



## PLAN COMMISSION MEETING AGENDA

**Tuesday, March 24, 2015 at 5:30 P.M.**

Sister Bay-Liberty Grove Fire Station – 2258 Mill Road, Sister Bay, WI

**For additional information check: [Http://www.sisterbaywi.gov](http://www.sisterbaywi.gov)**

*In order for everyone to hear the discussion please, turn off your cell phone. Thank you.*

**Call Meeting to Order / Roll Call                      Deviations from the agenda order shown may occur.  
Comments, correspondence and concerns from the public**

**Approval of the agenda**

**Approval of minutes as published**

**Business Items**

1. Discuss a development agreement from Stony Ridge Development; consider a motion for approval and forwarding to the Village Board.
2. Discuss signage design and site plans for Country Walk Shops; Consider a motion to approve plans and to forward appropriate elements to the Parks Committee for further action.
3. Report by the Zoning Administrator regarding development activities, various enforcement actions, and issuance of Sign and Zoning Permits.
4. Matters to be placed on a future agenda or referred to a Committee, Official or Employee

### Adjournment

### Public Notice

Questions regarding the nature of the agenda items or more detail on the agenda items listed above scheduled to be considered by the governmental body listed above can be directed to Zeke Jackson, Village Administrator at 920-854-4118 or at [zeke.jackson@sisterbaywi.gov](mailto:zeke.jackson@sisterbaywi.gov).

It is possible that members of and possibly a quorum of members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information; no action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice. 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 at no cost to the individual to participate in public meetings. 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 Administrator at 854-4118, (FAX) 854-9637, or by writing to the Village Administrator at 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. – 4 p.m. weekdays).

I hereby certify that I have posted a copy of this agenda at the following locations:		
<input type="checkbox"/> Administration Building	<input type="checkbox"/> Library	<input type="checkbox"/> Post Office
_____ / _____		
Name	Date	

1 PLAN COMMISSION MEETING MINUTES  
2 TUESDAY, FEBRUARY 24, 2015  
3 Sister Bay-Liberty Grove Fire Station – 2258 Mill Road  
4 (APPROVAL PENDING)  
5

6 The February 24, 2015 meeting of the Village of Sister Bay Plan Commission was called to order by  
7 Acting Chair Shane Solomon at 5:32 P.M. (Dave Lienau, the Chair of the Plan Commission, was  
8 unable to attend this meeting, and asked Solomon to assume his duties.)  
9

10 **Present:** Acting Chair Solomon, and members Scott Baker, Nate Bell, Marge Grutzmacher, and Don  
11 Howard.  
12

13 **Excused:** Dave Lienau and Eric Lundquist  
14

15 **Others:** Tom Wood, Joe Goldberg, Tim Halbrook, John Clove, and two other individuals.  
16

17 **Staff Members:** Village Administrator Zeke Jackson  
18

19 **Comments, correspondence and concerns from the public:**

20 Lienau asked if anyone wished to comment regarding a non-agenda item. No one responded.  
21

22 Jackson read an e-mail which had been received from Jerry Zaug, the owner of the Country House  
23 Resort aloud. In his e-mail Zaug indicates that he has heard that a developer intends to build up to 36  
24 luxury apartments on “The Old Ball Field Property”. He owns all the land between the proposed  
25 development and the bay, and is concerned that residents at the apartment complex will walk down N.  
26 Highland Road, continue through the parking lot at The Country House Resort and travel down the  
27 paved path which leads to the water. This is private property and is only intended for use by guests at  
28 the Country House Resort. Jackson discussed this issue with Calvin Aiken of Premier Real Estate, and  
29 Mr. Aiken assured him that he has no intention of marketing his development as being a “waterfront  
30 destination”.  
31

32 **Approval of the agenda:**

33 *A motion was made by Solomon, seconded by Baker that the Agenda for the February 24, 2015*  
34 *meeting of the Plan Commission be approved as presented. Motion carried – All ayes.*  
35

36 **Approval of minutes as published:**

37 **As to the minutes for the December 29, 2014 meeting of the Plan Commission:**

38 *A motion was made by Solomon, seconded by Baker that the minutes for the December 29, 2014*  
39 *meeting of the Plan Commission be approved as presented. Motion carried – All ayes.*  
40

41 **Business Items:**

42 **Item No. 1. Public Hearing regarding amendment of the Zoning Map for the Village of Sister**  
43 **Bay as it relates to Parcel No. 181-00-05312833D, consisting of approximately 1.78 acres of land**  
44 **on N. Highland Road, by rezoning that parcel from R-4 to R-2; and consider a motion for**  
45 **action:**

46 *At 5:39 P.M Solomon called the public hearing regarding amendment of the Zoning Map for the*  
47 *Village of Sister Bay as it relates to Parcel No. 181-00-05312833D, consisting of approximately 1.78*  
48 *acres of land on N. Highland Road, by rezoning that parcel from R-4 to R-2 to order and asked if*  
49 *anyone wished to comment regarding the proposed amendment. No one responded, and, therefore,*  
50 *Solomon declared that the hearing was officially closed at 5:42 P.M.*  
51

1 The Village had previously committed to swap a portion of the property which is commonly referred  
 2 to as “The Old Ball Field Property”, which is currently zoned R-4, with Mike Johnson. Over the  
 3 course of approximately one and a half years three attempts were made to work with Mr. Johnson to  
 4 facilitate the swap, but he still has not completed the required actions. Therefore, the Finance  
 5 Committee decided to consider a second offer on the parcel which was submitted by Premier Real  
 6 Estate. The land immediately to the north is already zoned R-2, and Premier Real Estate does plan to  
 7 develop both lots. Given the fact that the land to the south is zoned B-1 - General Business, it would  
 8 be appropriate to change the zoning for Parcel No. 181-00-05312833D to R-2.

9  
 10 *A motion was made by Baker, seconded by Bell that the Plan Commission recommends that the*  
 11 *Zoning Map for the Village of Sister Bay be amended in such fashion that the zoning for Parcel No.*  
 12 *181-00-05312833D, consisting of approximately 1.78 acres of land on N. Highland Road, is changed*  
 13 *from R-4 to R-2. Motion carried – All ayes.*

14  
 15 **Item No. 2. Consider a motion to approve a Certified Survey Map for the land which is**  
 16 **commonly referred to as “The Old Ball Field Property”:**

17 The Village has sought to dispose of properties which were not identified as being “core” to the  
 18 recreation, leisure, and tourism promotion facets of Village public policy in the Comprehensive  
 19 Outdoor Recreation Plan. An Offer to Purchase the property which is commonly referred to as “The  
 20 Old Ballfield Property” was submitted by Premier Real Estate, and that offer has been accepted. The  
 21 owners of Premier Real Estate would like to construct thirty-six luxury multi-family units on the land.  
 22 A CSM which combines Parcel No. 181-00-05312833D and 181-00-05312833D2 was included in the  
 23 meeting packets and the Commission members jointly reviewed that document. The CSM does  
 24 provide for a utility maintenance easement for the water tower and an easement for a 30’ sanitary  
 25 sewer and water main which will be dedicated to the Village, as well as a utility easement which was  
 26 granted to the Johnson family a number of years ago.

