the identity and contact information for its lender, the City will use reasonable efforts to notify Developer's lender of any Event of Default by Developer hereunder. Any such assignment shall be of the right to receive payments on the City Contribution only, and no such assignment shall relieve Developer of any of its obligations to the City hereunder.

4. Governing Law. This Agreement has been entered into and will be governed by the laws of the State of Wisconsin, without regard to conflict of laws principles.

5. Exclusive Venue. The exclusive venue for any legal proceeding involving the interpretation or enforcement of this Agreement shall be the circuit court for Door County, Wisconsin, the parties acknowledging that the exclusive venue is the most convenient and appropriate venue or all possible venues.

6. Modifications. No modifications to this Agreement shall be made except in writing signed by the parties.

7. Authority to Execute Agreement. Each of the individuals signing this Agreement represents and warrants to the other party that such individual has been duly authorized to execute this Agreement on behalf of the party they purport to represent.

8. Waiver. No waiver, amendment, or variation in the terms of this Agreement shall be valid unless in writing and signed by the City and Developer, and then only to the extent specifically set forth in writing.

9. Survival. All agreements, representations, warranties, covenants, liabilities and obligations made or imposed in this Agreement or in any document delivered pursuant to this Agreement shall survive the execution and delivery of this Agreement. Any provision in this Agreement that has not been fully performed prior to transfer of possession shall not be deemed to have terminated, but, unless expressly waived in writing, shall survive such transfer of possession and be in force and effect until performed.

10. Notices. All communications or notices required or permitted by this Agreement shall be in writing and shall be deemed to have been given (i) upon delivery to an officer of the person entitled to such notice, if hand delivered, or (ii) two business days following deposit in the United States mail, postage prepaid, or one day following deposit with a nationally recognized overnight commercial carrier that will certify as to the date and time of delivery, air bill prepaid, or (iii) upon transmission by e-mail, provided (a) the sender does not receive a transmission failure message and (b) if the email is sent after 5:00 p.m. Central Time, it shall be deemed received on the next business day, i.e., a day on which the City is open for business. Each such communication or notice shall be addressed as follows, unless and until any of such parties notifies the other of a change of address:

If to Developer: Paul Shefchik
810 S Lansing Ave
Sturgeon Bay, WI 54235
Email: pshefchik@portsidebuilders.com

With a copy to: Joe Shefchik
916 S Monroe Ave
Green Bay, WI 54301
Email: jshef868@gmail.com

If to the City: City of Sturgeon Bay
421 Michigan Street
Sturgeon Bay, WI 54235
Attn: Mayor
Email: sbmayor@sturgeonbaywi.org

With a copy to: City of Sturgeon Bay Community Development Dept
421 Michigan Street
Sturgeon Bay, WI 54235
Attn: Marty Olejniczak
Email: molejniczak@sturgeonbaywi.org

With a copy to: Amundsen Davis
318 S. Washington St, Suite 300
Green Bay, WI 54301
Attention: James M. Kalny
Email: jkalny@amundsendavislaw.com

11. Entire Agreement. This Agreement and the documents executed pursuant to this Agreement contain the entire understanding of the parties with respect to the subject matter hereof.

12. Severability. Any provision of this Agreement that is determined to be unenforceable shall be ineffective to the extent of such determination without invalidating the remaining provisions of this Agreement.

13. No Joint Venture. Nothing in this Agreement or any other documents executed pursuant to this Agreement, shall be construed as creating a partnership or joint venture between the City and Developer or between the City and any other person, or cause the City to be responsible in any way for the debts or obligations of Developer or any other person. Developer shall not make any assertion inconsistent with this paragraph.

14. Time of the Essence. Time is of the essence of each and every obligation or agreement contained in this Agreement.

15. Force Majeure. The time for performance of any term, covenant, or condition of this Agreement shall be extended by any period of unavoidable delays. In this Agreement, "unavoidable delays" means delays beyond the reasonable control of the party obligated to perform

the applicable term, covenant, or condition under this Agreement and shall include, without limiting the generality of the foregoing, delays attributable to adverse environmental conditions (such as contaminated soil or groundwater), adverse weather conditions, acts of God, the actions of any other party in this Agreement, strikes, labor disputes, epidemic, pandemic, government restrictions, court injunctions, riot, civil commotion, acts of public enemy and casualty or delay in obtaining any necessary permit from any governmental agency (each, a "Force Majeure Event"). The foregoing notwithstanding, extension of time under this Section K.15 shall not continue for a period of 90 days in the aggregate for all Force Majeure Events without the written consent of the other party, which consent shall not be unreasonably withheld.

16. Headings. The headings in this Agreement are for reference only and are not intended to modify any of the terms and conditions of this Agreement.

17. No Construction Against Drafter. This Agreement is the product of negotiation between the parties hereto and no term, covenant or provision herein or the failure to include a term, covenant or provision shall be construed against any party hereto solely on the basis that one party or the other drafted this Agreement or any term, covenant or condition contained herein.

18. No Personal Interest of Public Employee. No official or employee of the City shall have any personal interest in this Agreement, nor shall any such person voluntarily acquire any ownership interest, direct or indirect, in the Project or this Agreement. No official or employee of the City shall be personally liable to the Developer or any successor in interest, in the event of any default or breach by the City, or for any amount that becomes due to the Developer or Developer's successors under this Agreement.

19. No Third Party Beneficiary Rights. This Agreement is not intended to and shall not be construed to give any Third Party any interest or rights (including, without limitation, any third party beneficiary rights) with respect to or in connection with any agreement or provision contained herein or contemplated hereby.

20. No Joint Venture. Nothing contained herein nor the acts of the parties shall be deemed or construed to create the relationship of principal and agent, partnership, joint venture, or similar relationship or arrangement

21. Counterparts and Signatures. This Agreement may be signed in counterparts. Except as may be required for purposes of recording, photocopied, electronic and facsimile signatures shall have the same effect as original signatures.

[Signature pages follow]

WHEREFORE, the parties have signed this Development Agreement as of the date first written above.

CITY OF STURGEON BAY, WISCONSIN

By: 
David J. Ward, Mayor

Attest: 
Stephanie L. Reinhardt, City Clerk

STATE OF WISCONSIN)
)ss.
DOOR COUNTY)

Personally appeared before me this 10th day of August, 2023, the above-named David J. Ward the Mayor of the City of Sturgeon Bay, Wisconsin, to me known to be the mayor of that city and the person who executed the foregoing agreement on behalf of the City and by its authority.

Name: 
Notary Public, State of Wisconsin
My Commission expires: 3/28/2027

STATE OF WISCONSIN)
)ss.
DOOR COUNTY)

Personally appeared before me this 10th day of August, 2023, the above-named Stephanie L. Reinhardt, the Clerk of the City of Sturgeon Bay, Wisconsin, to me known to be the clerk of that city and the person who executed the foregoing agreement on behalf of the City and by its authority.

Name: 
Notary Public, State of Wisconsin
My Commission expires: 3/28/2027

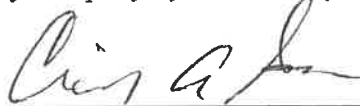
Second signature page to Development Agreement

JPEJ, LLC

By: 
Paul G. Shefchik

STATE OF WISCONSIN)
)ss.
DOOR COUNTY)

Personally appeared before me this 10th day of August, 2023, the above-named Paul G. Shefchik, the managing member of JPEJ, LLC, a Wisconsin limited liability company, to me known to be the managing member of that limited liability company and the person who executed the foregoing agreement on behalf of that limited liability company by its authority.

