



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda - Final-revised Appleton Redevelopment Authority

Wednesday, March 7, 2018

5:00 PM

Council Chambers, 6th Floor

SPECIAL

1. Call meeting to order
2. Roll call of membership
3. Approval of minutes from previous meeting

[18-0284](#) ARA Minutes from 2-16-18

Attachments: [ARA Minutes 2-16-18.pdf](#)

4. Public Hearings/Apearances

[18-0285](#) Proposed lease to be entered into between the Appleton Redevelopment Authority and the City of Appleton with respect to the lease of the Fox Cities Exhibition Center, from the Authority to the City, and related modifications of the Appleton Redevelopment Project No. 7 - Redevelopment Plan in furtherance of the City's Project Plan for Tax Incremental District #3 (Associated with Action Item #18-0287)

Attachments: [Notice of Public Hearing_FCEC Lease_ARA_3-7-18_For Mailing.pdf](#)
[Notice of Public Hearing_FCEC Lease_ARA_3-7-18_Newspaper.pdf](#)

5. Action Items

[18-0287](#) Consider lease to be entered into between the Appleton Redevelopment Authority and the City of Appleton with respect to the lease of the Fox Cities Exhibition Center, from the Authority to the City, and related modifications of the Appleton Redevelopment Project No. 7 - Redevelopment Plan in furtherance of the City's Project Plan for Tax Incremental District #3

Attachments: [Appleton RDA 2018 Fox Cities Exhibition Center - Lease.pdf](#)
[Appleton RDA 2018 Exhibition Center - Amendment to Redevelopment Plan.pdf](#)

6. Information Items

7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Minutes - Final Appleton Redevelopment Authority

Friday, February 16, 2018

10:00 AM

Council Chambers, 6th Floor

SPECIAL-RESCHEDULED FROM 2-14-18 AT 10:00 AM

1. Call meeting to order

Meeting called to order at 10:00 a.m.

2. Roll call of membership

Present: 4 - Higgins, Downs, Siebers and Brokl

Excused: 3 - Van Dyke, Fisher and Woodford

3. Approval of minutes from previous meeting

[18-0159](#)

ARA Minutes from 1-31-18

Attachments: [ARA Minutes 1-31-18.pdf](#)

**Siebers moved, seconded by Brokl, that the Minutes be approved. Roll Call.
Motion carried by the following vote:**

Aye: 4 - Higgins, Downs, Siebers and Brokl

Excused: 3 - Van Dyke, Fisher and Woodford

4. **Public Hearings/Appealances**

5. **Action Items**

18-0161

Resolution approving a cooperation agreement, authorizing a public hearing, and other related actions necessary for the sale and issuance of lease revenue bonds for the Fox Cities Exhibition Center

Attachments: [ARA 2018 FCEC-Autho Resolution re Coop Agreement-Hearing on Lease.pdf](#)
[Amended & Restated Cooperation Agreement 2018.pdf](#)
[First Amendment to AR Room Tax Commission&Tourism Zone Agremt 2018.pdf](#)
[Executed AR Room Tax Commission&Tourism Zone Agremt 11-24-15.pdf](#)
[Pledge and Security Agreement 2018.pdf](#)
[TIF District # 3 Original Project Plan 1993.pdf](#)
[TIF District #3 Amendment Project Plan and Resolutions.pdf](#)
[ARP #7.pdf](#)

Siebers moved, seconded by Higgins, that the Report Action Item be approved. Roll Call. Motion carried by the following vote:

Aye: 4 - Higgins, Downs, Siebers and Brokl

Excused: 3 - Van Dyke, Fisher and Woodford

18-0180

The Appleton Redevelopment Authority may go into closed session according to State Statute §19.85(1)(e) for the purpose of deliberating or negotiating the purchasing and/or investing of public funds in certain real property located on the west side of the City of Appleton and then reconvene into open session

The Appleton Redevelopment Authority went into Closed Session at 10:07 a.m.

Discussion was held.

Siebers moved, seconded by Brokl, to rise and report, returning into Open Session at 10:39 a.m. Roll Call. Motion carried by a vote of 4-0.

Siebers moved, seconded by Higgins, to convene in Closed Session. Roll Call. Motion carried by the following vote:

Aye: 4 - Higgins, Downs, Siebers and Brokl

Excused: 3 - Van Dyke, Fisher and Woodford

6. Information Items

7. Adjournment

Siebers moved, seconded by Higgins, that the meeting be adjourned at 10:40 a.m. Roll Call. Motion carried by the following vote:

Aye: 4 - Higgins, Downs, Siebers and Brokl

Excused: 3 - Van Dyke, Fisher and Woodford

**NOTICE OF PUBLIC HEARING
OF THE
REDEVELOPMENT AUTHORITY OF THE
CITY OF APPLETON, WISCONSIN**

Notice is hereby given, that the Redevelopment Authority of the City of Appleton, Wisconsin (the “**Authority**”) will hold a public hearing at or shortly after 5:00 p.m. on Wednesday, March 7, 2018, at City Hall, in Common Council Chambers, 6th Floor, 100 North Appleton Street, Appleton, Wisconsin. The public hearing relates to the proposed Lease to be entered into between the Authority and the City of Appleton, Wisconsin (the “**City**”) with respect to the lease of the Fox Cities Exhibition Center, from the Authority to the City, and related modifications of the Appleton Redevelopment Project No. 7 – Redevelopment Plan (the “**Plan**”) in furtherance of the City’s Project Plan for Tax Incremental District #3.

Pursuant to the requirements of Section 66.1333(11)(a) of the Wisconsin Statutes, this notice has been mailed to you, as the owner of land within or adjacent to the project area for Redevelopment Project No. 7. **The modifications to the Plan will not affect the zoning or use of your land, but are being proposed solely to facilitate the financing of the Fox Cities Exhibition Center within the Redevelopment Project area.**

A proposed form of the lease and a summary of the proposed modifications of the Plan are on file with the Authority. The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for persons with differing views on the proposed lease and the provisions thereof. Any person desiring to be heard on these matters is requested to attend the public hearing or send a representative. Written comments may be presented at the hearing if submitted in advance to the Executive Director of the Authority at karen.harkness@appleton.org. Comments at the public hearing are for the consideration of the Commissioners of the Authority but do not bind any legal action to be taken by them.

/s/ Karen Harkness

Executive Director

COMMUNITY & ECONOMIC DEVELOPMENT
CITY HALL – 100 NORTH APPLETON STREET
APPLETON, WISCONSIN 54911-4799
(920) 832-6468

Reasonable accommodations for persons with disabilities will be made upon request and if feasible.