27  
 28 *A motion was made by Baker, seconded by Bell that the Plan Commission recommends that the*  
 29 *Certified Survey Map for the land which is commonly referred to as “The Old Ball Field Property”*  
 30 *which was reviewed at this meeting be approved as presented. Motion carried – All ayes.*

31  
 32 **Item No. 3. Consider a motion to approve the Architectural Plans, Site Plan, Storm Water**  
 33 **Management Plan, Traffic Control Plan, Landscaping Plan, Signage Plan and Lighting Plan for**  
 34 **the development Premier Real Estate would like to construct on the property which is commonly**  
 35 **referred to as “The Old Ball Field Property”:**

36 Architectural Plans, a Site Plan, a Storm Water Management Plan, a Traffic Control Plan, a  
 37 Landscaping Plan, a Signage Plan, and a Lighting Plan for the development Premier Real Estate would  
 38 like to construct on the property which is commonly referred to as “The Old Ball Field Property” were  
 39 presented by representatives of Premier Real Estate. All 36 units within the development, which will  
 40 consist of three buildings with 12 units each, will contain two bedrooms and two baths, and a Manager  
 41 will be on site. There will be a minimum of two parking stalls per unit and all the buildings will  
 42 contain sprinkler systems. A combination of shake siding and vinyl siding as well as Door County  
 43 stone will be utilized on the exterior of the buildings, and earth tones will be utilized. Samples of the  
 44 preferred type of siding and stone were presented, and the Commission members indicated that they  
 45 like all of those materials. There is bedrock on the site, and a detention area which complies with DNR  
 46 regulations which is aesthetically pleasing will be created on the north end of the property. The  
 47 Utilities Manager, Steve Jacobson, has already reviewed the Sewer and Water Plans, and the Fire  
 48 Chief, Chris Hecht, has also been consulted regarding placement of fire hydrants and preferred turning  
 49 radiuses. All the suggestions which were made by Jacobson and Hecht have been incorporated into the  
 50 plans. No phasing will be done, and all the propane tanks will be buried. There is a separate  
 51 Landscaping Plan for each of the buildings, and nearly all the existing trees will remain. A few new  
 52 shade trees will also be planted. Wall pack lighting will be utilized on the buildings and no pole lights

1 will be installed, so there shouldn't be any light pollution issues. The proposed sign is a poly material  
2 which looks like wood grain and will match the color scheme of the buildings. Jackson noted that the  
3 height of the sign for the development cannot exceed 6'. He also noted that the square footage of the  
4 sign itself cannot exceed 24 square feet. Further, the Village's engineers must confirm that they  
5 approve of the Site Plan and the Storm Water Management Plan, and must also confirm that wall pack  
6 lighting will provide a sufficient amount of light.

7  
8 *A motion was made by Solomon, seconded by Howard that the Architectural Plans and siding*  
9 *materials for the development Premier Real Estate would like to construct on the property which is*  
10 *commonly referred to as "The Old Ball Field Property" which were reviewed at this meeting are*  
11 *approved as presented. Motion carried – All ayes.*

12  
13 *A motion was made by Solomon, seconded by Baker that the Site Plan, Storm Water Management*  
14 *Plan, Traffic Control Plan, Landscaping Plan, Signage Plan and Lighting Plan for the development*  
15 *Premier Real Estate would like to construct on the property which is commonly referred to as "The*  
16 *Old Ball Field Property" are approved as presented on the condition that the Village's engineers must*  
17 *confirm that they don't have any issues with the Site Plan, the Storm Water Management Plan, the*  
18 *Traffic Control Plan, the Landscaping Plan and the Lighting Plan. Further, the Village Administrator*  
19 *must confirm that the signage which will be erected is compliant with the provisions of the Village's*  
20 *Sign Code. Motion carried – All ayes.*

21  
22 *At 6:09 P.M. a brief recess was taken and the Plan Commission reconvened at 6:11 P.M.*

23  
24 **Item No. 4. Consider a motion to approve a Development Agreement for the property which is**  
25 **commonly referred to as "The Old Ball Field Property":**

26 A draft of a Development Agreement between the Village of Sister Bay and Premier Real Estate was  
27 included in the meeting packets and the Commission members jointly reviewed that document. (The  
28 legal name of Premier Real Estate is "Premier Niagara Ridge, LLC", and it is a Wisconsin limited  
29 liability company.) The Village Attorney, Randy Nesbitt, has reviewed the agreement and didn't  
30 identify any issues with it. There are a few blanks which must be filled in, and the previously  
31 mentioned conditions must be satisfied prior to the time that the agreement is actually executed. Joe  
32 Goldberg, one of the Premier Real Estate representatives who was in attendance, indicated that he and  
33 his associates don't have any issues with conditional approval of the Development Agreement.

34  
35 *A motion was made by Baker, seconded by Howard, that the Plan Commission recommends that the*  
36 *Development Agreement between the Village of Sister Bay and Premier Real Estate, d/b/a "Premier*  
37 *Niagara Ridge, LLC", be approved on the condition that the Village's engineers must confirm that*  
38 *they don't have any issues with the Site Plan, the Storm Water Management Plan, the Traffic Control*  
39 *Plan, the Landscaping Plan and the Lighting Plan which were reviewed at this meeting. Motion*  
40 *carried – All ayes.*

41  
42 **Item No. 5. Consider a motion to approve the Development Agreement which was submitted by**  
43 **Stony Ridge Development:**

44 **Item No. 6. Consider a motion to approve Signage Design and Site Plans for the Country Walk**  
45 **Shops:**

46 *A motion was made by Solomon, seconded by Baker that Agenda Item No. 5 - Consider a motion to*  
47 *approve the Development Agreement which was submitted by Stony Ridge Development; and Agenda*  
48 *Item No. 6. Consider a motion to approve Signage Design and Site Plans for the Country Walk Shops,*  
49 *shall be tabled until the March meeting of the Plan Commission. Motion carried – All ayes.*

50  
51  
52

1 **Item No. 7. Report by the Zoning Administrator regarding development activities, various**  
2 **enforcement actions, and issuance of Sign and Zoning Permits:**

3 Jackson gave the following oral report:  
4

- 5 • Relaxed signage regulations will be in effect during the time that work is done on the Line  
6 Burial and Bay Shore Drive Reconstruction Projects. Therefore, businesses will be allowed to  
7 put out a wide array of signage to let people know that they are open for business.
- 8 • Hopefully all the issues with the Stony Ridge Development will be resolved soon.
- 9 • There is potential for a new development to occur on the Braun property. Plans should be  
10 submitted soon.

11  
12 **Item No. 8. Discussion regarding matters to be placed on a future agenda or referred to a**  
13 **committee, Village official or employee:**

14 *It was the consensus that the following agenda items shall be addressed at the March meeting of the*  
15 *Plan Commission:*  
16

- 17 **A. Consider a motion to approve the Development Agreement which was submitted by**  
18 **Stony Ridge Development:**
- 19 **B. Consider a motion to approve Signage Design and Site Plans for the Country Walk**  
20 **Shops:**

21  
22 **Adjournment:**

23 *A motion was made by Howard, seconded by Solomon to adjourn the meeting of the Plan Commission*  
24 *at 6:25 P.M. Motion carried – All ayes.*  
25

26 Respectfully submitted,

27 

28 Janal Suppanz,  
29 Administrative Assistant

SURVEYOR'S CERTIFICATE

I, Steven M. Bieda, Professional Land Surveyor, S-2275, hereby certify:

In full compliance with the provisions of Chapter 236, Wisconsin Statutes, and the subdivision regulations of the Village of Sister Bay and the Door County Planning Commission and under the direction of the owners listed herein, I have surveyed, divided and mapped "Stony Ridge", and that such plot correctly represents all exterior boundaries and the subdivision of the land surveyed and is parts of the Southeast 1/4 of the Northwest 1/4 and the Northeast 1/4 of the Northwest 1/4 of Section 8, T31N-R28E, in the Village of Sister Bay, Door County, Wisconsin, more fully described as follows:

Commencing at the West 1/4 corner of Section 8, T31N-R28E; thence N89°37'04"E, 1345.79 feet along the South line of the Northwest 1/4 of said Section 8 to the Southwest corner of the Southeast 1/4 of said Northwest 1/4 and the point of beginning; thence N00°29'53"W, 307.39 feet along the West line of said quarter-quarter; thence N89°37'04"E, 403.82 feet; thence 202.83 feet along the arc of a 1030.00 foot curve to the left whose long chord bears N05°20'30"E, 202.51 feet; thence N00°17'59"W, 338.58 feet; thence N89°51'39"E, 50.00 feet along the South line of Volume 16, Certified Survey Maps, page 13, Door County Records; thence 19.05 feet along the arc of a 12.00 foot radius curve to the right whose long chord bears N45°10'32"E, 17.11 feet; thence 35.92 feet along said South line, being the Southerly right of way of Cherrywood Lane, and being the arc of a 1030.00 foot radius curve to the right whose long chord bears S88°21'00"E, 35.92 feet; thence N02°38'57"E, 60.00 feet to the Northerly right of way of said Cherrywood Lane; thence 39.40 feet along said Northerly right of way being the arc of a 1090.00 foot radius curve to the left whose long chord bears N88°23'10"W, 39.40 feet; thence 18.67 feet along the arc of a 12.00 foot radius curve to the right whose long chord bears N44°51'38"W, 16.84 feet; thence S89°50'55"W, 50.00 feet; thence N00°17'59"W, 190.92 feet along the East line of Lot 1, said Certified Survey Map to the Northeast corner thereof; thence N89°48'03"E, 71.44 feet; thence N01°34'00"W, 134.04 feet; thence N48°48'43"E, 95.33 feet along a South line of Lot 1, Volume 16, Certified Survey Maps, page 220, Door County Records; thence N89°48'03"E, 239.77 feet along said South line; thence S36°08'39"E, 294.50 feet along a South line of said Certified Survey Map; thence N89°46'53"E, 90.96 feet along said South line, being the Southerly right of way of Judith Blazer Drive to the Southeast corner thereof; thence S00°13'07"E, 188.40 feet; thence N90°00'00"E, 238.24 feet to the Westerly right of way of State Trunk Highway "57"; thence S00°04'24"E, 177.82 feet along said right of way; thence 728.55 feet along said right of way being the arc of a 2086.61 foot radius curve to the right whose long chord bears S09°55'45"W, 724.85 feet; thence S89°37'04"W, 1172.73 feet along the South line of the Southeast 1/4 of the Northwest 1/4 of said Section 8 to the point of beginning.

Parcel contains 1,093,937 square feet / 25.11 acres, more or less. Road dedication contains 100,346 square feet / 2.30 acres, more or less.

Steven M. Bieda PLS-2275 July 11, 2014 Revised: July 28, 2014 Revised: August 22, 2014 Revised: September 4, 2014 Revised: September 10, 2014 Revised: September 16, 2014 Revised: September 22, 2014 Revised: December 3, 2014 Revised: December 8, 2014 (DOA Review)

RESTRICTIVE COVENANTS

The land on all side and rear lot lines of all lots shall be graded by the property owner and maintained by the abutting property owners to provide for adequate drainage of surface water.

Each lot owner shall grade the property to conform to the adopted sidewalk grade elevation and maintain said elevation for future sidewalks.

No poles, pedestals or buried cable are to be placed so as to disturb any survey stake or obstruct vision along any lot lines or street line, a disturbance of a survey stake by anyone is a violation of section 236.32 of the Wisconsin Statutes.

Plot to be designed and constructed to meet local and state approved grading plan and to be approved by the Village of Sister Bay and the Wisconsin Department of Transportation prior to commencement of any earth moving activities.

LIMITED LIABILITY COMPANY OWNER'S CERTIFICATE

Stony Ridge Development LLC, a limited liability company duly organized and existing under and by virtue of the laws of the State of Wisconsin, does hereby certify that we caused the land described on Stony Ridge to be surveyed, divided, mapped and dedicated as represented herein. Stony Ridge Development LLC also certifies that this Plat is required by S.236.10 or S.236.12 to be submitted to the following for approval or objection:

VILLAGE OF SISTER BAY DOOR COUNTY WISCONSIN DEPARTMENT OF TRANSPORTATION WISCONSIN DEPARTMENT OF ADMINISTRATION

In Witness Whereof, the said Stony Ridge Development LLC has caused these presents to be signed by Keith E. Garot, its Member, on this \_\_\_ day of \_\_\_, 20\_\_.

Keith E. Garot Member

Personally came before me this \_\_\_ day of \_\_\_, 20\_\_, the above named Member of said Limited Liability Company and acknowledged that he executed the foregoing instrument as such Member as the deed of said Limited Liability Company, by its authority.

Notary Public My Commission Expires \_\_\_ County, Wisconsin

STATE OF WISCONSIN } SS COUNTY OF DOOR }

CERTIFICATE OF CORPORATE MORTGAGEE

\_\_\_ a corporation duly organized and existing under and by virtue of the laws of Wisconsin, mortgagee of the above described land, does hereby consent to the surveying, dividing, mapping and dedication of the land described on this Plat and does hereby consent to the above certificate of \_\_\_ Owner(s).

IN WITNESS WHEREOF, \_\_\_ has caused these presents to be signed by \_\_\_ its \_\_\_ and countersigned by \_\_\_ its \_\_\_ at \_\_\_ this \_\_\_ day of \_\_\_.

Personally came before me this \_\_\_ day of \_\_\_, the above named officers of said corporation to me known to be the persons who executed the foregoing instrument and to me known to be such officers of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

Notary Public My Commission Expires \_\_\_ County, Wisconsin

STATE OF WISCONSIN } SS COUNTY OF \_\_\_ }

CERTIFICATE OF CORPORATE MORTGAGEE

\_\_\_ a corporation duly organized and existing under and by virtue of the laws of Wisconsin, mortgagee of the above described land, does hereby consent to the surveying, dividing, mapping and dedication of the land described on this Plat and does hereby consent to the above certificate of \_\_\_ Owner(s).

IN WITNESS WHEREOF, \_\_\_ has caused these presents to be signed by \_\_\_ its \_\_\_ and countersigned by \_\_\_ its \_\_\_ at \_\_\_ this \_\_\_ day of \_\_\_.

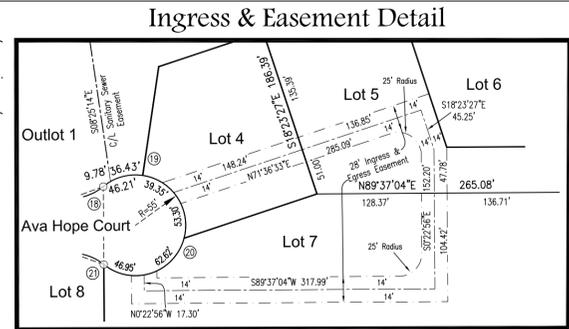
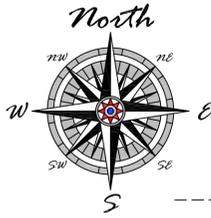
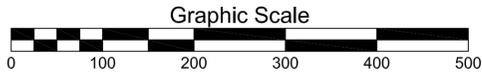
Personally came before me this \_\_\_ day of \_\_\_, the above named officers of said corporation to me known to be the persons who executed the foregoing instrument and to me known to be such officers of said corporation, and acknowledged that they executed the foregoing instrument as such officers as the deed of said corporation, by its authority.

Notary Public My Commission Expires \_\_\_ County, Wisconsin

STATE OF WISCONSIN } SS COUNTY OF \_\_\_ }

# Stony Ridge

Parts of the Southeast 1/4 of the Northwest 1/4 and the Northeast 1/4 of the Northwest 1/4 of Section 8, T31N-R28E, in the Village of Sister Bay, Door County, Wisconsin.



SCALE 1"=100'

DRAWN BY JMB

Stony Ridge

Mau & Associates LAND SURVEYING & PLANNING CIVIL & WATER RESOURCE ENGINEERING Phone: 920-434-9670 Fax: 920-434-9672

Stony Ridge Development LLC

PROJECT NO. L-18907 SHEET NO. 1 of 1 DRAWING NO. P-2190

Bearings referenced to the South line of the Northwest 1/4 of Section 8, T31N-R28E, assumed to be N89°37'04"E.

CERTIFICATE OF THE VILLAGE OF SISTER BAY

Approved for the Village of Sister Bay this \_\_\_ day of \_\_\_, 20\_\_.