Name: 
Notary Public, State of Wisconsin
My Commission expires: 3/28/2027

This instrument was drafted by:
Attorney James M. Kalny
Amundsen Davis
318 S. Washington Street, Suite 300
Green Bay, WI 54301

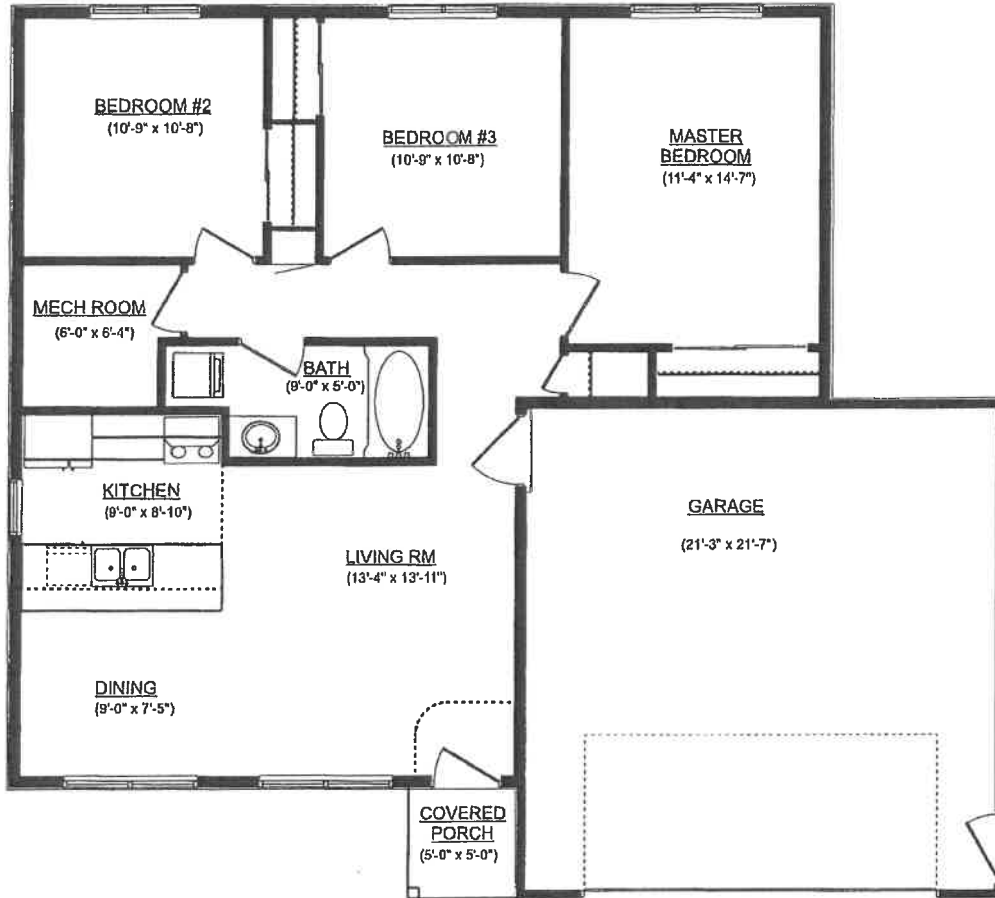
PortSide Builders, Inc.**ATTACHMENT A**

Affordable Housing Project being developed for
City of Sturgeon Bay

7/14/2023

Summary of Current Plans and Pricing

1,064 sf, 3-bedroom, 1-bathroom, 480 sf garage	\$269,900
1,210 sf, 3-bedroom, 1-bathroom, 489 sf garage	\$279,900
1,241 sf, 3-bedroom, 2-bathroom, 552 sf garage	\$294,900
1,295 sf, 3-bedroom, 2-bathroom, 537 sf garage	\$299,900
1,327 sf, 3-bedroom, 2-bathroom, 502 sf garage	\$299,900
1,218 sf, 3-bedroom, 2-bathroom, 506 sf garage	\$304,900

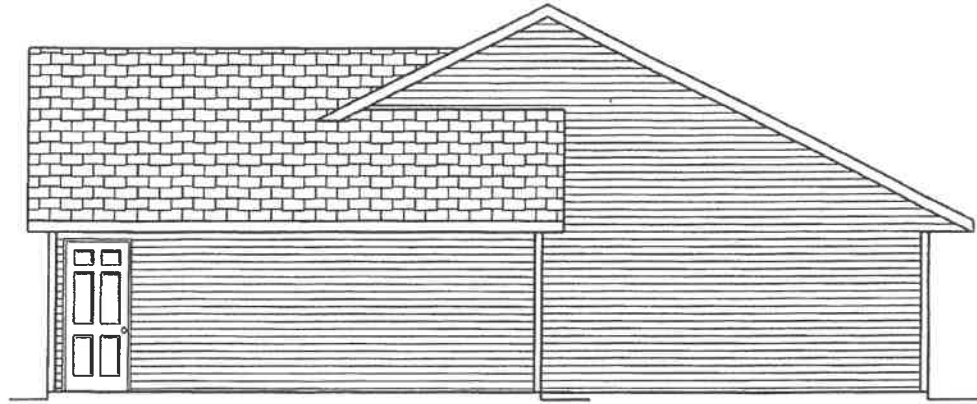


FIRST FLOOR PLAN

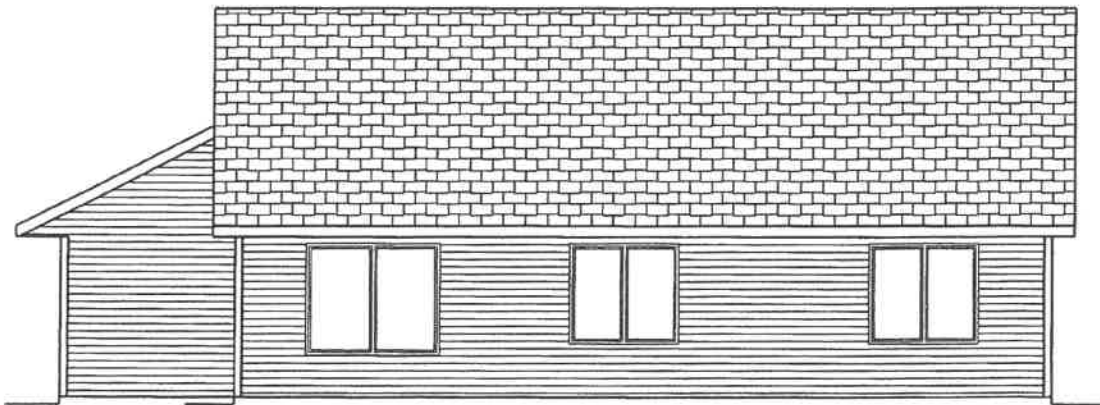
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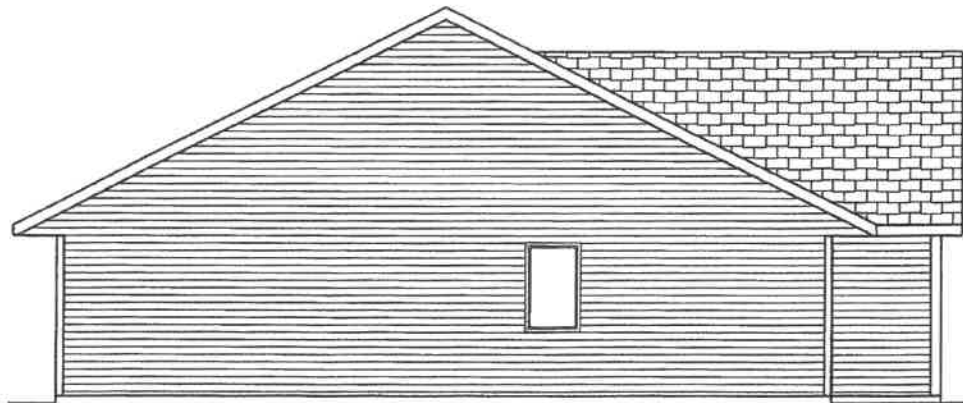
FRONT ELEVATION