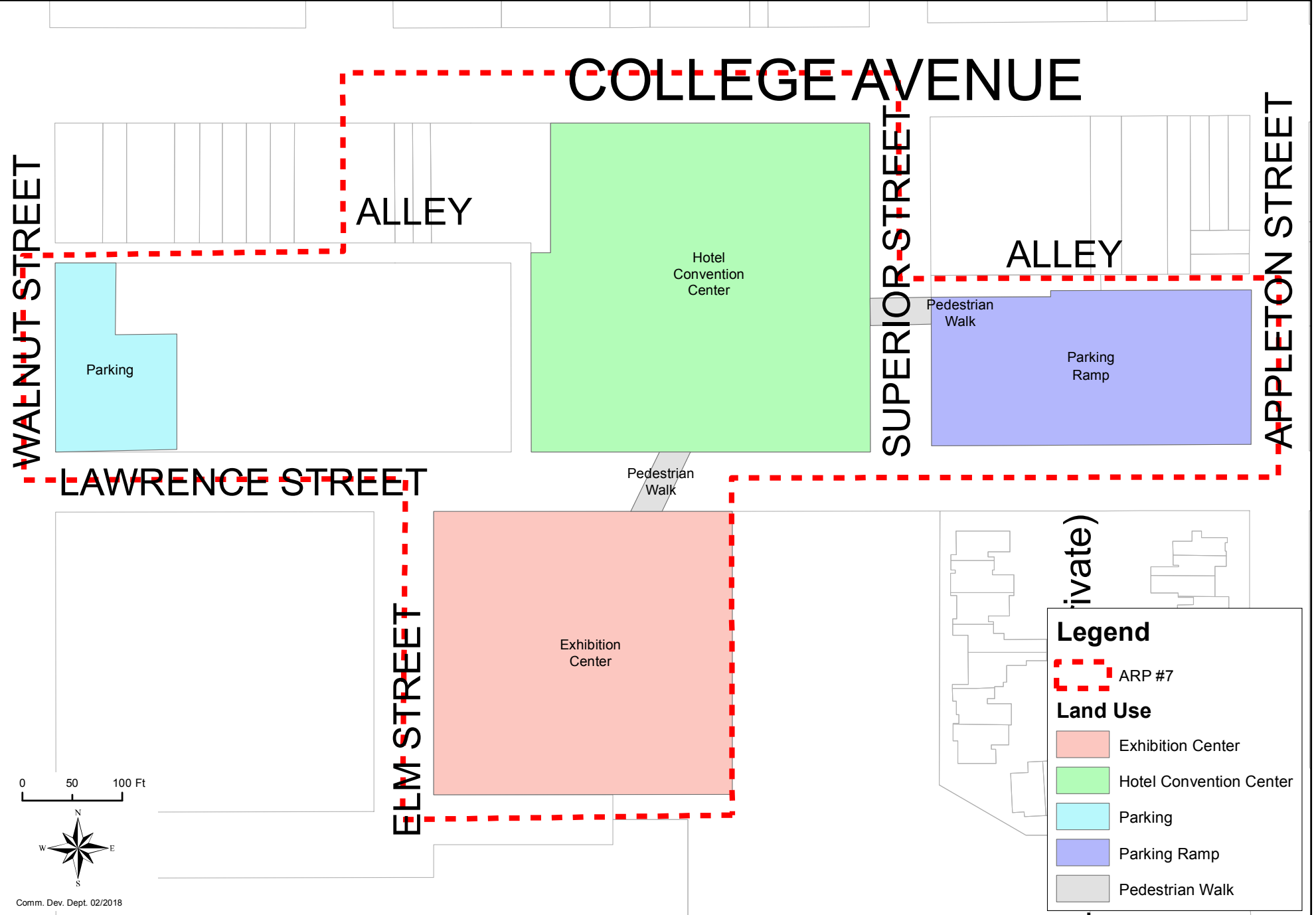
ARP #7

 Included in mailing



Arp #7 Proposed Land Use

Amended Map 2



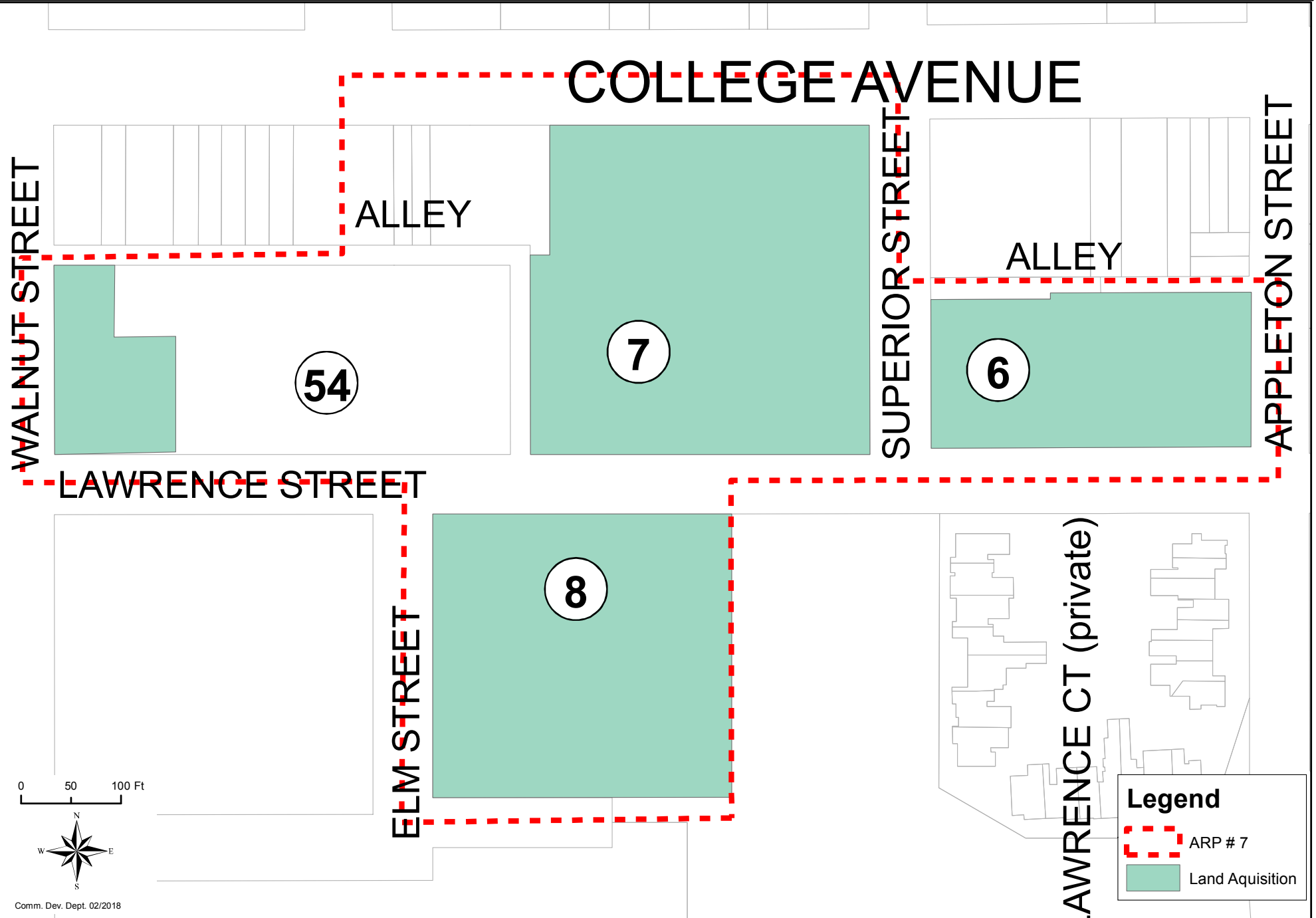
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Arp #7 Land Aquisition

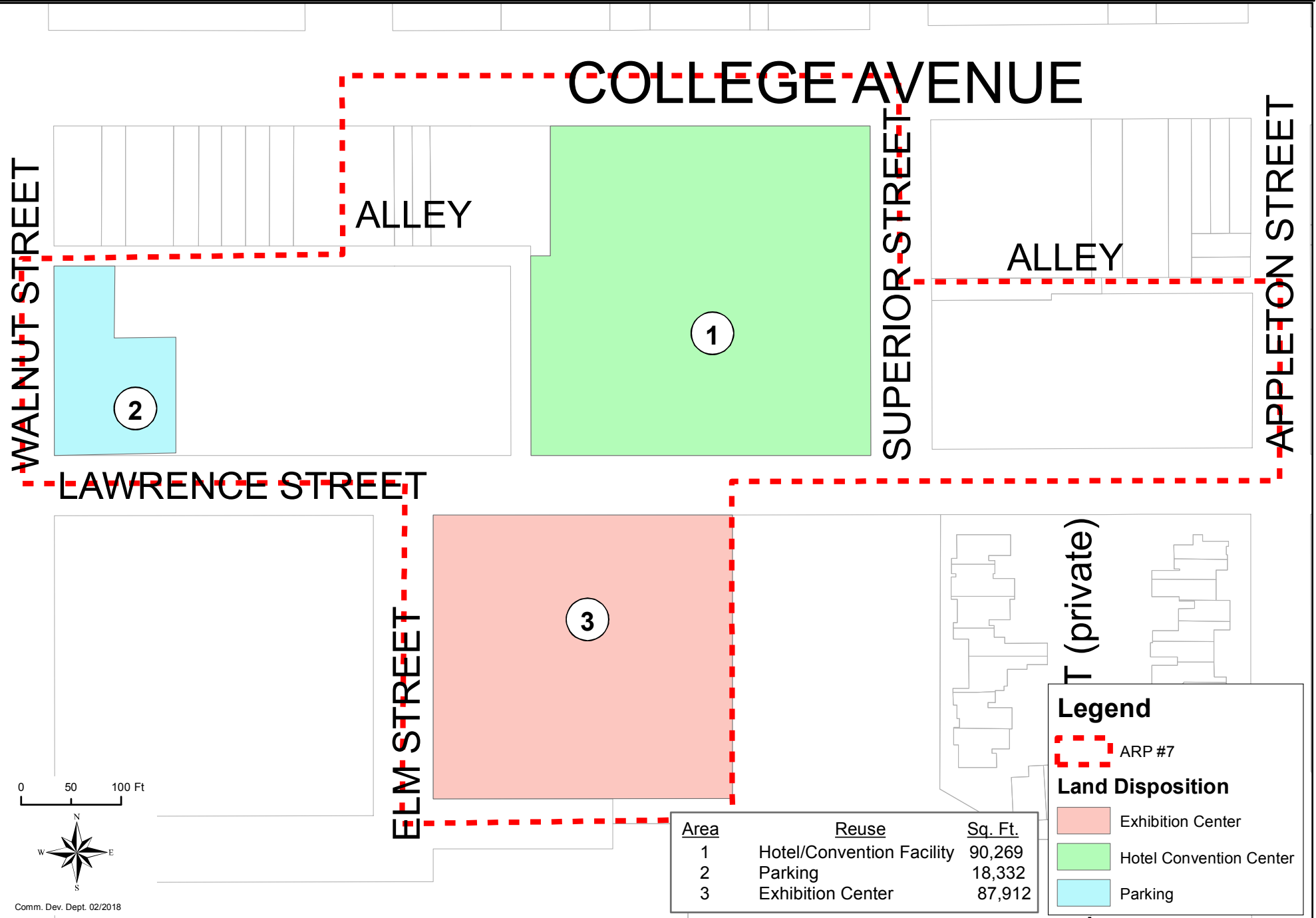
Amended Map 3





Arp #7 Land Disposition

Amended Map 4



**NOTICE OF PUBLIC HEARING
OF THE
REDEVELOPMENT AUTHORITY OF THE
CITY OF APPLETON, WISCONSIN**

Notice is hereby given, pursuant to Sections 66.1333(9)(b) and 66.1333(11)(a) of the Wisconsin Statutes, that the Redevelopment Authority of the City of Appleton, Wisconsin (the “**Authority**”) will hold a public hearing at or shortly after 5:00 p.m. on Wednesday, March 7, 2018, at City Hall, in Common Council Chambers, 6th Floor, 100 North Appleton Street, Appleton, Wisconsin. The public hearing relates to the proposed Lease to be entered into between the Authority and the City of Appleton, Wisconsin (the “**City**”) with respect to the lease of the Fox Cities Exhibition Center, from the Authority to the City, and related modifications of the Appleton Redevelopment Project No. 7 – Redevelopment Plan (the “**Plan**”) in furtherance of the City’s Project Plan for Tax Incremental District #3.