Christy M. Sully Village Clerk

CERTIFICATE OF THE TREASURER

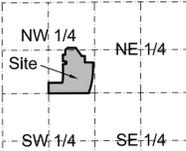
As duly elected Door County Treasurer and Village of Sister Bay Treasurer, we hereby certify that the records in our offices show no unredeemed tax sales and no unpaid taxes or special assessments affecting any of the lands included in this Plat as of the dates listed below.

Jay Zahn Date Door County Treasurer

Curve Data

CURVE	ARC LENGTH	RADIUS	CHORD LENGTH	CHORD BEARING	CENTRAL ANGLE	TANGENT BEARING
1-2	269.96	2086.61	269.77	S03°37'59"W	0°74'46"	-
2-3	212.52	2086.61	212.43	S10°13'26"W	0°50'08"	-
3-23	51.59	2086.61	51.59	S13°53'00"W	01°25'00"	-
23-4	194.48	2086.61	194.41	S17°15'42"W	05°20'74"	-
1-4	728.55	2086.61	724.85	S09°55'45"W	20°00'18"	S19°55'54"W
5-6	23.94	1030.00	23.94	S11°38'56.5"W	01°19'55"	-
6-7	202.83	1030.00	202.51	N05°20'30"E	11°16'58"	-
5-7	226.77	1030.00	226.32	N06°00'27.5"E	12°36'53"	-
8-9	19.05	12.00	17.11	N45°10'32"E	90°57'02"	S89°20'57"E
9-10	35.92	1030.00	35.92	S88°21'00"E	01°59'54"	-
11-12	39.40	1090.00	39.39	N88°23'10"W	02°04'14"	S89°25'17"E
12-13	18.67	12.00	16.84	N44°51'38"W	89°07'18"	N00°17'59"W
14-15	202.60	1090.00	202.31	S05°01'31"W	10°38'58"	-
15-16	37.38	1090.00	37.38	N11°19'57"E	01°57'54"	-
14-16	239.98	1090.00	239.50	N08°07'27.5"E	12°36'53"	-
17-18	37.82	55.00	37.08	S69°55'03"W	39°24'02"	N50°13'02"E
18-19	46.21	55.00	44.86	S74°17'11"W	48°08'18"	-
19-20	92.65	55.00	82.08	N33°23'03"W	96°31'14"	-
20-21	109.57	55.00	92.33	N71°56'50"E	114°08'32"	-
18-21	248.43	55.00	85.00	S00°22'56"E	258°48'04"	N50°58'54"W
21-22	37.82	55.00	37.08	S70°40'55"E	39°24'02"	-
9-25	10.12	1030.00	10.12	N89°04'03.5"W	00°33'47"	-
25-24	19.17	12.00	17.19	S45°27'25.5"W	91°30'49"	N88°47'10"W
25-10	25.80	1030.00	25.80	N89°04'06.5"W	01°28'07"	-

Location Map



Section 8, T31N-R28E Village of Sister Bay Door County, Wisconsin

NOTES

No improvements or structures are allowed between the highway and the setback line.

As owner I hereby restrict all lots and blocks in that no owner, possessor, user, nor licensee, nor other person shall have any right of direct vehicular ingress or egress with STH 57 as shown on the plat; it being expressly intended that this restriction shall constitute a restriction for the benefit of the public according to s.236.293, Stats., and shall be enforceable by the state highway commission.

There are no objections to this plat with respect to Secs. 236.15, 236.16, 236.20 and 236.21(1) and (2), Wis Stats. as provided by s. 236.12, Wis. Stats.

Certified \_\_\_ 20\_\_



Yellow = Village

Blue = Village's Attorney

Green = Developer/Developer's Attorney

## DEVELOPMENT AGREEMENT

This **DEVELOPMENT AGREEMENT** (this "Agreement") is made as of the \_\_\_ day of \_\_\_\_\_, 2015 (the "Effective Date"), by and between the **Village of Sister Bay, Wisconsin** and **Stony Ridge Development, LLC**.

### RECITALS

- (i) Developer owns certain land in the Village of Sister Bay, Door County, Wisconsin described on Exhibit A attached hereto (the "Land").
- (ii) Developer intends to construct the Project on a portion of the Land.
- (iii) In connection with construction of the Project, the Village intends to make a loan to Developer, to be used by Developer for the construction and installation of certain infrastructure improvements for the Project.
- (iv) The parties enter into this Agreement for the purpose of setting forth certain rights, duties and obligations of the parties with respect to the construction of the infrastructure improvements and the making of the loan.

**NOW, THEREFORE**, in consideration of the recitals and mutual agreements herein set forth, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

1. **Project Overview.** Developer owns the Land and intends to construct on the portions of the Land known as Lots 1 through 18 (inclusive) of the Stony Ridge Plat certain multi-family housing units, single-family housing units, condominiums and storage units, having a total assessed value of not less than \$5,075,000. The construction of the housing and storage units will be done in phases. Certain infrastructure improvements are needed in connection with the Project and Developer has asked the Village to make a loan in the amount of \$530,000 to Developer to be used solely for the construction of certain infrastructure improvements, which will be dedicated to the Village, and associated costs and engineering fees. The above is merely intended to be an overview, and the provisions set forth below provide additional detail and additional material terms and conditions.

2. **Definitions.** As used in this Agreement, the following terms shall have the following meanings:

- (a) "Anticipated Assessed Values" means: the anticipated assessed value per building type and per calendar year for the Project as specified in Exhibit C attached hereto.

(b) “Bank” means: the Bank of Luxemburg.

(c) “Bank Loan” means: a loan from the Bank in the amount of at most \$145,000 to fund the Village Project.

(d) “Bank Mortgage” means: a first lien mortgage securing the Bank Loan which encumbers only the Bank Primary Collateral Land and the Secondary Collateral Land. As set forth herein, the Secondary Collateral Land will also be subject to the Mortgage(NEEDED?). [CONFIRM]

(e) “Bank Primary Collateral Land” means: Lots 4, 5, 6 and 7 of the Stony Ridge Plat. [CONFIRM] and outlot 2

(f) "Developer" means: Stony Ridge Development, LLC, a Wisconsin limited liability company.

(g) "Guarantor" means: Keith Garot, and any other person or entity that executes a guaranty of Developer's obligations hereunder.

(h) “Guaranty” is defined in paragraph 8 below.

(i) "Loan" means: the Village Loan.

(j) “Loan Repayment Reserve” means: at least \$45,000 of the Bank Loan which is to be retained by the Bank as a reserve account used solely for payments on the Loan. Any other use of such retained funds shall require the Village’s consent, which may be withheld in the Villages sole discretion.

(k) “Lot 1” means Lot 1 of the Stony Ridge Plat. [THE NOTES PROVIDED INDICATE THAT THE OTHER LAND WILL BE SUBJECT TO A 1ST POSITION MORTGAGE BY THE BANK. I HAVE ASSUMED THIS IS CORRECT AND MADE THE VILLAGE MORTGAGE 2ND POSITION FOR THIS PROPERTY. PLEASE ADVISE IF THESE ARE NOT THE AGREED-UPON TERMS.] This is village collateral

(l) "Mortgage" means: real estate mortgage from Developer for the benefit of the Village to secure repayment of the Loan constituting (i) a first priority lien on the Village Primary Collateral Land, (ii) a first priority lien on the Village Project Land, and (iii) a second priority lien on the Secondary Collateral Land (subordinate only to the Bank Mortgage). The Village Primary Collateral Land, the Village Project Land and the Secondary Collateral Land are sometimes collectively referred to herein as the “Mortgaged Land”. The Mortgage shall be in the form attached hereto as Exhibit F.

(m) “Note” means: the instrument signed by Developer evidencing Developer’s obligation to repay the Loan in the form attached hereto as Exhibit E.

(n) “Outlot 1” means: the portion of the Land reserved for storm water management and labeled as “Outlot 1” on the Stony Ridge Plat. MAINTAINED BY A HOMEOWNER’S ASSOCIATION OR OTHER MECHANISM THROUGH DEED.