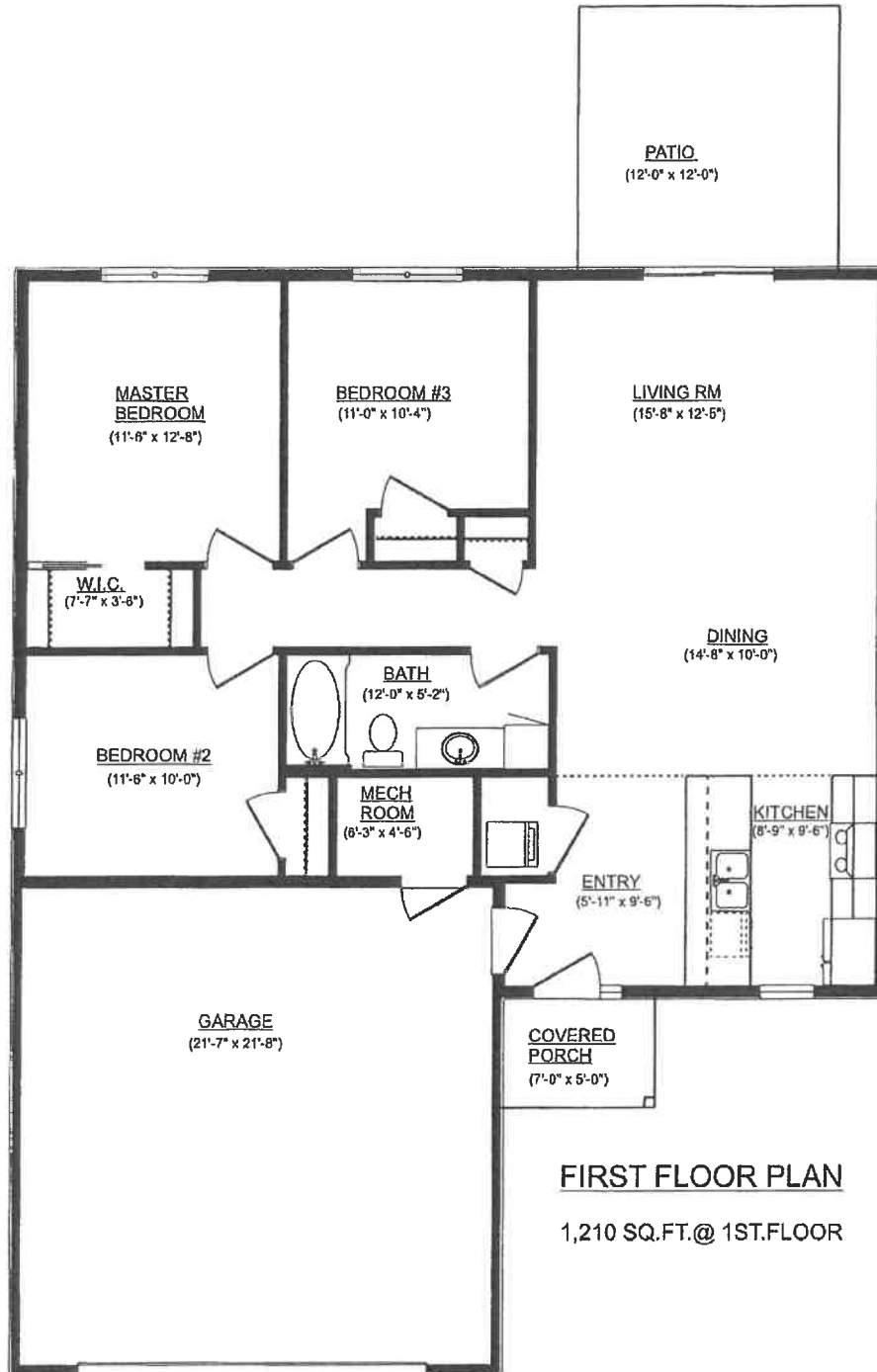
RIGHT SIDE ELEVATION



BACK ELEVATION



LEFT SIDE ELEVATION

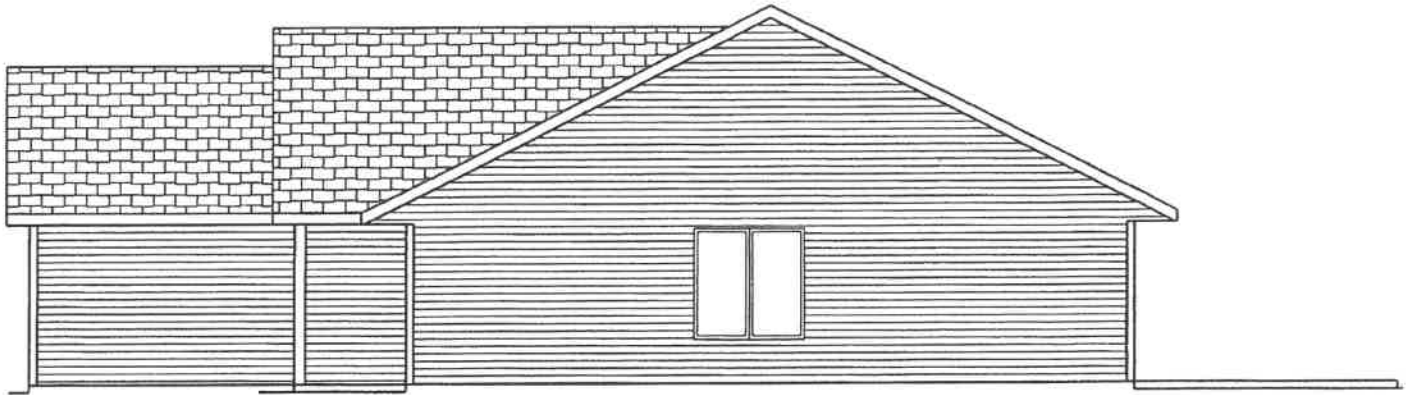


FIRST FLOOR PLAN

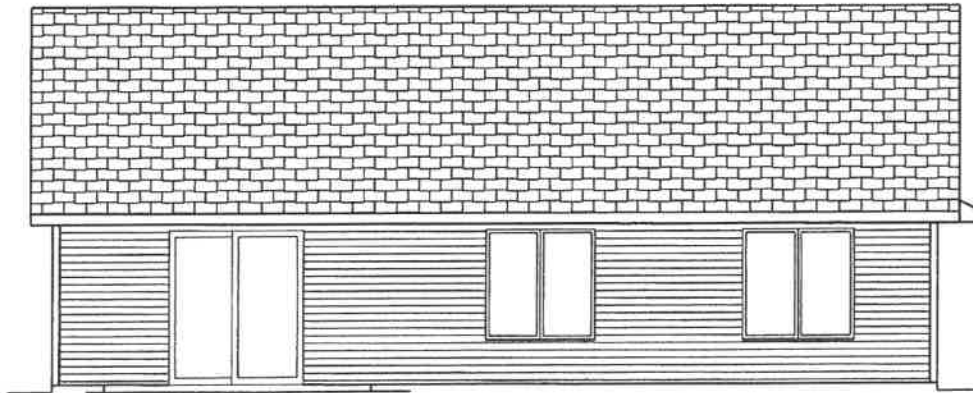
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