A proposed form of the lease and a summary of the proposed modifications of the Plan are on file with the Authority. The public hearing will be conducted in a manner that provides a reasonable opportunity to be heard for persons with differing views on the proposed lease and the provisions thereof. Any person desiring to be heard on these matters is requested to attend the public hearing or send a representative. Written comments may be presented at the hearing if submitted in advance to the Executive Director of the Authority at karen.harkness@appleton.org. Comments at the public hearing are for the consideration of the Commissioners of the Authority but do not bind any legal action to be taken by them.

/s/ Karen Harkness _____
Executive Director

COMMUNITY & ECONOMIC DEVELOPMENT
CITY HALL – 100 NORTH APPLETON STREET
APPLETON, WISCONSIN 54911-4799
(920) 832-6468

Reasonable accommodations for persons with disabilities will be made upon request and if feasible.

Publication Dates: February 21, 2018
 February 28, 2018

LEASE

Document Number

Recording Area

Name and Return Address

David B. Ryan, Esq.
Foley & Lardner LLP
777 East Wisconsin Avenue
Milwaukee, WI 53202

See Exhibit A Attached

Parcel Identification Number (PIN)

LEASE

Dated as of April 1, 2018

from

REDEVELOPMENT AUTHORITY OF THE
CITY OF APPLETON, WISCONSIN

to

CITY OF APPLETON, WISCONSIN

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LEASE

THIS LEASE (this “**Lease**”) is made as of April 1, 2018, by and between the REDEVELOPMENT AUTHORITY OF THE CITY OF APPLETON, WISCONSIN, a public body and a body corporate and politic (the “**Authority**”), and the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision (the “**Municipality**”).

RECITALS

A. Pursuant to the Amended and Restated Cooperation Agreement for the Fox Cities Exhibition Center, dated as of [April 1], 2018 (the “**Cooperation Agreement**”), by and among certain municipalities in the Fox Cities area, including the Municipality, the Authority, and the Fox Cities Area Room Tax Commission, the Municipality will contribute the Fox Cities Exhibition Center, more specifically described in Exhibit A to the Cooperation Agreement (the “**Exhibition Center**”) and situated on that real property described in Exhibit A hereto (the “**Real Estate**” and, collectively with the Exhibition Center, the “**Leasehold Property**”) to the Authority.

B. Pursuant to the Cooperation Agreement, the Municipality has completed the construction and installation of the Exhibition Center on the Real Estate to be contributed by the Municipality to the Authority.

C. The Authority desires to lease the Leasehold Property to the Municipality, and the Municipality desires to lease the Leasehold Property from the Authority.

D. The Municipality and the Authority intend that the rent payments for such lease, together with certain other funds received by the Authority, will be sufficient to pay debt service on certain bonds issued by the Authority.

NOW, THEREFORE, in consideration of the rents, covenants, and agreements herein reserved, mentioned, and contained on the part of the Municipality, its successors, and assigns, to be paid, kept, and performed, the Authority has leased, demised, and let, and by these presents does lease, demise, and let to the Municipality, and the Municipality does hereby consent to said leasing and hereby takes and hires, upon and subject to the conditions hereinafter expressed, the Leasehold Property.

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.01 Definitions.

The following terms shall have the following meanings in this Lease unless the text expressly or by necessary implication requires otherwise:

“**Additional Bonds**” means collectively each series of lease revenue bonds that the Authority may issue under the Indenture from time to time after the issuance of the Series 2018 Bonds.

“**Additional Rents**” has the meaning assigned in Section 3.02(b) hereof.

“**Authority**” means the Redevelopment Authority of the City of Appleton, Wisconsin, a public body and a body corporate and politic created under Section 66.1333 of the Wisconsin Statutes.

“**Base Rents**” has the meaning assigned in Section 3.02(a) hereof.

“**Bond Fund**” means the trust fund of that name created under Section 8.04 of the Indenture.

“**Bonds**” means, collectively, the Series 2018 Bonds and any Additional Bonds.

“**Commission Agreement**” means the Amended and Restated Room Tax Commission and Tourism Zone Agreement, dated as of November 24, 2015, by and between certain municipalities in the Fox Cities area, including the Municipality, and the Room Tax Commission, as amended by a First Amendment to Amended and Restated Room Tax Commission and Tourism Zone Agreement, dated as of [April 1], 2018, and as further amended from time to time.

“**Common Council**” means the Common Council of the Municipality.

“**Cooperation Agreement**” means the Amended and Restated Cooperation Agreement for the Fox Cities Exhibition Center, dated as of [April 1], 2018, by and among certain municipalities in the Fox Cities area, including the Municipality, the Authority, and the Room Tax Commission.

“**Credit Enhancement**” means a policy of bond insurance, a letter of credit, a guaranty, or another form of credit enhancement as security for payment of debt service on one or more series of the Bonds.

“**Debt Service Reserve Fund**” means the trust fund of that name created under Section 8.07 of the Indenture.

“Debt Service Reserve Fund Requirement” has the meaning set forth in the Indenture.

“Exhibition Center” means the Fox Cities Exhibition Center, a “convention center” as referenced in the Room Tax Act, more specifically described in Exhibit A to the Cooperation Agreement and situated on that real property legally described in Exhibit A hereto.

“Exhibition Center Room Tax” means the 3% Room Tax levied by each municipality party to the Cooperation Agreement pursuant to the Room Tax Act and the Cooperation Agreement for purposes of paying, directly or indirectly, [the costs of construction of the Exhibition Center and debt service on the Bonds and/or such other reasonable and customary payments or deposits related to the Bonds as may be provided in the Indenture, such as, but not limited to, costs of issuance and administration, Credit Enhancement, and funding of the Debt Service Reserve Fund and the Room Tax Stabilization Fund.]

“Improvements” means collectively any and all real property improvements relating to the Exhibition Center which have been or are to be constructed or installed by the Municipality in accordance with the Redevelopment Plan and the Project Plan for Tax Incremental District #3 City of Appleton. More particularly, the Improvements include, without limitation, the real property improvements identified in Exhibit E hereto.

“Indenture” means the Indenture of Trust, dated as of [April 1], 2018, from the Authority to the Trustee, with respect to the Bonds, as amended or supplemented from time to time pursuant to the terms thereof.

“Lease” means this Lease.

“Leasehold Property” means the Exhibition Center and the Real Estate, together with all other buildings, structures, fixtures, and improvements now or hereafter located thereon.

“Material Disturbance” means the occurrence of any of the following:

- (a) the Authority shall, with authorization from its governing body, breach its obligations under this Lease in any material respect or take any other action which, in either case, materially impairs Quiet Enjoyment;
- (b) the Municipality shall be denied Quiet Enjoyment of the Leasehold Property as a result of the failure of the Authority to have had a valid and enforceable good and marketable fee simple title in or to the Leasehold Property subject to no liens or encumbrances other than Permitted Encumbrances at the time such Leasehold Property was made subject to this Lease; or
- (c) the taking by eminent domain or inverse condemnation or the damage to or loss or destruction of so much of the Leasehold Property that the Municipality determines in a resolution adopted by the Common Council that the Leasehold Property cannot reasonably be restored, repaired, or replaced within one year following the date of such resolution to either substantially the same condition as existed prior to such taking, damage, loss, or destruction or to a condition which permits the Municipality to realize

substantially the same intended benefits and public purposes in accordance with the Redevelopment Plan; *provided*, that such taking, damage, loss, or destruction (i) was not the result of willful, deliberate, or negligent action on the part of the Municipality and (ii) will result in a material impairment of Quiet Enjoyment.

“Mortgage” means the Mortgage and Security Agreement, dated as of the Effective Date, in favor of the Trustee, or any mortgage, security agreement or other agreement or instrument hereafter entered into by the Authority or any third party (with the written consent of the Authority) and delivered to the Trustee for the purpose of granting the Trustee a mortgage lien on the Leasehold Property as collateral security for the payment of the Bonds.

“Municipality” means the City of Appleton, Wisconsin, a Wisconsin municipal corporation and political subdivision.

“Permitted Encumbrances” means the liens, encumbrances, covenants, conditions, restrictions, and other items set forth in Exhibit B hereto.

“Pledge and Security Agreement” means the Pledge and Security Agreement, dated as of [April 1], 2018, by and among the municipalities that are party to the Cooperation Agreement, the Room Tax Commission, and the Trustee, incorporating the pledge of Exhibition Center Room Taxes to the payment, directly or indirectly, of debt service on the Bonds and related purposes, as amended from time to time pursuant to the terms thereof.

“Quiet Enjoyment” means the right of the Municipality to peaceably and quietly have, hold, and enjoy the Leasehold Property and to use the Leasehold Property for the purposes intended or permitted by this Lease.

“Real Estate” means the real property described in Exhibit A hereto.

“Redevelopment Plan” means the Appleton Redevelopment Project No. 7 – Redevelopment Plan, adopted by the Authority and approved by the Municipality’s Common Council on July 16, 1980, as amended by the Authority with the approval of the Municipality’s Common Council on [_____], 2018, and as further amended from time to time pursuant to Section 66.1333 of the Wisconsin Statutes, as amended.

“Rents” means, collectively, the Base Rents and any Additional Rents.

“Revenue Fund” means the trust fund of that name created under Section 8.03 of the Indenture.

“Room Tax Act” means Section 66.0615 of the Wisconsin Statutes, as amended from time to time.