(o) “Outlot 2” means: the portion of the Land reserved for future development and labeled as “Outlot 2” on the Stony Ridge Plat. **[THE NOTES PROVIDED INDICATE THAT THE OTHER LAND WILL BE SUBJECT TO A 1ST POSITION MORTGAGE BY THE BANK. I HAVE ASSUMED THIS IS CORRECT AND MADE THE VILLAGE MORTGAGE 2ND POSITION FOR THIS PROPERTY. PLEASE ADVISE IF THESE ARE NOT THE AGREED-UPON TERMS.]**

(p) “Plans” means: Final detailed plans and specifications for the Project, including without limitation the Village Project, which shall include, without limitation, the following: all improvements now located or to be located on the Land, the footprint of all improvements and the square footage of all improvements, all easements, pathways, exterior boundary lines, walkways, parking and circulation areas, adjoining public streets and alleys, utilities, exits and entrances, all signage, curbs, gutters, sidewalks, landscaping, medians and street lighting, all materials to be used in construction, all interior and exterior finishes, the number and types of units, the number of stories in the buildings and parking structures, if any, building sections and elevations, description of room and space sizes, plan arrangement of rooms and functional spaces, exterior elevations, the stacking of floors and all construction elements, a narrative description of all structural systems, mechanical systems, electrical systems and any specialty systems. It is understood that the Plans will be finalized during the course of construction of the Project and will be based on the site plan and building plans approved by the Village pursuant to paragraph 4(e) below.

(q) “Project” means: The first phase of the Stony Ridge Project, comprised of **[Will need to insert a complete description of the Project prior to signing the Agreement, referencing lots and contemplated improvements]**; and the Village Project; and filling, grading, installation of all utility services, installation and/or expansion of parking lots, installation of roads, sidewalks, driveways, walkways, curbs and gutters and all other site work as may be required in connection with the construction of the Project; and construction and installation of all other improvements as may be required in order to comply with applicable zoning and building laws, rules, regulations, codes and ordinances.

(r) “Project Commencement Date” means: **[Will insert date prior to signing Agreement based upon discussions with Developer]**.

(s) “Project Completion Date” means: **[Will insert date prior to signing Agreement based upon discussions with Developer]**.

(t) “Project Cost Breakdown” means: A current cost breakdown of construction and non-construction cost items (i.e., a line-item budget), clearly identifying development, engineering, construction, furnishing, equipping, financing, contingency and all other direct and indirect costs of development, construction and installation of the Project in accordance with the Plans for the Project.

(u) “Release Price” means: the amount of principal payment of the Loan required to partially release the applicable portion of the Mortgaged Land, as set forth on the Term Sheet.

(v) "Secondary Collateral Land" means Lot 1 and Outlot 2. [CONFIRM]

(w) "Special Assessment" is defined in paragraph 12 below.

(x) "Stony Ridge Plat" means: the recorded plat of the Land for the Project approved by the Village. The current draft of the Stony Ridge Plat is attached hereto as Exhibit B.

(y) "Term Sheet" means: the summary of the terms and conditions of the Loan attached hereto as Exhibit D.

(z) "Village" means: The Village of Sister Bay, Door County, Wisconsin.

(aa) "Village Loan" means: a loan to Developer in the original principal amount of \$530,000, the proceeds of which will be used to construct the Village Project and to reimburse the Village as set forth herein. The Village Loan shall bear interest and be repaid as set forth on the Term Sheet. The Village Loan shall be evidenced by the Note and secured by the Special Assessment, the Mortgage and the Guaranty.

(bb) "Village Plans" means: the plans, specifications, and design documents approved by the Village for the infrastructure improvements to be made by Developer on or in proximity to the Land with the proceeds of the Loan, which are to be transferred to the Village as set forth below.

(cc) "Village Primary Collateral Land" means Lots 1, 2, 3, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18 of Stony Ridge Plat. [CONFIRM]

(dd) "Village Project" means: the infrastructure improvements to be made by Developer, pursuant to the Village Plans, financed with the proceeds of the Loan.

(ee) "Village Project Completion Date" means: Will insert date prior to signing Agreement based upon discussions with Developer.

(ff) "Village Project Land" means: the portions of the Land designated as "Northwoods Drive" and "Ava Hope Court" on the Stony Ridge Plat, together with Outlot 1. The Village Project Land is to be transferred to the Village pursuant to the terms of this Agreement.

### 3. Commitments; Repayment; Partial Releases of the Mortgage.

(a) Subject to the terms and conditions of this Agreement: (a) Developer, at its cost and expense, will construct, install, furnish and equip the Project; and (b) the Village will make the Loan to Developer; and (c) the Developer shall pay an origination fee in connection with the Loan of \$500.

(b) Subject to the terms and conditions of this Agreement, Developer agrees to repay the Loan pursuant to the terms set forth herein (including, without limitation, Exhibit C attached hereto) and pursuant to the terms set forth in the Note and the Mortgage.

(c) If no Default has occurred and is continuing and all accrued interest on the Loan has been paid in full, when the Loan principal has been repaid by an applicable Release Price, the Village shall partially release the lien of the Mortgage from the applicable portion(s) of the Mortgaged Land within a reasonable period after Developer's written request therefor (including the description of the applicable portion(s) of the Mortgaged Land that the Developer desires to be released); provided, however that, unless the Loan is paid in full, there shall be no release of the Mortgage from the Village Project Land, it being the intention of the parties that such land will be conveyed to the Village upon completion of the Village Project.

4. **Conditions Precedent to Village's Obligations.** In addition to all other conditions and requirements set forth in this Agreement, the obligations of the Village under this Agreement are conditioned upon the satisfaction of each and every of the following conditions: **[Will insert dates prior to signing Agreement based upon discussions with Developer. All dates must pre-date any disbursement of the Loan.]**

(a) On or before [REDACTED], Developer, at its cost, will provide the Project Cost Breakdown to the Village. The Project Cost Breakdown shall be certified by Developer, its Project architect and general contractor as accurate and complete and shall be acceptable to the Village. The Project Cost Breakdown shall satisfy the Village and its appraiser, in each of their discretion, that, after completion of each component of the Project, the final appraised value of each component of the Project is anticipated to be equal to or greater than the applicable Anticipated Assessed Value and, after completion of the entire Project, the final appraised value of the Project is anticipated be equal to or greater than the Anticipated Assessed Values. The Project Cost Breakdown must otherwise show a state of facts acceptable to the Village.

(b) On or before [REDACTED], Developer, at its cost, shall provide the Village with a detailed completion schedule for the Project which must be acceptable to the Village. Such schedule shall specify, in greater detail than on the Anticipated Assessed Values chart, the timing of all material aspects of the Project. Any revisions to such completion schedule shall be subject to the Village's review and approval.

(c) Prior to the execution of this Agreement, Developer shall provide the Village with evidence that Developer is authorized to enter into this Agreement and that the persons signing this Agreement on behalf of Developer are authorized to so sign this Agreement and to bind Developer to the terms and conditions of this Agreement. On or before [REDACTED], Developer, at its cost, shall provide a certified copy of its organizational documents, a certificate of status issued by the Wisconsin Department of Financial Institutions, and resolutions or consents of its board of directors, partners or members, as the case may be, approving this Agreement and the transactions which are the subject of this Agreement.

(d) On or before [REDACTED], Developer shall provide the Mortgage to the Village. In addition to the Mortgage, Developer shall execute and deliver any and all other documents reasonably required by the Village to effect the mortgage of the Mortgaged Land to the Village, including without limitation: title insurance from a title company acceptable to the Village insuring that the Mortgage is a first position lien with respect to the Village Primary Collateral Land and the Village Project Land and that the Mortgage is a second position lien with respect to the Secondary Collateral (subject only to the Bank Mortgage) and that there are no

other mortgages or other liens encumbering the Land other than the Bank Mortgage; an affidavit as to construction liens and possession sufficient in form and content to allow a title company to insure title to the Mortgaged Land free and clear of all construction liens and other standard title exceptions; and a disbursement agreement with a title company in form and content acceptable to the Village to administer advances on the Loan.