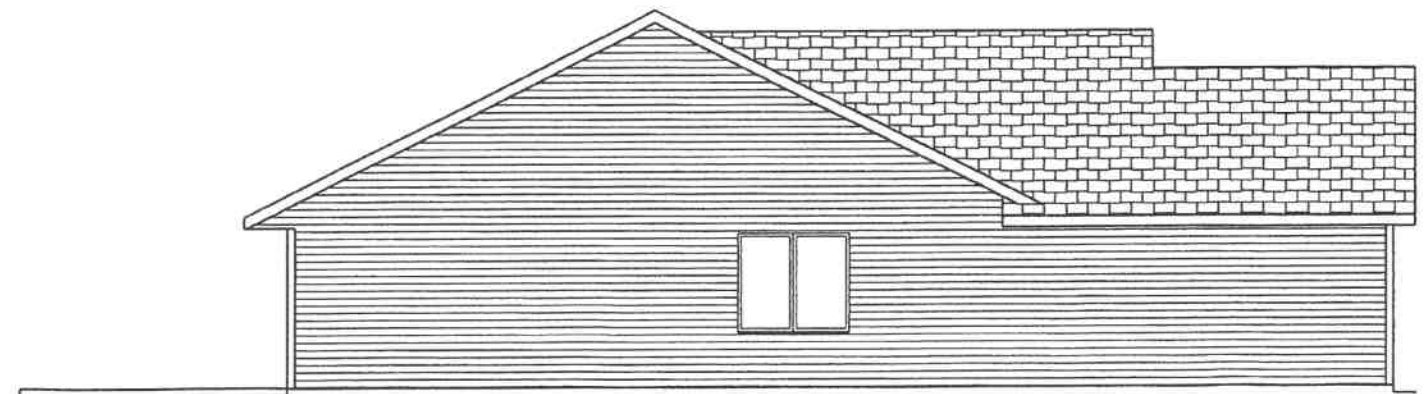
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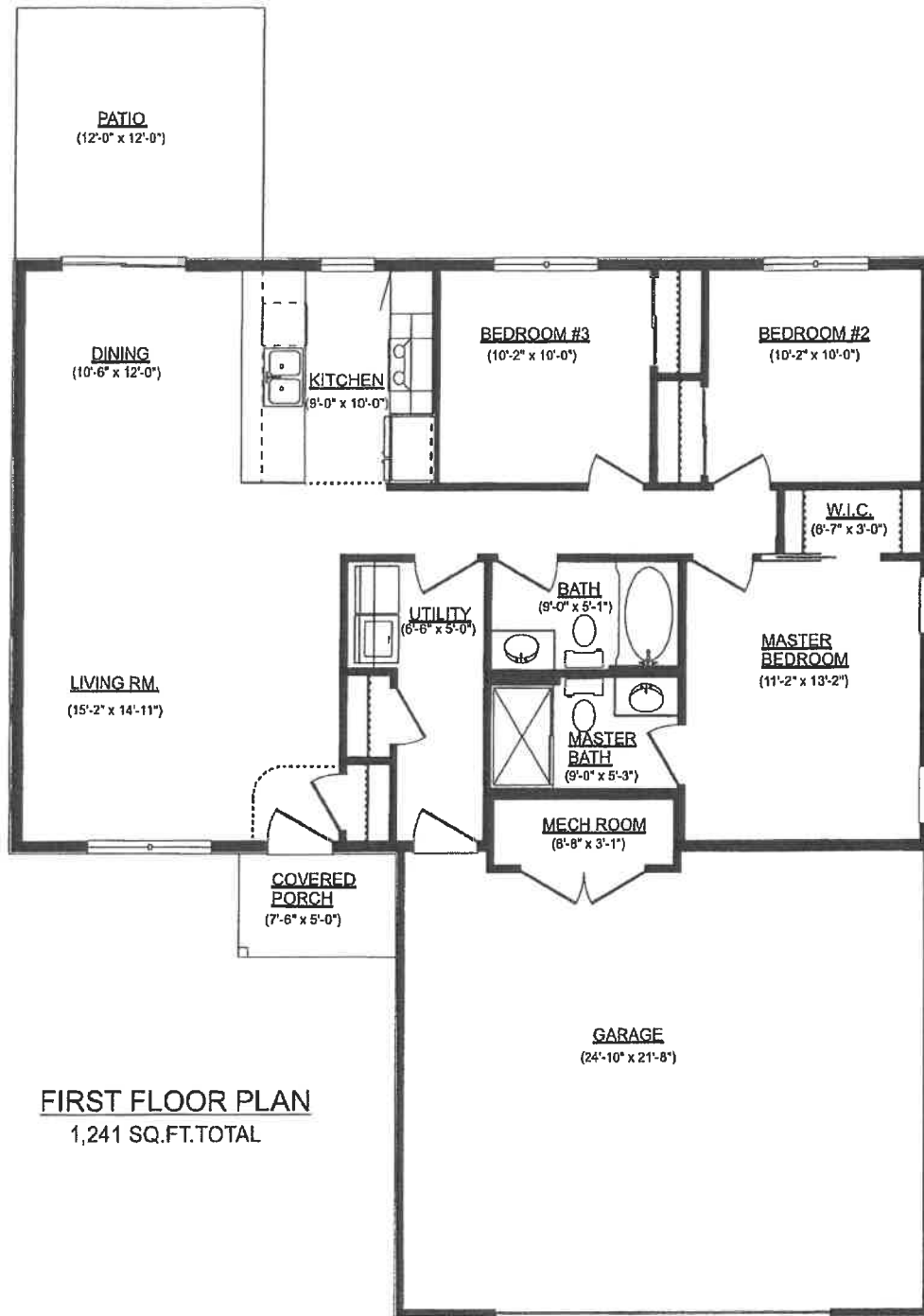
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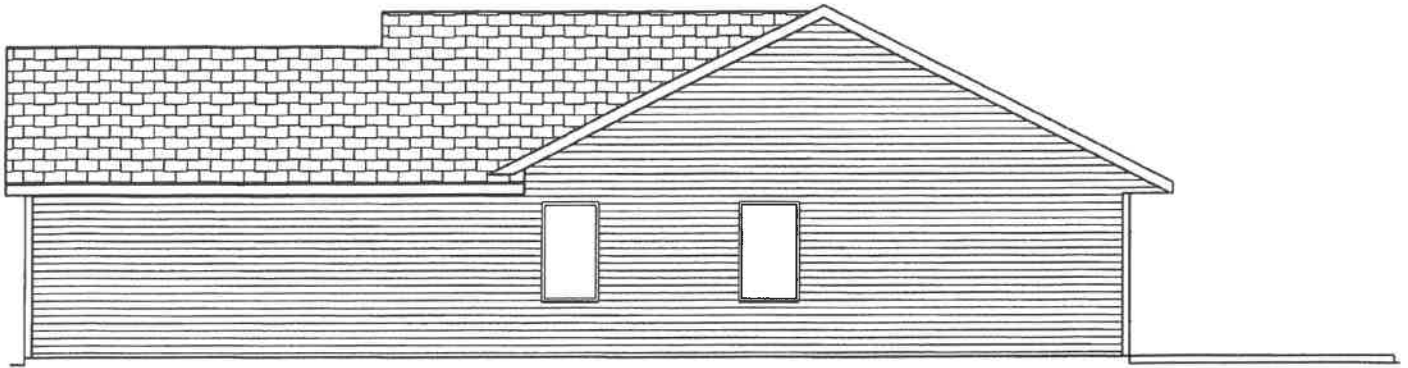
BACK ELEVATION