“Room Tax Commission” means the Fox Cities Area Room Tax Commission, a Wisconsin intergovernmental commission.

“Room Tax Stabilization Fund” means the trust fund of that name created under Section 8.08 of the Indenture.

“**Series 2018 Bonds**” means the Authority’s Taxable Lease Revenue Bonds, Series 2018 (Fox Cities Exhibition Center Project), dated April __, 2018, issued in the aggregate principal amount of \$[_____] pursuant to the Indenture.

“**Supplement to Lease (Additional Bonds)**” means any such Supplement to Lease (Additional Bonds) substantially in the form of Exhibit D hereto as the Authority and the Municipality may enter into from time to time pursuant to Section 3.02(b) hereof.

“**Tax-Exempt Bonds**” shall have the meaning assigned in Section 2.03 hereof.

“**Tourism Zone**” as means the Fox Cities Tourism Zone, established pursuant to the Commission Agreement and the Room Tax Act, encompassing the municipalities that are party to the Cooperation Agreement and any neighboring municipalities.

“**Trustee**” means Associated Trust Company, National Association, as trustee under the Indenture, and its successors in such capacity.

“**Unassigned Rights**” means the rights of the Authority under Section 2.02 hereof.

Section 1.02 Use of Phrases.

The following provisions shall be applied whenever appropriate herein:

“**Herein**”, “**hereby**”, “**hereunder**”, “**hereof**”, and other equivalent words refer to this Lease as an entirety and not solely to the particular portion of this Lease in which any such word is used.

The definitions set forth in Section 1.01 hereof shall be deemed applicable whether the words defined are herein used in the singular or the plural.

Wherever used herein, any pronoun or pronouns shall be deemed to include both the singular and the plural and to cover all genders.

Unless otherwise provided, any determinations or reports hereunder which require the application of accounting concepts or principles shall be made in accordance with generally accepted accounting principles.

ARTICLE II

RESTRICTIONS ON USE

Section 2.01 Intended Use.

The Authority and the Municipality intend that the Leasehold Property be used primarily as an exhibition center, and for the promotion and development of tourism activities within the Tourism Zone, all in furtherance of the Redevelopment Plan and the Project Plan for Tax Incremental District #3 City of Appleton.

Section 2.02 Restrictions.

The Municipality shall carry out or cause to be carried out the Redevelopment Plan insofar as the same may apply to the Leasehold Property. The Authority hereby certifies that all the Improvements to be completed by the Municipality with respect to any portion of the Leasehold Property have been completed.

Section 2.03 Covenants for Benefit of Owners of Tax-Exempt Bonds.

Some or all Additional Bonds may be issued and accompanied by a written opinion of Bond Counsel to the effect that interest on such series of Additional Bonds is excluded from gross income for federal income tax purposes (collectively, the “**Tax-Exempt Bonds**”). Each of the Authority and the Municipality covenants that it will not take or allow any action that causes interest on any of the Tax-Exempt Bonds to be included in gross income for federal income tax purposes. The interest on the Series 2018 Bonds is not excluded from gross income for federal income tax purposes and the Series 2018 Bonds are not Tax-Exempt Bonds.

ARTICLE III

TERM AND RENTS

Section 3.01 Term.

The term of this Lease shall be for the period commencing on [April 1], 2018, and ending on the latest stated maturity date of any of the Bonds, unless this Lease shall sooner terminate pursuant to Section 6.03 or by mutual agreement of the Authority and the Municipality; *provided, however*, that except as provided in Section 6.03, the end of said term shall not be advanced nor shall this Lease expire or be terminated so long as any of the Bonds shall be Outstanding (as defined in the Indenture); *provided, further*, that when the Authority shall have received Rents under Section 3.02 hereof in an amount equal to all the principal of, premium, if any, and interest on, all Bonds and shall have fully paid (or provided for the payment thereof in accordance with the Indenture) such principal, premium, if any, and interest, the term of this Lease shall automatically terminate, and the Authority shall take full title and possession of the Leasehold Property, subject, however, to Permitted Encumbrances and to the option to purchase in favor of the Municipality as provided in Section 6.10 hereof.

Section 3.02 Rents.

(a) The Municipality agrees to pay to the Trustee for the account of the Authority, without set-off, the following rents (the “**Base Rents**”) at the following times:

- (1) an amount equal to the interest on the Series 2018 Bonds on each date such interest is due, plus
- (2) an amount equal to the premium, if any, on the Series 2018 Bonds on each date such premium is due, plus

- (3) an amount equal to the principal of the Series 2018 Bonds on each date such principal is due, less
- (4) amounts available for the payment of debt service on the Series 2018 Bonds in the Bond Fund, the Revenue Fund or the Room Tax Stabilization Fund pursuant to the Indenture.

For purposes of clauses (1) and (3) above, the due dates of the principal of, and interest on, the Series 2018 Bonds are the regularly scheduled dates for the payment of the principal of, and interest on, the Series 2018 Bonds. The Base Rents shall not include the amount of Series 2018 Bond principal which may become due in advance of stated maturity by reason of optional or extraordinary call for redemption, but shall include principal amounts scheduled to become due pursuant to mandatory sinking fund redemption of the Series 2018 Bonds as set forth in Section 4.04 of the Indenture. A schedule of the Base Rents, as determined at the beginning of the term of this Lease, is set forth in Exhibit C hereto.

[The Municipality shall notify the Authority and the Trustee in writing of any failure by the Municipality to include in its annual budget provision for the payment of Base Rents or other amounts to become due hereunder during the fiscal period to which such budget applies.] *{Open point regarding trigger for budget obligation.}*

The obligation of the Municipality to pay Base Rents shall be subject to the conditions described in Section 3.17, but shall not otherwise be subject to any diminution by set-off, counterclaim, abatement, suspension, or defense.

The Indenture provides that the Series 2018 Bonds may be called for redemption. In the event of any such redemption (other than mandatory sinking fund redemption) the schedule of Base Rents shall be modified accordingly.

(b) With respect to each series of Additional Bonds, the Municipality agrees to pay to the Trustee for the account of the Authority, without set-off, the following rents (the “**Additional Rents**”) at the following times:

- (1) an amount equal to the interest on such Additional Bonds on each date such interest is due, plus
- (2) an amount equal to the premium, if any, on such Additional Bonds on each date such premium is due, plus
- (3) an amount equal to the principal of such Additional Bonds on each date such principal is due, less
- (4) amounts available for the payment of such debt service on the Additional Bonds in the Bond Fund, the Revenue Fund, the Capitalized Interest Fund, or the Room Tax Stabilization Fund pursuant to the Indenture,

For purposes of clauses (1) and (3) above, the due dates of the principal of, and interest on, such Additional Bonds shall be the regularly scheduled dates for the payment of the principal of, and interest on, such Additional Bonds. The Additional Rents shall not include the amount of any Additional Bond principal which may become due in advance of stated maturity by reason of optional or extraordinary call for redemption, but shall include principal amounts scheduled to become due pursuant to mandatory sinking fund redemption of the Additional Bonds as set forth in the applicable Supplemental Indenture. Upon the issuance of each series of Additional Bonds, the Authority and the Municipality shall set forth a schedule of the Additional Rents applicable to such Additional Bonds by executing a Supplement to Lease (Additional Bonds).

[The Municipality shall notify the Authority and the Trustee in writing of any failure by the Municipality to include in its annual budget provision for the payment of any Additional Rents or other amounts to become due hereunder during the fiscal period to which such budget applies].

The obligation of the Municipality to pay Additional Rents shall be subject to the conditions described in Section 3.17 but shall not otherwise be subject to any diminution by set-off, counterclaim, abatement, suspension, or defense.

The applicable Supplemental Indenture may provide that some or all of the Additional Bonds may be called for redemption. In the event of any such redemption (other than mandatory sinking fund redemption) the applicable schedule of Additional Rents shall be reduced accordingly.

(c) [Notwithstanding the foregoing, the Municipality expects that Exhibition Center Room Taxes pledged pursuant to the Cooperation Agreement and the Pledge and Security Agreement to the payment of debt service on the Bonds shall be in amounts sufficient to pay, and shall be a credit against, the Rents due under this Lease.]

(d) The Authority and the Municipality agree and acknowledge that the Leasehold Property is being leased at its fair market value.

Section 3.03 Taxes Imposed on Leasehold Property.

The Municipality agrees to pay from available appropriations an amount equivalent to any and all *ad valorem* taxes and special assessments and other similar impositions assessed or levied or imposed by any taxing authority against the Leasehold Property or the interest of the Authority therein. Payment of such amounts shall be made by the Municipality to the Authority upon presentation by the Authority to the Municipality of the bills for such taxes, assessments, or other impositions or upon the furnishing of proof that such taxes, assessments, or other impositions are due and owing. Payment of any tax shall not be required so long as the Municipality is contesting such tax in good faith and by appropriate proceedings.

Section 3.04 Taxes Imposed on Rentals.

The Municipality agrees to pay from available appropriations an amount equivalent to any tax or excise on rentals or other taxes, however described, levied, assessed, or imposed by the State of Wisconsin or any political subdivision or any taxing authority thereof against the Authority or the rentals provided hereunder, but only to the extent of the amount thereof which is lawfully levied, assessed, or imposed as a direct result of the Authority's ownership of the Leasehold Property and the occupancy thereof by the Municipality or of this Lease or of the rental accruing hereunder. Payment of such amounts shall be made by the Municipality to the Authority upon presentation by the Authority to the Municipality of the bills for such taxes or excises on such rents or upon the furnishing of proof that such taxes or excises on such rents are due and owing. Payment of any tax shall not be required so long as the Municipality is contesting such tax in good faith and by appropriate proceedings.