(e) On or before [REDACTED], the Village and the State of Wisconsin shall have determined that the final Plans for the Project are acceptable to both the Village and the State and all approvals from the Village and the State of the Plans shall have been obtained.

(f) On or before [REDACTED], the Village shall have approved this Agreement and the transactions contemplated herein, and all other agreements and/or transactions which require approval.

(g) No uncured default, or event which with the giving of notice or lapse of time or both would be a default, shall exist under this Agreement. Developer shall not be in default (beyond any applicable period of grace) of any of its obligations under any other agreement or instrument with respect to the Project to which Developer is a party or an obligor.

(h) On or before [REDACTED], Developer shall have executed and delivered to the Village any documents and agreements as are required by this Agreement.

(i) On or before [REDACTED], the Village shall have on hand, an unconditional firm commitment from a lender of Village's choice, under the terms of which the lender is ready, willing and able to commence disbursement of the funds necessary to make the Loan to Developer.

(j) On or before [REDACTED], the Developer shall have completed the Village Plans which must be acceptable in all respects to the Village and if required, must have been approved by the State of Wisconsin without the imposition of any conditions or changes to the Village Plans submitted to the State. The Village Plan must show, among other things, that the Developer has obtained and is prepared to grant to the Village, 30-foot wide easements for utility services, including sanitary sewer, water and storm sewer and will dedicate to the Village 60-foot roadways.

(k) On or before [REDACTED], Developer shall provide financial information of the Developer to the Village, which information shall be in form and content acceptable to the Village. The financial information shall include, without limitation, financial statements, balance sheet and income statements, net worth statements, operating statements, tax returns and such other financial information as maybe reasonably requested by Village. Subject to applicable law, including without limitation, Wisconsin Open Records Laws, the Village agrees to use reasonable efforts to keep confidential any financial information provided by Developer under this subparagraph (k) and paragraph 5(u) below; provided, however, that Developer shall expressly state that the information is to be kept confidential at the time of delivery to the Village by placing a "CONFIDENTIAL" stamp or other conspicuous marking on the document(s). Notwithstanding the foregoing, the Village may disclose any such information and documentation to its attorneys, accountants and other advisors in connection with the Project

and the Village may disclose such information and documentation in the exercise of any of its remedies hereunder for Developer's default.

(l) Prior to any disbursements of the Loan, including the initial disbursement, Developer shall have reimbursed in full to the Village all reasonable fees, costs and expenses then incurred to date by the Village, including attorneys' and engineers' fees, in connection with the negotiation and preparation of this Agreement, and all documents and agreements executed in connection therewith, and including any title company fees and expenses in connection with the title insurance for the Mortgage and the disbursement agreement for disbursements of the Loan. At the option of the Village, some or all of these fees, costs and expenses may from time to time be reimbursed to the Village as a disbursement of the Loan.

(m) On or before [REDACTED], Developer shall provide the Village with evidence satisfactory to the Village that the Bank Loan has been funded and that Developer has, in combination with the Loan, available funds sufficient to construct and install the Village Project. Such evidence must be acceptable in all respects to the Village, including, without limitation, evidence that the Loan Repayment Reserve has been established and its use is restricted as contemplated herein.

If all conditions contained in this paragraph 4 are satisfied within the time periods for satisfaction of such conditions as set forth above or if such conditions are waived in writing by the Village with consent of its Finance Committee, within the time periods for satisfaction of such conditions as set forth above, then the above conditions shall be deemed satisfied. Otherwise, the Village, at its option, exercised in its sole discretion, may terminate this Agreement, in which event, neither of the parties to this Agreement shall have any further liability or obligation to the other parties; provided, however, if this Agreement is terminated for any reason, Developer shall pay all costs and expenses incurred by the Village in connection with the Village Project, the preparation and negotiation of this Agreement, including without limitation, attorneys' and engineers' fees.

All submissions given to the Village to satisfy the conditions contained in this paragraph 4 must be satisfactory in form and content to the Village, in its sole discretion.

5. **Representations and Warranties and Covenants of Developer.** Developer represents and warrants to the Village and covenants with the Village as follows:

(a) All copies of documents, contracts and agreements which Developer and Guarantor have furnished to the Village are true and correct in all material respects.

(b) Developer and Guarantor have 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.

(c) Developer will pay for all work performed and materials furnished for the Project.

(d) No statement of fact by Developer contained in this Agreement and no statement of fact furnished or to be furnished by Developer or Guarantor to the Village 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.

(e) Developer is a limited liability company duly formed and validly existing 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.

(f) 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.

(g) 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 indenture, 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 applicable to Developer or the Project.

(h) There is no litigation or proceeding pending or threatened against or affecting Developer, Guarantor or the Project that would adversely affect the Project or Developer or Guarantor 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 or the ability of Guarantor to perform its obligations under its Guaranty.

(i) The Project Cost Breakdown approved by the Village accurately reflects all Project costs that will be incurred in the development, completion, construction, furnishing and equipping of the Project, and the Village is entitled to rely on the Project Cost Breakdown. Developer knows of no circumstances presently existing or likely to occur which would or could be expected to result in a variation or deviation from the Project Cost Breakdown.

(j) No default, or event which with the giving of notice or lapse of time or both would be a default, exists under this Agreement, and neither Developer nor Guarantor is in default (beyond any applicable period of grace) of any of its/his obligations under any other agreement or instrument entered into in connection with the Project.

(k) Construction of the Village Project shall commence not later than the Project Commencement Date, and Developer will continue construction of the Village Project diligently and shall complete construction of the Village Project no later than the Village Project Completion Date. Construction of the Project shall proceed and be completed substantially in accordance with the construction schedule approved by the Village, and Developer shall complete construction of the entire Project no later than the Project Completion Date. Each portion of the Project will be deemed completed upon occurrence of all of the following: (i) a certificate of occupancy is issued by the appropriate governmental authorities for Project, as

applicable; and (ii) the Project architect has issued a certificate stating that the portion of the project or the Project, as applicable, have been substantially completed in accordance with the Plans.

(l) Developer will conform and comply with, and will cause the Project to be in conformance and compliance with all applicable federal, state, local and other laws, rules, regulations and ordinances, including without limitation, all zoning and land division laws, rules, regulations and ordinances, all building codes and ordinances of the Village, and all environmental laws, rules, regulations and ordinances. Developer covenants that it will perform and observe the covenants contained in, and the Project will conform and comply with, the covenants, restrictions, documents or instruments governing the Land.

(m) Developer will cause the Project to be constructed in a good and workmanlike manner and substantially in accordance with the Plans for the Project. Developer shall not alter the site plan or building plan for the Project previously approved by Village without the prior written consent of the Village.

(n) Developer will not, without Village's prior written consent, materially change the scope of the Project or the uses of the Project.

(o) Developer guarantees that the Project will result in an equalized value for the Project of not less than the Anticipated Assessed Values, as determined by the Village assessor in his/her sole and absolute discretion. Developer understands and agrees that this provision shall not in any way bind the Village assessor in his/her assessment and appraisal of the Project and that the Village assessor will arrive at an equalized value of the Project based solely on his/her application of all applicable property tax laws, rules, rates, regulations and ordinances in effect from time to time. Nothing in this provision shall limit or impair any statutory rights of the Village with respect to the assessment, levy, priority, collection and/or enforcement of real estate and personal property taxes.

(p) Developer shall have in effect at all times, all permits, approvals and licenses as may be required by any governmental authority or non-governmental entity in connection with the development, construction, management and operation of the Project.

(q) It is understood that the Plans will be finalized during the course of construction of the Project. As a result, any change to the site plan and the building plan referred to in paragraph 4(e) above, must be approved in advance in writing by the Village.

(r) On or before                     , Developer shall submit an executed copy of the construction contract or design-building agreement for the Project to the Village. Such construction contract or design-building agreement must be acceptable in all respects to the Village.