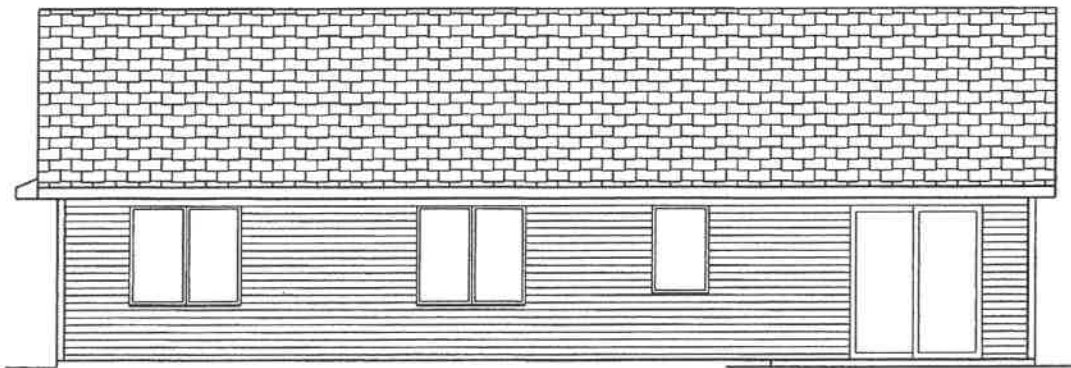
LEFT SIDE ELEVATION



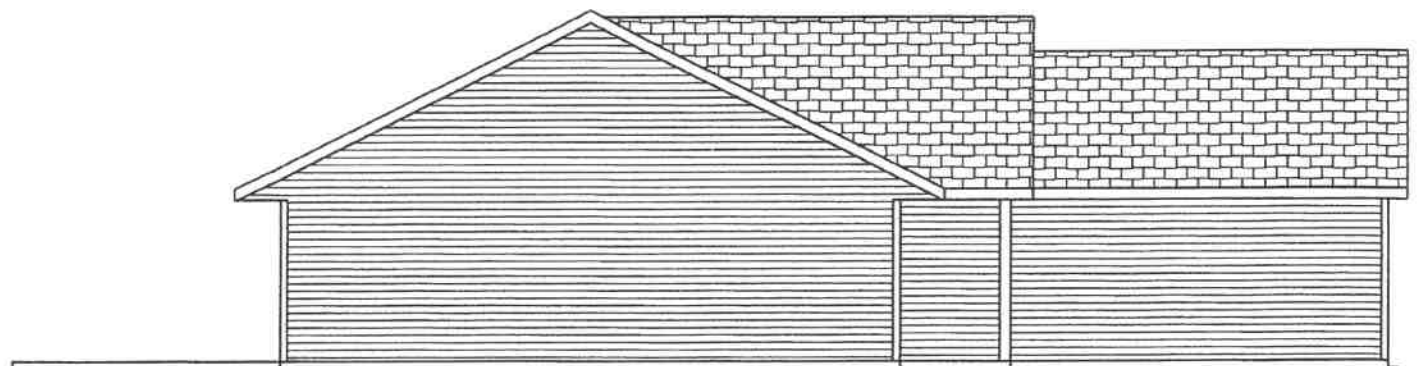
FRONT ELEVATION



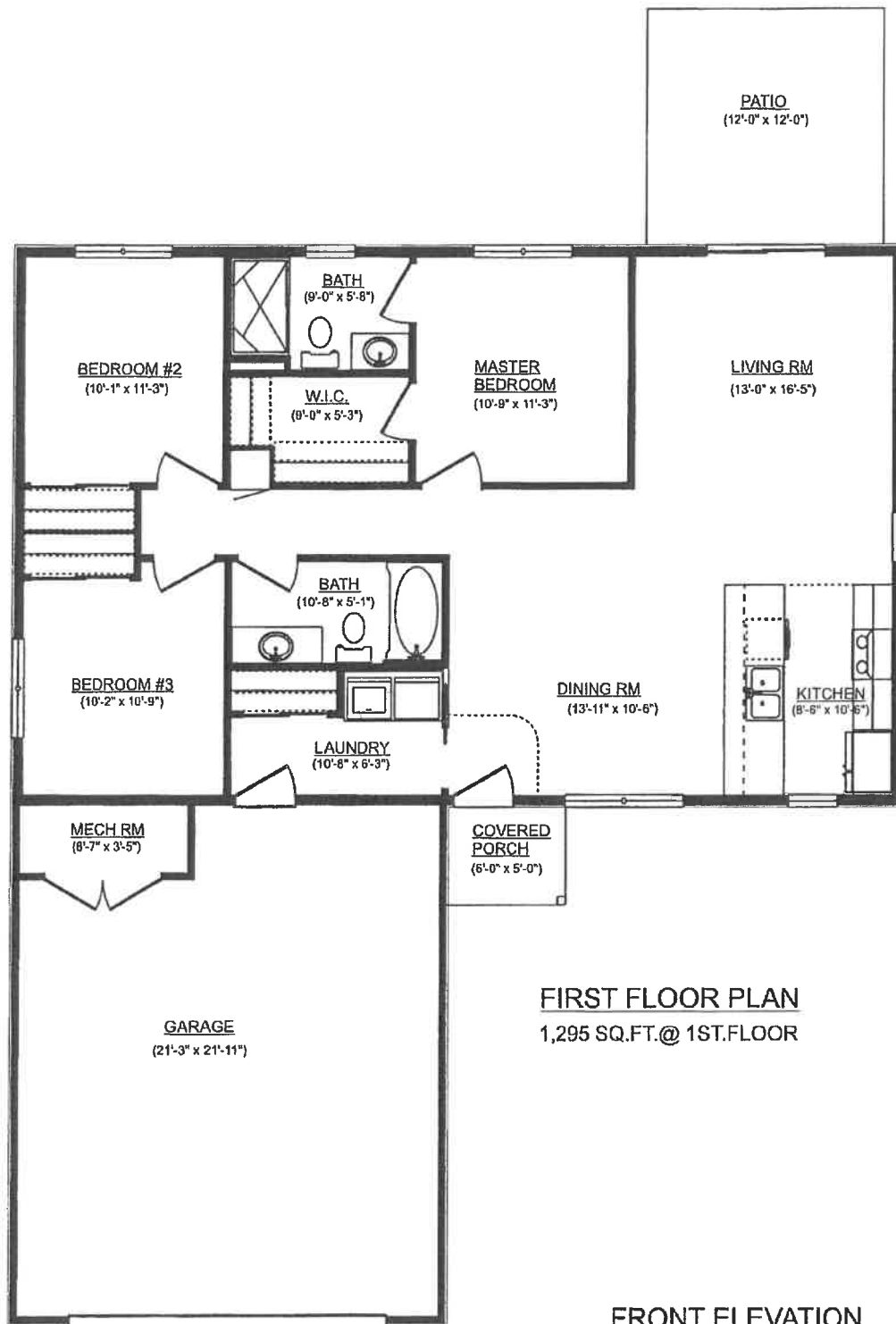
RIGHT SIDE ELEVATION



BACK ELEVATION