Section 3.05 Taxes Imposed on Income.

The Municipality agrees to pay from available appropriations an amount equivalent to any franchise, succession, capital levy, or transfer tax, or any income, excess profits, or revenue tax, or any other tax, assessment, charge, or levy upon the rent payable by the Municipality pursuant to this Lease, but only to the extent of the amount thereof which is lawfully levied, assessed, or imposed upon the Authority. Payment of such amount shall be made by the Municipality to the Authority upon presentation by the Authority to the Municipality of the bills for such tax, assessment, charge, or levy or upon the furnishing of proof that such tax, assessment, charge, or levy is due and owing. Payment of any tax shall not be required so long as the Municipality is contesting such tax in good faith and by appropriate proceedings.

Section 3.06 Pledge and Assignment to Trustee.

Simultaneously with the delivery of this Lease, the Authority shall pledge and assign to the Trustee under the Indenture all the Authority's right, title, and interest in and to this Lease and all the Authority's rights to receive payments hereunder; *provided, however*, that the Authority shall reserve the right to enforce the Unassigned Rights in its own name and for its own account. The Municipality hereby consents to such pledge and assignment and agrees that the Trustee may enforce any and all rights, privileges, and remedies of the Authority (other than the Unassigned Rights) under or with respect to this Lease. The Trustee shall not by such pledge and assignment be deemed to have assumed the obligations of the Authority hereunder and shall have no obligations hereunder except as expressly provided herein or in the Indenture.

Section 3.07 Debt Service on Bonds.

The Authority covenants and agrees to use and apply the Rents payable hereunder to pay the principal of, premium, if any, and interest on the Bonds at the times and in the manner provided in the Indenture.

Section 3.08 Investment of Bond Funds.

The Authority authorizes the Municipality, in its stead, to direct the investment of moneys in trust funds established in the Indenture, subject to the restrictions therein.

Section 3.09 Fees of Trustee.

The Municipality agrees to pay all fees and expenses of the Trustee for its services under the Indenture, including, but not limited to, fees for any rebate determination provided as described in Section 9.03 of the Indenture in the event there are insufficient funds for such purpose in the Revenue Fund or the Room Tax Stabilization Fund as provided in Sections 8.03 and 8.08 of the Indenture.

Section 3.10 Payment of Costs and Expenses.

If the Municipality defaults under any provisions of this Lease, and the Authority or the Trustee, or both, employ attorneys or incur other expenses for the collection of payments due or for the enforcement of performance or observance of any other obligation or agreement on the part of the Municipality herein contained, then the Municipality agrees that it will on demand therefor pay to the Authority or the Trustee, as the case may be, the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Authority or the Trustee.

Section 3.11 Performance for Authority Under Indenture.

The Authority agrees that the Municipality may, but shall not be obligated to, perform any such acts and do all such things in the place and stead of the Authority as the Municipality shall deem necessary to prevent or correct any “default” or “event of default” caused or about to be caused by the Authority under the Indenture.

Section 3.12 Not Debt.

Notwithstanding anything to the contrary herein contained by implication or otherwise, the obligations of the Municipality created by, or arising out of, this Lease shall not be general debt obligations of the Municipality.

Section 3.13 Prepayment.

The Authority authorizes the Municipality, in its place and stead, to call any of the Bonds for redemption prior to maturity, in whole or in part, pursuant to the terms and conditions of the Indenture; *provided, however*, that the Municipality shall prepay the applicable Rents hereunder so that such Rents suffice to pay the principal of, and premium, if any, and interest on, such Bonds due on the date of redemption. The Municipality agrees that, without the consent of the Authority, it shall not make any prepayments of Rents due under this Lease without calling for redemption the related Bonds.

Section 3.14 Repairs and Maintenance.

The Municipality covenants and agrees throughout the term of this Lease to maintain the Leasehold Property and keep the same in as good order and condition (reasonable use and wear thereof excepted) and will promptly make or cause to be made all necessary repairs, interior and exterior, structural and nonstructural. When used in this Section 3.14, the term “repairs” shall include replacements or renewals when necessary, and all such repairs made by the Municipality shall be at least equal in quality and class to the original work.

Section 3.15 Utilities.

The Municipality agrees to pay or cause to be paid all charges for gas, electricity, light, heat or power, telephone or other communication service, or any other service used, rendered, or supplied upon or in connection with the Leasehold Property during the term of this Lease and to protect the Authority and save it harmless against any liability or damages on such account. The Municipality shall also procure any and all necessary permits, licenses, or other authorizations required for the lawful and proper installation and maintenance upon the Leasehold Property of wires, pipes, conduits, tubes, and other equipment and appliances for use in supplying any such services to and upon the Leasehold Property.

Section 3.16 Title.

The Authority represents and warrants to the Municipality that the Authority has a valid and enforceable good and marketable title to the Leasehold Property subject to no liens or encumbrances other than Permitted Encumbrances.

Section 3.17 Quiet Enjoyment.

The Authority covenants that the Municipality shall have Quiet Enjoyment of the Leasehold Property, free from hindrance or disturbance by the Authority or by anyone claiming by, through or under the Authority. The obligation of the Municipality to pay Base Rents and Additional Rents and other amounts due under this Article III shall be on the condition that, and shall accrue only as, this Lease shall remain in effect without termination as provided in Sections 3.01 and 6.03.

ARTICLE IV

COVENANTS OF MUNICIPALITY

Section 4.01 Improvements.

The Authority will apply the proceeds from the sale of the Bonds (i) to reimburse the Municipality for the construction and installation of the Exhibition Center, to pay costs of issuance of the Bonds, to pay the fees and expenses of the Trustee, to pay premiums or fees for Credit Enhancement, if any, to fund the Debt Service Reserve Fund, the Room Tax Stabilization Fund, and the Capitalized Interest Fund, or (ii) to repay any prior Bonds, the proceeds of which were used to finance or refinance the actions or items in (i) above. The Municipality deems such funding to be sufficient for such purposes and agrees that the value received from the Authority

is fair and reasonable in relation to the obligations of the Municipality hereunder. As between the Authority and the Municipality, the Municipality assumes all responsibilities and shall bear all risks relating to the operation and maintenance of the Leasehold Property.

Section 4.02 Public Liability Insurance.

The Municipality shall maintain or cause to be maintained general public liability insurance against all claims for personal injury, death, or property damage for which the Authority or Municipality might be liable, occurring upon, in, or about the Leasehold Property or any buildings, facilities, sidewalks, streets, and passageways therein or thereon; [such insurance to afford protection to the Authority and the Municipality to the limit of not less than \$1,000,000 per occurrence in respect of personal injury and death and property damage, or such other limits as may be mutually agreed upon. The Municipality shall provide the Authority and the Trustee with a certificate of insurance naming the Authority and the Trustee as additional insureds and providing 30 days' notice of cancellation].

Section 4.03 Hazard Insurance.

(a) The Municipality shall cause any improvements, buildings, and structures and contents thereof that are part of the Leasehold Property as are typically insured by the Municipality (including construction in progress), if any, to be continually insured during the term of this Lease against damage or destruction by fire, windstorm, and any other loss or damage customarily insured in connection with comparable property, in an amount equal to 100% of the insurable value of such property. Each such insurance policy shall contain a clause making all losses payable to the Trustee and shall contain a replacement cost endorsement. The Municipality shall provide the Authority and the Trustee with a certificate of insurance (naming the Authority, as owner, and the Trustee, as mortgage and loss payee) and providing 30 days' notice of cancellation.

(b) In case of damage, loss, or destruction of the Leasehold Property, or any part thereof, or any fixtures or equipment thereof, the proceeds of any insurance which pertains to such premises, fixtures and equipment shall be paid, deposited, used, and applied as provided in Sections 6.02 and 6.03 hereof.

(c) In consideration of the provisions of this Lease giving and granting to the Municipality exclusive possession, custody, and control of the Leasehold Property, the Municipality hereby assumes all risks in connection with any damage, loss, or destruction of the Leasehold Property, or any part thereof, or any fixtures or equipment thereof from any and all causes whatsoever, and, in the event of any such damage, loss, or destruction, the Municipality covenants and agrees to repair, restore, rebuild, or replace the same to a good and tenantable condition, either from the proceeds of insurance as provided above in this Section 4.03 or, to the extent such proceeds of insurance are insufficient or unavailable therefor, from available appropriations of moneys derived from other sources.

Section 4.04 Compliance with Laws and Regulations.

The Municipality agrees that throughout the term of this Lease, it will promptly comply with all laws and ordinances and the orders, rules, regulations, and requirements of all federal, state, and local governments and agencies and departments thereof which are applicable to the Municipality and the Leasehold Property, and whether or not the same require structural repairs or alterations, which may be applicable to the Leasehold Property, the fixtures, or equipment thereof, or the sidewalks, curbs, and parking areas adjoining the Leasehold Property, or the use or manner of use of the Leasehold Property. The Municipality will also observe and comply with the requirements of all policies and arrangements of insurance at any time in force with respect to the Leasehold Property and the fixtures and equipment thereof.

Section 4.05 Alterations and Additions.