(s) Following completion of construction of the Village Project and approval by the Village of the infrastructure improvements created as part of the Village Project, the Village Project Land shall be conveyed to and dedicated to the Village by warranty deed, free and clear of all liens and encumbrances. In addition to the deed or conveyance, Developer shall execute and deliver any and all other documents reasonably required by the Village to effect the

transfer of the Village Project Land to the Village, including without limitation: title insurance; copies of final lien waivers from all contractors, subcontractors and materials suppliers who provided work or materials in connection with the Village Project; an affidavit as to construction liens and possession sufficient in form and content to allow a title company to insure title to the Village Project Land free and clear of all construction liens; an assignment of all guaranties and warranties received by Developer in connection with the Village Project; and a guaranty from Developer of all workmanship and materials related to the Village Project in form and substance satisfactory to the Village.

(t) At the closing of the Loan, Developer shall execute the Note, the Mortgage and any other loan documents reasonably required by the Village to effect the Loan and transactions described in this Agreement.

(u) From time to time at the request of the Village, Developer shall provide financial information to the Village, which information shall be in form and content acceptable to the Village. The financial information shall include, without limitation, financial statements, balance sheet and income statements, net worth statements, operating statements, tax returns and such other financial information as maybe reasonably requested by Village.

(v) Developer shall not sell, assign, transfer, convey, mortgage or encumber the then-current Mortgaged Land during the term of this Agreement unless it first obtains the prior written consent of Village. Without limiting the generality of the foregoing, as a condition to a mortgage of any portion of the Mortgaged Land, the Village may require, without limitation, that such lender enter into a subordination and intercreditor agreement with Village, under the terms of which, among other things, the lender shall have agreed that its loan is subordinate and subject to all terms of this Agreement and the Mortgage and the lender will stand still with respect to the exercise of any of its remedies under its loan documents until the Village has been paid in full all amounts outstanding under the Loan. The lender must understand and agree that any transfer to the lender or its successors and assigns of the applicable Mortgaged Land prior to payment in full of the Loan will be made subject to the Mortgage and, if applicable, the Special Assessment.

The representations and warranties contained herein shall be true and correct at all times as required by this Agreement. Developer shall comply with all covenants contained herein at all times during the term of this Agreement.

6. **Damage/Destruction.** Developer shall not be released from its liabilities and obligations under this Agreement in the event of fire, damage or any other casualty to any part of the Project prior to completion of the Project or at any time thereafter. In such event, Developer agrees, at its cost and expense, to complete the Project timely in accordance with Plans. Any change in the Project Cost Breakdown resulting from the fire, damage or other casualty must be approved by the Village.

7. **Shortfall.** Developer shall pay all costs and expenses associated with construction and installation of the Village Project, even if such costs and expenses exceed the amount of the Loan.

8. **Guaranty.** Guarantor shall guarantee all obligations and liabilities of the Developer to the Village under this Agreement and the Loan, and any other liabilities and obligations of Developer to the Village related to the Project only. Simultaneously with the execution and delivery of this Agreement, Guarantor shall deliver an unconditional, unlimited and irrevocable guaranty to the Village, (the "Guaranty") in form attached hereto as Exhibit G.

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

(a) Developer shall fail to pay any amounts due from it under this Agreement, the Note or the Mortgage on or before the date when due; or

(b) Any representation or warranty made by Developer or Guarantor in this Agreement, or any document or financial statement delivered by Developer or Guarantor pursuant to this Agreement, shall prove to have been false in any material respect as of the time when made or given; or

(c) Developer shall breach or fail to perform timely or observe timely any of its covenants or obligations (other than payment obligations, which is addressed in subparagraph (a) above) under this Agreement or under the Note or under the Mortgage or any other mortgage to the Village of all or any portion of the Land, and such failure shall continue for thirty (30) days following notice thereof from Village to Developer (or such longer period of time as is necessary to cure the default as long as Developer has commenced the cure of the default within the 30-day period, is diligently pursuing the cure of the default and as long as the default is cured not later than 60 days following the notice thereof from the Village); or

(d) Construction of any portion or phase of the Project or the Project shall be abandoned for more than sixty (60) consecutive days, or if the Village Project is not completed on or before the Village Project Completion Date or the entire Project is not completed on or before the Project Completion Date, or if any portion of the Project shall be damaged by fire or other casualty and not be repaired, rebuilt or replaced as required by paragraph 6 above; or

(e) Developer or Guarantor shall: (i) become insolvent or generally not pay, or be unable to pay, or admit in writing its/his inability to pay, its/his debts as they mature; or (ii) make a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its/his assets; or (iii) become the subject of an "order for relief" within the meaning of the United States Bankruptcy Code, or file a petition in bankruptcy, for reorganization or to effect a plan or other arrangement with creditors; or (iv) have a petition or application filed against it/him in bankruptcy or any similar proceeding, or have such a proceeding commenced against it/him, and such petition, application or proceeding shall remain undismissed for a period of ninety (90) days or Developer or Guarantor shall file an answer to such a petition or application, admitting the material allegations thereof; or (v) apply to a court for the appointment of a receiver or custodian for any of its/his assets or properties, or have a receiver or custodian appointed for any of its/his assets or properties, with or without consent, and such receiver shall not be discharged within ninety (90) days after its/his appointment; or (vi) adopt a plan of complete liquidation of its/his assets; or

(f) If Developer shall dissolve or shall cease to exist; or

(g) A default shall occur on any other indebtedness of or loan to Developer, or a default shall occur under any mortgage or other lien or encumbrance affecting the Project or the Land, including, without limitation, the Bank Mortgage; or

(h) If the Loan is accelerated (i.e., becomes immediately due and payable in full) for any reason whatsoever or if Developer shall fail to pay any amounts due with respect to the Loan on or before the date when due.

10. **Remedies.** Upon the occurrence of any Default, without further notice, demand or action of any kind by the Village, the Village may, at its option, pursue any or all of the rights and remedies available to the Village at law and/or in equity and/or under this Agreement against Developer, including without limitation, the right to damages caused by any such Default and the right to specific performance by Developer and the right to foreclose the lien of this Agreement and/or the lien of the Mortgage. In addition, the Village shall have the right to suspend performance of any of its obligations or covenants under this Agreement.

Except as may be otherwise specifically set forth herein, no remedy herein conferred upon the Village is intended to be exclusive of any other remedy and each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement, and/or now or hereafter existing at law or in equity. No failure or delay on the part the Village 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. Notwithstanding any of the foregoing authorizations, the Village shall have no duty or obligation whatsoever with respect to any of the matters so authorized.

11. **Village'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 Village shall have the right, but shall not be obligated, to pay such fees, assessments, charges or taxes or take such action as is necessary to remedy the failure of Developer, and, in that event, the cost thereof shall be payable by Developer to the Village upon demand.

12. **Real Estate Taxes and Assessments; Special Assessment.** Developer agrees to pay timely to the Village generally applicable property taxes assessed and levied by the Village in connection with the Project under its applicable property tax laws, rules, rates, regulations and ordinances in effect from time to time. Nothing in this Agreement shall impair any statutory rights of the Village with respect to the assessment, levy, priority, collection and/or enforcement of real estate and personal property taxes.

In addition, Developer agrees that simultaneously with the execution of this Agreement, the Village will levy a special assessment in the amount of the Loan, plus interest, against the Village Primary Collateral Land and all improvements located thereon to secure repayment of the Loan (the "Special Assessment"). Developer hereby consents to the imposition of such Special Assessment and hereby waives pursuant to Section 66.0703 (7)(b) Wis. Stats. any and all requirements of the Wisconsin Statutes which must be met prior to the imposition of the Special

Assessment including, but not limited to, the notice and hearing requirements of Section 66.0703 and the notice requirements of Section 66.0715 (3) and agrees that the Village may proceed immediately to levy the Special Assessment upon execution by the parties of this Agreement. Developer further waives any right to appeal from the Special Assessment and stipulates that the amount of the Special Assessment levied against the Village Primary Collateral Land has been determined on a reasonable basis and that the benefits to the Village Primary Collateral Land from the proposed public improvements exceed the amount of the Special Assessment levied against the Village Primary Collateral Land. Such assessment shall be levied pursuant to the provisions of Sections 66.0701-0733, Wis. Stats., and Sections [ ] through [ ] of the Village Ordinances. Notwithstanding the foregoing, if a Default shall occur, then any outstanding principal balance of the Special Assessment remaining unpaid and interest thereon shall become immediately due and payable in full. The Special Assessment shall be released from the Village Primary Collateral Land, or any portion thereof, pursuant to the same release terms as the Mortgage, as set forth herein.