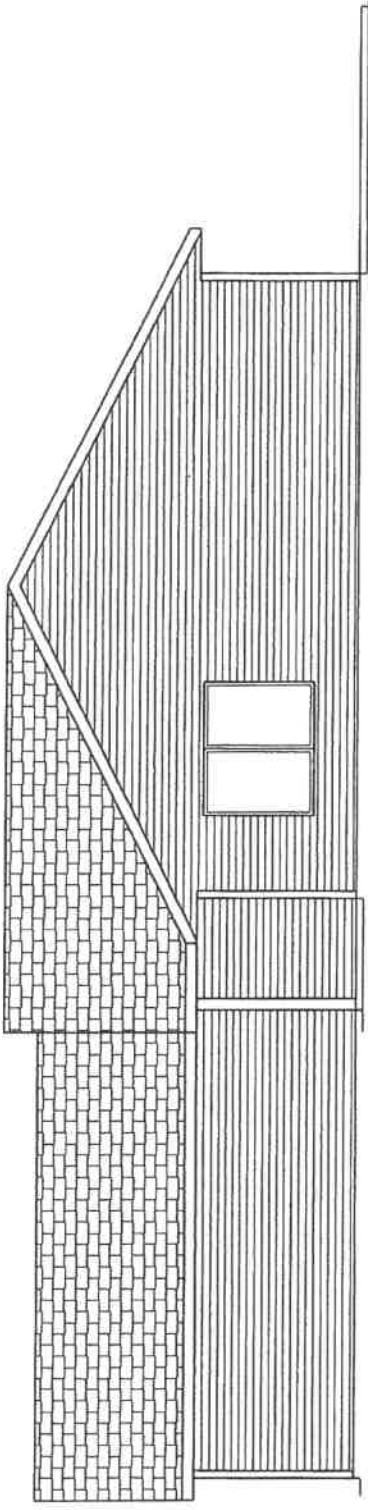


LEFT SIDE ELEVATION

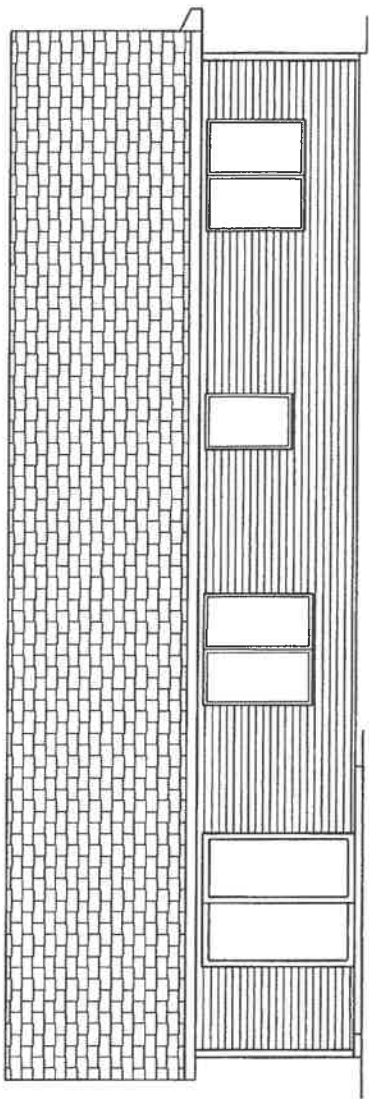


FRONT ELEVATION

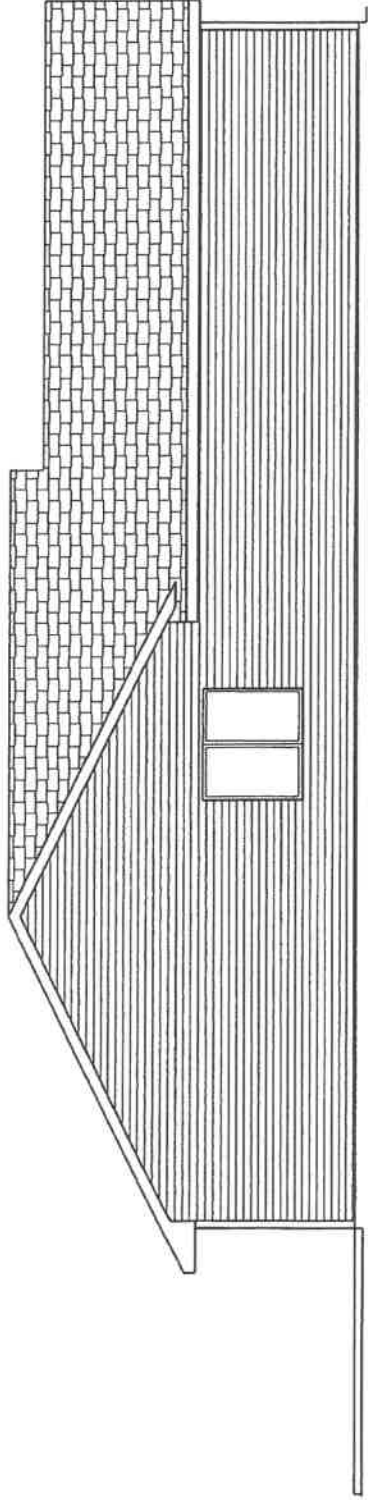




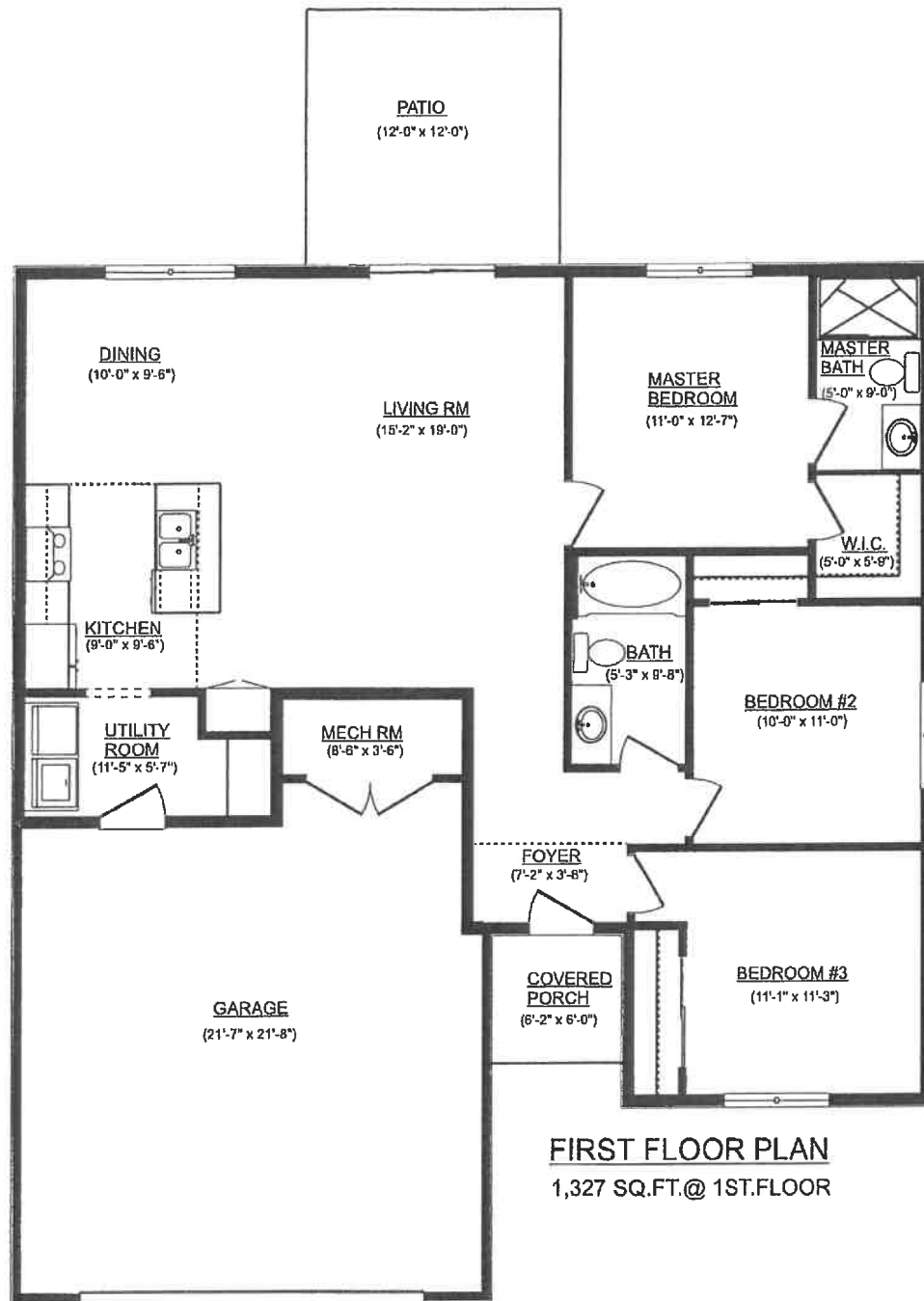