The Municipality shall have the right at any time and from time to time during the term of this Lease, without liability to the Authority, to make such changes, alterations, and additions, structural or otherwise, to the Leasehold Property and the fixtures and equipment thereof, now or hereafter located on the Leasehold Property, as the Municipality shall deem necessary or desirable in connection with the use of the Leasehold Property (but subject to the terms of the Cooperation Agreement). All such changes, alterations and additions when completed shall be of such a character as not to reduce or otherwise adversely affect the value of the Leasehold Property or the rental value thereof. The cost of any such change, alteration, or addition shall be promptly paid and discharged so that the Leasehold Property shall at all times be free of liens for labor and materials supplied with respect to the Leasehold Property. All alterations and improvements to the Leasehold Property shall be and become a part of the Leasehold Property; *provided, however*, that any and all trade fixtures and equipment installed by the Municipality (or any person claiming under the Municipality), if any, may be replaced at any time during the term of this Lease and may be removed at the expiration or sooner termination of this Lease, *provided*, that the Municipality, at its cost and expense, repairs any damage to the Leasehold Property caused by such removal.

Section 4.06 Covenant Against Waste.

The Municipality covenants not to do or suffer or permit any waste or damage, disfigurement, or injury to the Leasehold Property or the Exhibition Center or any building or improvement now or hereafter on the Leasehold Property or the fixtures or equipment thereof.

Section 4.07 Debt Service Reserve Fund.

Simultaneously with the issuance and sale of the Series 2018 Bonds, a deposit will be made to the Debt Service Reserve Fund so that the balance in the Debt Service Reserve Fund is equal to the Debt Service Reserve Fund Requirement. Money on deposit in the Debt Service Reserve Fund will be used to make up any deficiencies in the Bond Fund and for the other purposes as provided in the Indenture.

In the event the amount on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement:

(a) On any date as a result of a transfer from the Debt Service Reserve Fund to the Bond Fund due to a deficiency in said account, then the Municipality agrees to deposit amounts sufficient to make up the deficiency in six substantially equal monthly installments beginning with the first day of the month succeeding the receipt of notice from the Trustee that the deficiency occurred; or

(b) For any other reason, including a determination on a Valuation Date (as defined in the Indenture) that the market value of the securities then on deposit in the Debt Service Reserve Fund is less than the Debt Service Reserve Fund Requirement, then the Municipality agrees to deposit in the Debt Service Reserve Fund amounts sufficient to make up the deficiency, to the extent moneys are not available for such purpose in the Room Tax Stabilization Fund, within 90 days following the date on which the Municipality received notice of the deficiency.

Section 4.08 Rebate Account.

With respect to any Additional Bonds issued as Tax-Exempt Bonds, the Municipality agrees to promptly deposit amounts due to the rebate account established for such series of Additional Bonds as determined by a rebate determination described in Section 9.03 of the Indenture to the extent rebate payments are due and there are insufficient funds in the Revenue Fund or the Room Tax Stabilization Fund for such purpose as provided in Sections 8.03 and 8.08 of the Indenture.

ARTICLE V

MORTGAGE OF LEASEHOLD PROPERTY; ASSIGNMENT

Section 5.01 Mortgage, Assignment.

(a) The Authority may execute and deliver an assignment of this Lease and/or a Mortgage of the Leasehold Property to the Trustee as security for the Bonds in accordance with the terms of the Cooperation Agreement and the Indenture; *provided that* the Mortgage shall be subordinate to and subject to this Lease.

(b) Except as permitted in this Section 5.01 and except for Permitted Encumbrances, so long as any Bonds are outstanding, the Authority shall not mortgage, assign, or pledge its interest in the Leasehold Property or any Rents payable with respect thereto.

ARTICLE VI

CERTAIN CONDITIONS OF LEASE

Section 6.01 Notice of Condemnation or Destruction.

In the event of any condemnation, inverse condemnation, damage, loss, or destruction affecting the Leasehold Property, the Municipality shall promptly, and in any event within 90 days, thereafter file a certificate with the Authority and the Trustee indicating whether

the same is a Material Disturbance. If there is a Material Disturbance, such certificate shall attach the resolution required by Sections 1.01 (in the definition of “Material Disturbance”) and 6.03 hereof. If such certificate is not timely filed, then the condemnation, inverse condemnation, damage, loss, or destruction shall not be deemed to be a Material Disturbance for purposes of this Lease.

Section 6.02 Condemnation or Damage.

(a) In the event of any condemnation, inverse condemnation, damage, loss, or destruction affecting the Leasehold Property which does not result in a Material Disturbance, all condemnation and insurance proceeds shall be paid to the Trustee for deposit into the Condemnation and Insurance Proceeds Fund established under the Indenture, and applied at the direction of the Municipality either (i) to the replacement, repair, restoration, or rebuilding of the Leasehold Property as promptly as possible to a condition substantially equivalent to that existing prior to such condemnation or casualty or (ii) to the redemption of Bonds (to the extent they may be redeemed under the Indenture) and related prepayment of Rents, without replacement, repair, or restoration. To the extent that such proceeds are not used to redeem Bonds, all such proceeds shall be deposited with the Trustee to be held for disbursement in payment or reimbursement of the costs of such replacement, repair, or restoration, and the term hereof and the Rents and other payments due hereunder shall continue without modification.

(b) In the event of any condemnation, inverse condemnation, damage, loss, or destruction affecting the Leasehold Property which results in a Material Disturbance, if the Municipality has exercised its right to terminate this Lease as provided in Section 6.03, all condemnation and insurance proceeds shall be paid to the Trustee for deposit into the Condemnation and Insurance Proceeds Fund established under the Indenture, shall be the property of the Authority and shall be applied to the redemption of the Bonds as provided in Section 6.03 hereof; if the Municipality has not so exercised its right to terminate this Lease, then all condemnation and insurance proceeds shall be paid, deposited, and applied as provided in (a) above.

(c) Any application of condemnation or insurance proceeds pursuant to clause (i) of (a) above shall be deemed an irrevocable election by the Municipality not to exercise any right it may have to terminate this Lease under Section 6.03 as a result of the condemnation, inverse condemnation, damage, loss, or destruction giving rise to such proceeds.

Section 6.03 Material Disturbance; Termination of Lease.

In the event of a Material Disturbance, the Municipality shall have the right to terminate this Lease; *provided, however*, that the Municipality may exercise such right only upon the Common Council’s adoption of a resolution determining such Material Disturbance to be just cause for the termination of this Lease, taking into account findings, which shall be set forth in such resolution, as to the effect of a Lease termination on the purposes of the Redevelopment Plan, the Municipality’s credit rating and reputation, possible alternative courses of action, and any other matters affecting the public interest. Upon the Municipality’s exercise of such right,

the Bonds shall be called for redemption in accordance with the Indenture, and this Lease shall terminate on the date fixed for redemption, at which time the Authority may retake full title and possession of the Leasehold Property, subject to Permitted Encumbrances.

Section 6.04 Merger of Interest.

It is mutually agreed by the parties hereto that so long as any of the Bonds are outstanding, the leasehold interest and estate created by this Lease shall not be merged or deemed to be merged with any reversionary interest and estate of the Municipality in the Leasehold Property.

Section 6.05 Right to Inspect.

The Municipality covenants and agrees to permit the Authority, the Trustee, and their respective authorized agents and representatives to enter the Leasehold Property at all times during usual business hours for the purpose of inspecting the same.

Section 6.06 Surrender of Right of Reentry and Acceleration.

The Authority for itself and its successors and assigns hereby waives, surrenders, relinquishes, and releases, during the term of this Lease, any and all rights of reentry, or to retake possession of, or to evict the Municipality from its tenancy of, the Leasehold Property, or to accelerate the payment of Rents or any other amounts due hereunder, and hereby covenants and agrees not to exercise any such right in the event of the failure of the Municipality to make payment of the Rents or any other amounts due hereunder or in the event of any other default or defaults hereunder by the Municipality. The only remedies of the Authority in such event shall be legal proceedings to collect such Rents or other amounts due hereunder and to require performance by the Municipality of its obligations hereunder.

Section 6.07 Character of Lease.

It is mutually agreed that this is an absolutely “net” lease and notwithstanding any language herein to the contrary, it is intended, and the Municipality expressly covenants and agrees, that all Rents and other payments herein required to be made by the Municipality to the Authority shall be made without notice or demand and without set-off, counterclaim, suspension, deduction, or defense, and shall be net payments to the Authority, meaning that the Authority is not and shall not be required to expend any money or do any acts or take any steps affecting or with respect to the maintenance, preservation, repair, restoration, reconstruction, insuring, or protection of the Leasehold Property or any part thereof, all such obligations being the responsibility of the Municipality.

Section 6.08 Condition of Premises.

The Municipality shall at all times fully familiarize itself with the physical condition of the Leasehold Property and the improvements, fixtures and equipment thereof. The Authority makes no representations whatsoever in connection with the condition of the Leasehold Property or the Exhibition Center, and the Authority shall not be liable for any latent or patent defects therein.

Section 6.09 Consent to Suit.

The Municipality hereby consents and agrees to the institution of any and all actions, including mandamus, against the Municipality or any of its officers which may arise out of this Lease, and, to the extent permitted by law, the Municipality waives resort prior to the bringing of any such action by the Authority, as lessor hereunder, or its assignee to any administrative claim procedure provided in the Wisconsin Statutes; it being expressly understood that this Lease is solely a municipal obligation and that no personal liability whatever shall attach to, or is or shall be incurred by, the officers of the Municipality. Upon the occurrence of a default hereunder, to the extent that such rights may then lawfully be waived, neither the Municipality nor anyone claiming through it or under it shall set up, claim, or seek to take advantage of any moratorium, stay, extension, or redemption laws now or hereafter in force to prevent or hinder the enforcement of this Lease, but the Municipality for itself and all who may claim through or under it hereby waives, to the extent that it lawfully may do so, the benefit of all such laws to which it may be entitled by law.