RIGHT SIDE ELEVATION



BACK ELEVATION



LEFT SIDE ELEVATION

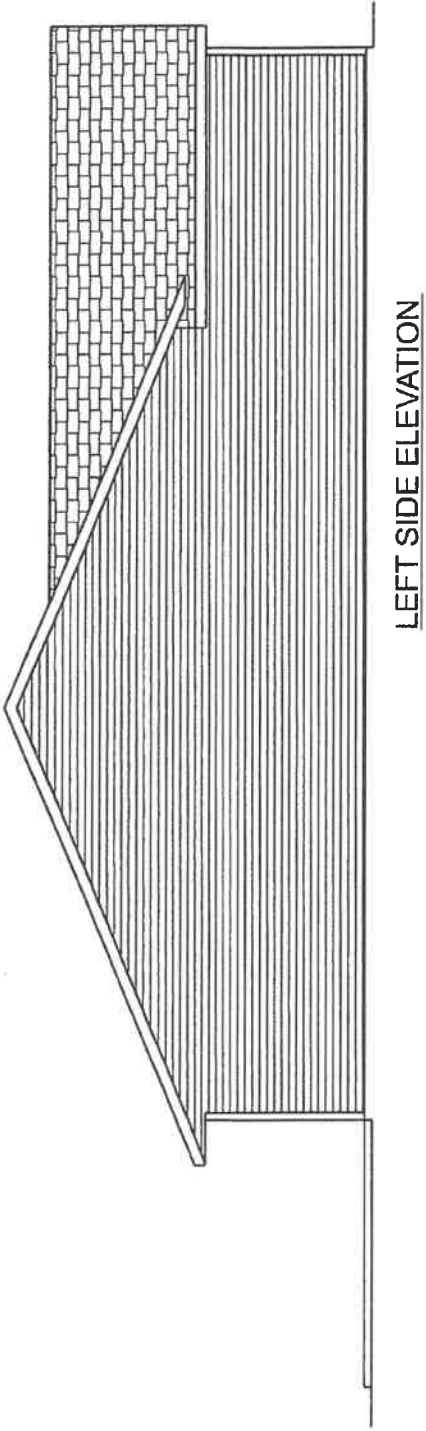
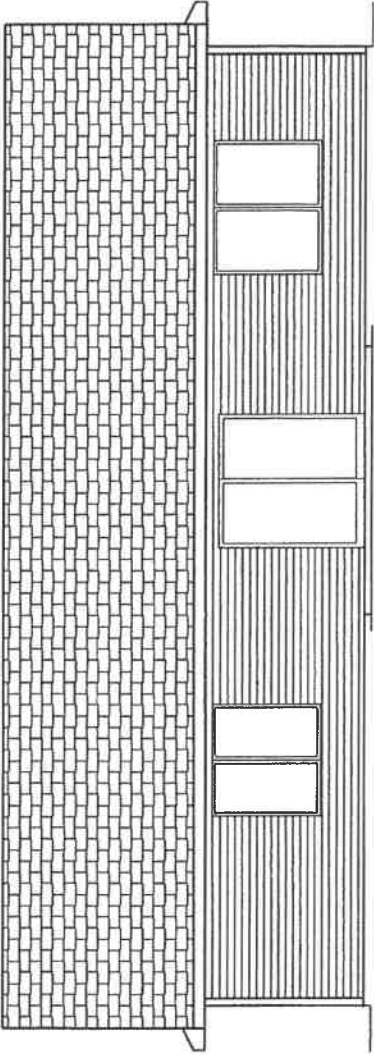
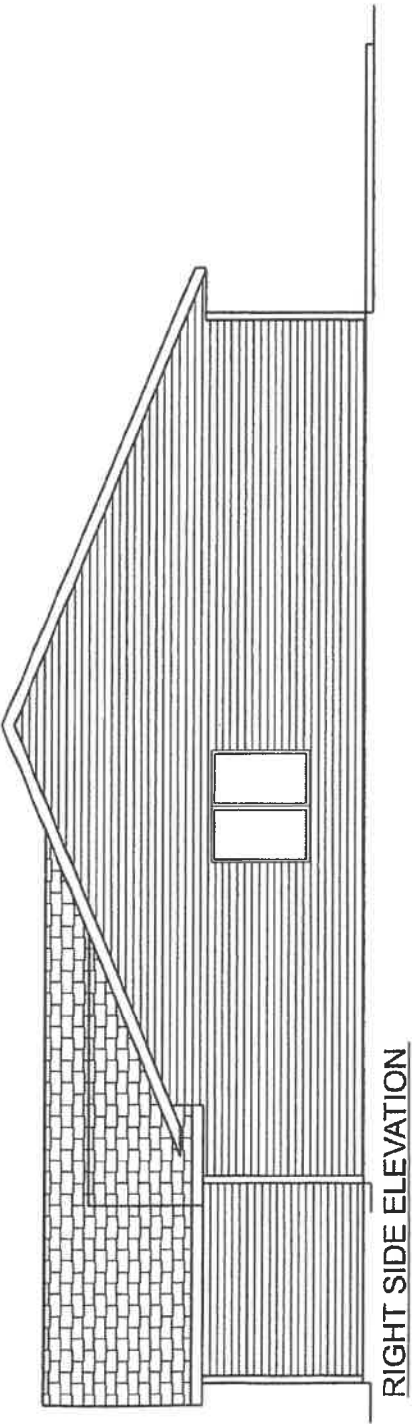


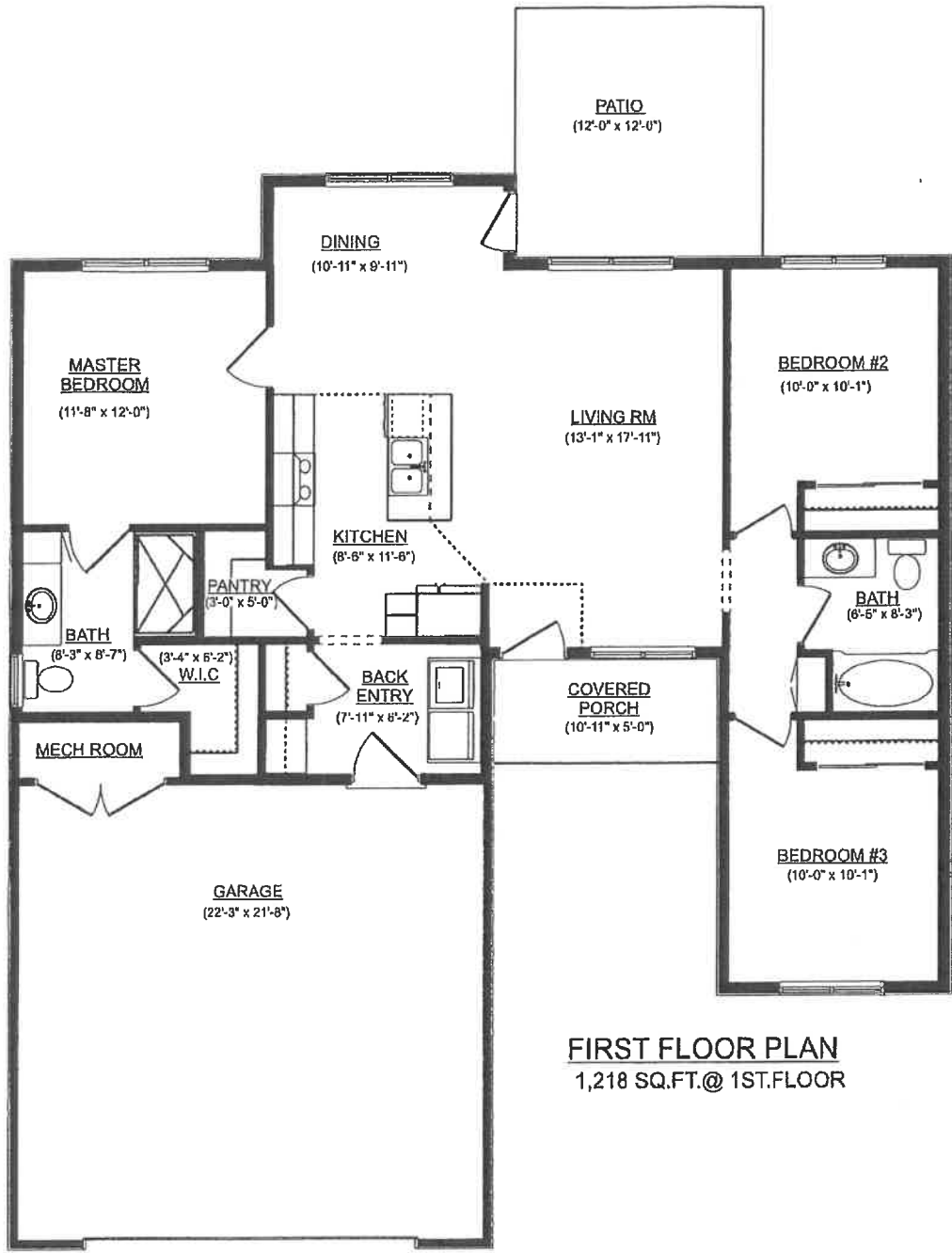
FIRST FLOOR PLAN

1,327 SQ.FT. @ 1ST.FLOOR



FRONT ELEVATION

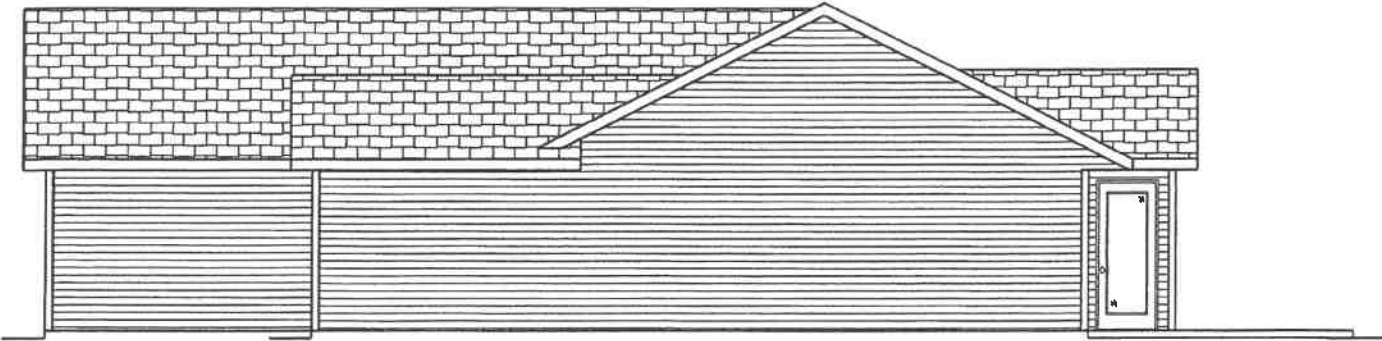




FIRST FLOOR PLAN
1,218 SQ.FT.@ 1ST.FLOOR



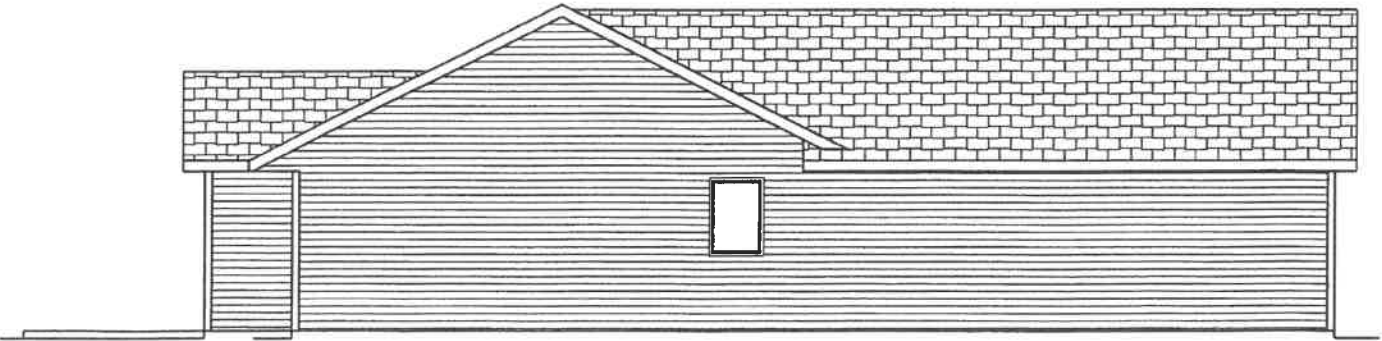
FRONT ELEVATION



RIGHT SIDE ELEVATION



BACK ELEVATION



LEFT SIDE ELEVATION