Section 6.10 Option to Purchase Leasehold Property.

Upon the termination of this Lease, except for termination under Section 6.03, the Municipality shall have, and is hereby granted, an option to purchase all the Authority's right, title and interest in and to the Leasehold Property for a price of \$100. Such option may be exercised at any time beginning upon the full and final retirement of all of the Bonds (or provision therefor in accordance with the Indenture) and continuing thereafter until the lapse of 60 days following written notice to the Municipality from the Authority stating that such option shall expire unless exercised on or prior to such lapse date. In the event this Lease shall be terminated under Section 6.03, the Municipality shall have no option hereunder to purchase the Leasehold Property.

ARTICLE VII

MISCELLANEOUS

Section 7.01 Amendments.

Except in connection with a Supplement to Lease (Additional Bonds), this Lease shall not be effectively amended, changed, modified, altered, or terminated without the concurring written consent of the Trustee. No modification, alteration, or amendment to this Lease shall be binding upon either party hereto until such modification, alteration, or amendment is agreed upon in writing and executed by both parties hereto.

Section 7.02 Funding by Municipality.

To the extent that the Municipality is required to fund any payments required under Sections 3.02, 3.09, 3.13, 4.07 or 4.08 hereof, such payments shall be considered an advance to be reimbursed from future Exhibition Center Room Taxes, together with interest at a rate equal to the rate of interest established by the Local Government Investment Pool of the State of Wisconsin on the date of such advance; such reimbursement to occur as provided in Sections 8.03 and 8.08 of the Indenture.

Section 7.03 Successors.

Except as limited or conditioned by the express provisions hereof, the provisions of this Lease shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 7.04 Governing Law.

The laws of the State of Wisconsin shall govern this Lease.

Section 7.05 Captions.

The captions or headings in this Lease are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Lease.

Section 7.06 Counterparts.

This Lease may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were on the same instrument.

Section 7.07 Notices.

All notices, certificates, or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered, or when sent by first class mail, email, or overnight delivery service and addressed as follows; *provided*, that the sender shall obtain and preserve a confirmation of receipt for any email communication.

If to the Municipality:

City of Appleton
Attention: Director of Finance
100 North Appleton Street
Appleton, Wisconsin 54911
Telephone: (920) 832-6442
Email: tony.saucerman@appleton.org

If to the Authority:

Redevelopment Authority of the City of Appleton
Attention: Community and Economic Development Director
100 North Appleton Street
Appleton, Wisconsin 54911
Telephone: (920) 832-6408
Email: karen.harkness@appleton.org

If to the Trustee:

Associated Trust Company, National Association

Attention: Mr. Eric Wied
Corporate Trust Administration
200 North Adams Street
Green Bay, Wisconsin 54301
Telephone: (920) 433-3275
Email: eric.wied@associatedbank.com

The Authority, the Municipality, and the Trustee, may from time to time, designate in writing to the other parties a different address to which notices shall be sent.

Each notice, certificate, or other communication given hereunder by either the Municipality or the Authority shall also be concurrently given to the Trustee, to Robert W. Baird & Co. Incorporated, as underwriter for the Series 2018 Bonds, and to the underwriter for each series of Additional Bonds.

Section 7.08 Severability.

If any provisions of this Lease shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses, or Sections or subsections in this Lease contained shall not affect the remaining portions of this Lease, or any part thereof.

Section 7.09 Recording.

Either party hereto may record this Lease, or a memorandum or short form hereof executed by both of such parties, in the office of the Register of Deeds for Outagamie County, Wisconsin. If this Lease (or a memorandum or short form hereof) is so recorded, then such recording party hereby agrees to record each and every Supplement to Lease (Additional Bonds) entered into by the parties hereto (or a memorandum or short form thereof executed by both of such parties).

[Signature Page Follows]

IN WITNESS WHEREOF, the City of Appleton, Wisconsin, has caused this Lease to be executed by its Mayor and Clerk and its corporate seal affixed, and the Redevelopment Authority of the City of Appleton, Wisconsin has caused this Lease to be executed by its Executive Director and its corporate seal affixed, if any, all as of the date first written above.

CITY OF APPLETON, WISCONSIN

[SEAL]

By _____
Timothy M. Hanna
Mayor

And _____
Kami Lynch
City Clerk

REDEVELOPMENT AUTHORITY OF THE
CITY OF APPLETON, WISCONSIN

[SEAL]

By _____
Karen Harkness
Executive Director

[Signature Page to Lease]

STATE OF WISCONSIN
COUNTY OF OUTAGAMIE

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)SS
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On March _____, 2018, before me, a Notary Public in and for said County, personally appeared Timothy M. Hanna and Kami Lynch of the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision, to me known to be the persons who executed the foregoing instrument and to me known to be the Mayor and the Clerk of said municipal corporation and political subdivision, and acknowledged that they executed the foregoing instrument as such officers; that they know the seal of said municipal corporation and political subdivision; that the seal affixed to said instrument is the seal of said municipal corporation and political subdivision; that said instrument was signed and sealed on behalf of said municipal corporation and political subdivision by authority of its governing body pursuant to resolution passed and approved; and that said persons severally acknowledged the execution of said instrument to be the free and voluntary act and deed of said municipal corporation and political subdivision by it being freely and voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[SEAL]

Signature: _____
Name Printed: _____
Notary Public, Outagamie County, Wisconsin
My commission expires: _____

[Notary Page to Lease]

STATE OF WISCONSIN
COUNTY OF OUTAGAMIE

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On March _____, 2018, before me, a Notary Public in and for said County, personally appeared Karen Harkness of the REDEVELOPMENT AUTHORITY OF THE CITY OF APPLETON, WISCONSIN, a public body and a body corporate and politic, to me known to be the person who executed the foregoing instrument and to me known to be the Executive Director of said Authority, and acknowledged that she executed the foregoing instrument as such officer; that said instrument was signed by her as such officer of and on behalf of said Authority of its Commissioners; and that said person acknowledged the execution of said instrument to be that free and voluntary act and deed of said municipal corporation by it being freely and voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[SEAL]

Signature: _____
Name Printed: _____
Notary Public, Outagamie County, Wisconsin
My commission expires: _____

This instrument was drafted by and should be returned to David B. Ryan, Foley & Lardner LLP,
777 East Wisconsin Avenue, Milwaukee, WI 53202-5307

[Notary Page to Lease]

EXHIBIT A

LEASEHOLD PROPERTY

The Fox Cities Exhibition Center and the property on which it is situated located in the City of Appleton, Outagamie County, Wisconsin and described below, including, but not limited to, all buildings, structures, fixtures, and improvements now or hereafter located thereon, and related site grading, landscaping, fencing, sidewalk and walkways, utility lines, planning, engineering, and other administrative costs.

Parcel No. 312011600

CSM 5460 Lot 1 Vol 31 Doc 1726114 being all of Lots 1,2,3,4,5,8,9,10, 11 & 12 Blk 8 Appleton Plat and Prt of Vac Eighth St

Parcel No. 312012601

CSM 5460 Lot 2 Vol 31 Doc 1726114 being all of Lots 1,2,3,4,5,8,9,10, 11 & 12 Blk 8 Appleton Plat and Prt of Vac Eighth St

Parcel No. 312012600

CSM 5460 Lot 3 Vol 31 Doc 1726114 being all of Lots 1,2,3,4,5,8,9,10, 11 & 12 Blk 8 Appleton Plat and Prt of Vac Eighth St

Together with all right, title, and interest of the Authority in and to said land.

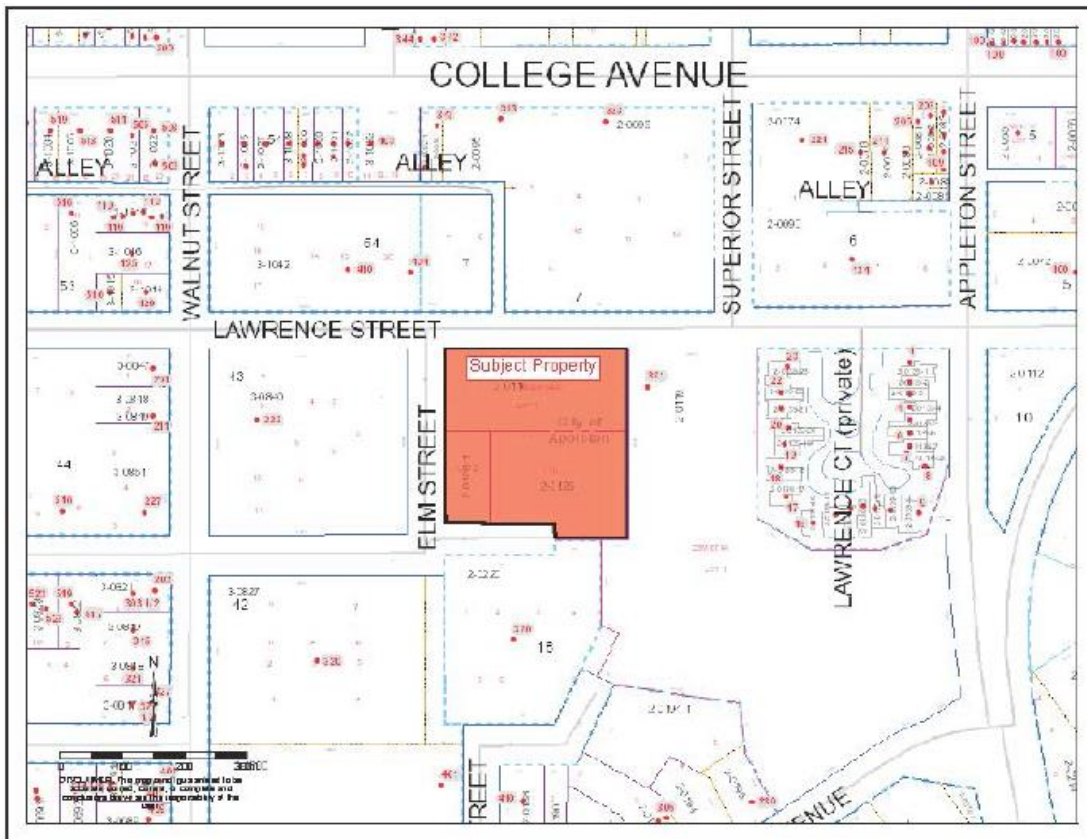


EXHIBIT B

PERMITTED ENCUMBRANCES

1. [The Redevelopment Plan] [and the Project Plan for Tax Incremental District No. 3].
2. Special taxes or assessments, if any, payable with the taxes levied or to be levied for the current and subsequent years.
3. Liens, hook-up charges or fees, deferred charges, reserve capacity assessments, impact fees, or other charges or fees due and payable on the development or improvement of the Leasehold Property, whether assessed or charged before or after the date of this Lease.
4. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
5. Rights or claims of parties in possession not shown by the public records.
6. Any encroachment, encumbrance, violation, variation, or adverse circumstance affecting title that would be disclosed by an accurate and complete land survey of the Leasehold Property.
7. Easements or claims of easements not shown by the public records.
8. Public or private rights, if any, in such portion of the subject premises as may be presently used, laid out or dedicated in any manner whatsoever, for road purposes.
9. Any claim of adverse possession or prescriptive easement.
10. Liens, encumbrances, covenants, conditions, restrictions, rights and interests, and other items which do not materially interfere with the intended use of the Leasehold Property as set forth in the Lease, or with the substantial realization of the intended benefits and public purposes of the Leasehold Property as set forth in the Redevelopment Plan.
11. [Rights under Management Agreement as described in the Cooperation Agreement.]

EXHIBIT C

SCHEDULE OF BASE RENTS

[Attached]

EXHIBIT D

SUPPLEMENT TO LEASE (ADDITIONAL BONDS)

THIS SUPPLEMENT TO LEASE (ADDITIONAL BONDS) is made as of _____, 20__ (this “**Supplement**”), by and between the REDEVELOPMENT AUTHORITY OF THE CITY OF APPLETON, WISCONSIN, a public body and a body corporate and politic (the “**Authority**”), and the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision (the “**Municipality**”).

Recitals

A. The Authority and the Municipality have entered into a Lease, dated as of [April 1], 2018, [a memorandum of] which was recorded in the office of the Register of Deeds for Outagamie County, Wisconsin on _____, 2018 as Document No. _____ (as amended and supplemented, the “**Lease**”), with respect to the Leasehold Property (as defined and identified in the Lease) including the real property described in Exhibit A attached hereto.

B. Section 3.02(b) of the Lease provides that upon the issuance of each series of Additional Bonds (as defined in the Lease), the Authority and the Municipality shall set forth a schedule of the Additional Rents (as defined in the Lease) applicable to such Additional Bonds.

C. The Authority now has so issued its [Taxable] Lease Revenue [Refunding] Bonds, Series 20____ (Fox Cities Exhibition Center Project), dated _____, 20____ in the aggregate principal amount of \$_____ (the “**Series 20____ Additional Bonds**”). The Series 20____ Additional Bonds are Additional Bonds. The Authority and the Municipality now desire to set forth a schedule of the Additional Rents applicable to the Series 20____ Additional Bonds (the “**Series 20____ Additional Rents**”).

NOW, THEREFORE, in consideration of the Recitals set forth above and incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Authority and the Municipality hereby agree as follows:

Section 1.01 Additional Rents.

A schedule of the Series 20____ Additional Rents, as determined as of the date hereof, is hereby set forth in Addendum A hereto. The Series 20____ Additional Rents are Additional Rents, and the Lease and all conditions, terms, and provisions thereof, as such may apply to any Additional Rents and the payment thereof, shall apply to the Series 20____ Additional Rents.

Section 1.02 Supplement to Lease (Additional Bonds).

This Supplement is a Supplement to Lease (Additional Bonds) (as defined in the Lease).

Section 1.03 [Amendment to Lease.]

[Exhibit C to the Lease is hereby amended as set forth in Addendum B hereto.]

IN WITNESS WHEREOF, the City of Appleton, Wisconsin, has caused this Supplement to be executed by its Mayor and Clerk and its corporate seal affixed, and the Redevelopment Authority of the City of Appleton, Wisconsin has caused this Supplement to be executed by its Chairperson and Executive Director and its corporate seal affixed, if any, all as of the day and year first written above.

CITY OF APPLETON, WISCONSIN

By _____

Mayor

[SEAL]

And _____

City Clerk

REDEVELOPMENT AUTHORITY OF THE
CITY OF APPLETON, WISCONSIN

By _____

[Chairperson]

[SEAL]

And _____

Executive Director

Consented to as of _____, 20__.

ASSOCIATED TRUST COMPANY,
NATIONAL ASSOCIATION,
as Trustee

By _____

Its: _____

STATE OF WISCONSIN
COUNTY OF OUTAGAMIE

)
)SS
)

On _____, 20____, before me, a Notary Public in and for said County, personally appeared _____ and _____ of the CITY OF APPLETON, WISCONSIN, a Wisconsin municipal corporation and political subdivision, to me known to be the persons who executed the foregoing instrument and to me known to be the Mayor and the Clerk of said municipal corporation and political subdivision, and acknowledged that they executed the foregoing instrument as such officers; that they know the seal of said municipal corporation and political subdivision; that the seal affixed to said instrument is the seal of said municipal corporation and political subdivision; that said instrument was signed and sealed on behalf of said municipal corporation and political subdivision by authority of its governing body pursuant to resolution passed and approved; and that said persons severally acknowledged the execution of said instrument to be the free and voluntary act and deed of said municipal corporation and political subdivision by it being freely and voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

[SEAL]

Signature: _____
Name Printed: _____
Notary Public, Outagamie County, Wisconsin
My commission expires: _____

)

)

ADDENDUM A

SCHEDULE OF SERIES 20_____ ADDITIONAL RENTS

[Attached]

[ADDENDUM B

EXHIBIT C
BASE RENTS]

[Attached]

EXHIBIT E

IMPROVEMENTS

The Fox Cities Exhibition Center (“**FCEC**”) is an approximately 60,000 square foot facility located in the City of Appleton, Wisconsin that includes exhibition, trade show, and meeting space. The FCEC also has 17,000 square feet of outdoor exhibition space that can be rented. The FCEC is connected to the Radisson Paper Valley Hotel.

**AMENDMENT TO
APPLETON REDEVELOPMENT PROJECT NO. 7 PROJECT PLAN**
dated as of March 7, 2018

WHEREAS, pursuant to Section 66.1333 (formerly Section 66.431) of the Wisconsin Statutes (the “Redevelopment Act”), the Redevelopment Authority of the City of Appleton, Wisconsin (the “Authority”) established Appleton Redevelopment Project Area No. 7 (the “Redevelopment Area”) in the City of Appleton, Wisconsin (the “City”) and adopted the Appleton Redevelopment Project No. 7 – Redevelopment Plan (the “Redevelopment Plan”) with respect to the Redevelopment Area, which was determined by the Authority to be a blighted area in need of urban renewal within the meaning of the Redevelopment Act; and

WHEREAS, the City has established Tax Incremental District #3 City of Appleton (“TID 3”) and has adopted a Project Plan for TID 3 (the “TID 3 Project Plan”) pursuant to which the City operates to stimulate development and reduce blight in the area described in the TID 3 Project Plan; and

WHEREAS, the blighted areas described in the TID 3 Project Plan and the Redevelopment Plan overlap, and each includes a parcel identified as Block 8 within the Redevelopment Area; and

WHEREAS, pursuant to an Exhibition Center Cooperation Agreement (as amended from time to time, the “Cooperation Agreement”) among the City, the Authority, certain other municipalities in the Fox Cities area, the Fox Cities Performing Arts Center, Inc., and the Fox Cities Area Room Tax Commission, the City has caused the construction of an exhibition center (the “Exhibition Center”) on Block 8, and the Authority has agreed to provide financing for the Exhibition Center; and

WHEREAS, the development, operation, and financing of the Exhibition Center as provided in the Cooperation Agreement will serve the intended accomplishments of the TID 3 Project Plan and the Redevelopment Plan;

NOW, THEREFORE, the Authority, with the approval of the common council of the City, following a public hearing as required by subsection (11)(a) of the Redevelopment Act, amends the Redevelopment Plan as follows:

1. Notwithstanding Section IV.D. of the Redevelopment Plan, the provisions of the Redevelopment Plan, as amended hereby, shall apply to the development and financing of the Exhibition Center pursuant to the Cooperation Agreement for so long as any bonds issued by the Authority to finance or refinance the Exhibition Center remain outstanding.
2. Block 8 shall be added to the parcels to be acquired, and to the disposition parcels (such disposition to be by lease to the City), and its use shall be as an exhibition center in support of the existing convention center facilities in the Redevelopment Area.

Adopted: March 7, 2018

ARA Executive Director

City of Appleton Mayor

City of Appleton Clerk