13. **Costs.** Except as otherwise set forth herein, all reasonable fees, costs and expenses incurred by the Village, including attorneys' and engineers' fees, in connection with the negotiation, preparation and monitoring of this Agreement, and all documents and agreements executed in connection therewith, shall be paid by the Developer. Developer shall pay all costs and expenses (including attorneys' fees and reasonable reimbursement for administrative time) associated with the enforcement of the Village's rights against Developer under this Agreement or Guarantor, including without limitation the enforcement of such rights in any bankruptcy, reorganization or insolvency proceeding involving Developer or Guarantor. Any and all such fees, costs and expenses incurred by the Village which are to be paid by the Developer, shall be paid by Developer to the Village on demand, and, as noted in paragraph 4(l) above, the Village has the option to reimburse itself using proceeds of the Loan, if available.

14. **Tax-Exempt Covenant.** Developer agrees that it will not sell, lease, assign or otherwise transfer or convey any interest in the Project or the Land to a person or entity exempt from general property taxation or in a manner which would cause all or any portion of the Project or the Land to be exempt from general property taxation (the "Tax-Exempt Covenant"). The Tax-Exempt Covenant shall be in effect until twenty (20) years after the Effective Date. The Tax-Exempt Covenant will run with the Land and will bind all current and subsequent owners in title to the Land during the term of the Tax-Exempt Covenant. In the event a court finds the Tax-Exempt Covenant is not valid or enforceable or if for any reason the Tax-Exempt Covenant is terminated prior to the stated expiration thereof, then, for any period of time during the term of the Tax-Exempt Covenant that all or any portion of the Project or the Land is exempt from general property taxation, Developer and its successors and assigns shall make a payment in lieu of taxes to the Village as required from time to time by the Village. The terms of the Tax-Exempt Covenant shall survive the repayment in full of the Loan and/or the termination of this Agreement.

15. **Village Authorization.** The execution of this Agreement by the Village was authorized by Resolution of the Village Board dated [ ].

16. **No Personal Liability.** Under no circumstances shall any alderperson, officer, official, director, attorney, employee or agent of the Village have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.

17. **Staff Approval.** Except for this Agreement, all other documents and agreements that require approval by the Village in connection with this Agreement or the Village Project shall be approved by a staff person designated by the Village.

18. **Miscellaneous.**

(a) Except as otherwise specifically set forth herein, the respective rights and liabilities of Village and Developer under this Agreement are not assignable or delegable, in whole or in part, without the prior written consent of the other party. The provisions of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties.

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

(c) All agreements, representations, warranties, covenants, liabilities and obligations made in this Agreement and in any document delivered pursuant to this Agreement shall survive the execution and delivery of this Agreement.

(d) 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, airbill prepaid, or (iii) upon transmission by facsimile or e-mail, and each such communication or notice shall be addressed as follows, unless and until any of such parties notifies the other in accordance with this paragraph of a change of address:

If to the Village:

Village of Sister Bay, Wisconsin

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: Village Clerk

Facsimile No.: \_\_\_\_\_

E-Mail: \_\_\_\_\_

If to Developer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

E-Mail: \_\_\_\_\_

With a copy to:

Attention: \_\_\_\_\_

Facsimile No.: \_\_\_\_\_

E-Mail: \_\_\_\_\_

(e) This Agreement and the documents executed pursuant to this Agreement contain the entire understanding of the parties with respect to the subject matter hereof. There are no restrictions, promises, warranties, covenants or undertakings other than those expressly set forth in this Agreement and the documents executed in connection with this Agreement. This Agreement and the documents executed in connection herewith supersede all prior negotiations, agreements and undertakings between the parties with respect to the subject matter hereof.

(f) This Agreement is intended solely for the benefit of Developer and the Village, and no third party (other than successors and permitted assigns) shall have any rights or interest in any provision of this Agreement, or as a result of any action or inaction of the Village in connection therewith. Without limiting the foregoing, no approvals given pursuant to this Agreement by Developer or the Village, or any person acting on behalf of any of them, shall be available for use by any contractor or other person in any dispute relating to construction of the Project or the Village Project.

(g) This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Wisconsin applicable to contracts made and wholly performed within such state.

(h) This Agreement may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same agreement. Facsimile and e-mail signatures shall be deemed original signatures for all purposes of this Agreement.

(i) Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Agreement in such jurisdiction or affecting the validity or enforceability of any provision in any other jurisdiction.

(j) Nothing contained in this Agreement or any other documents executed pursuant to this Agreement, shall be deemed or construed as creating a partnership or joint venture between the Village and Developer or between the Village and any other person, or cause the Village to be responsible in any way for the debts or obligations of Developer or any other person. Developer further represents, warrants and agrees, for itself and its successors and permitted assigns, not to make any assertion inconsistent with their acknowledgment and agreement contained in the preceding sentence in the event of any action, suit or proceeding, at law or in equity, with respect to the transactions which are the subject of this Agreement and this paragraph may be pleaded and construed as a complete bar and estoppel against any assertion by

or for Developer and its successors and permitted assigns, that is inconsistent with its acknowledgment and agreement contained in the preceding sentence.

(k) TIME IS OF THE ESSENCE of each and every obligation or agreement contained in this Agreement.

(l) If any party is delayed or prevented from timely completing construction of the Project, by reason of fire, earthquake, war, flood, riot, strikes, labor disputes, governmental restrictions, judicial order, public emergency, or other causes beyond the control of the party obligated to perform, performance of such act shall be excused for the period of such delay and the time for the performance of any such act shall be extended for a period equivalent to such delay.

(m) Except for the terms which expressly survive termination, this Agreement shall terminate upon payment in full of the Loan. At such time, the Village agrees to release the lien of the Mortgage to the extent it remains on all or a portion of the Land.

(n) This Agreement shall be recorded in the office of the Register of Deeds of Door County, Wisconsin, prior to the recording of any mortgage on the Project or Land or other improvements thereon, it being understood by the parties that until termination of this Agreement as set forth in subparagraph (m) above, this Agreement and each term and obligation set forth herein, including the Loan repayment obligations set forth in paragraph 3 hereof with respect to the Mortgaged Land, will run with the land and will be binding upon the Land and the Project and any owner and/or lessee and/or mortgagee of all or any portions of the Land and the Project and their successors and assigns. Any mortgage on the Mortgaged Land and any payments due under any such mortgage shall at all times be subordinate to this Agreement and all of the Village's rights under this Agreement, and any such mortgagee shall, at the Village's request, enter into a subordination and intercreditor agreement on terms acceptable to the Village; provided, however, that the Bank's right to receive payments under the Bank Loan shall be superior to the repayment obligations set forth in paragraph 3 hereof with regard to the Secondary Collateral Land.

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

(p) Nothing contained in this Agreement is intended to or has the effect of releasing Developer from compliance with all applicable laws, rules, regulations and ordinances in addition to compliance with all terms, conditions and covenants contained in this Agreement.

(q) This Agreement is the product of negotiation among all of 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.

(r) Developer shall not assign or otherwise transfer its rights under this Agreement.

[Signature Pages Follow]

IN WITNESS WHEREOF, this Agreement is executed as of the Effective Date first above written.

**Village of Sister Bay, Wisconsin**

By: \_\_\_\_\_  
\_\_\_\_\_, President

Attest: \_\_\_\_\_  
\_\_\_\_\_, Village Clerk

STATE OF WISCONSIN    )  
  )ss.  
\_\_\_\_\_ COUNTY        )

Personally appeared before me this \_\_\_ day of \_\_\_\_\_, 2015, the above-named \_\_\_\_\_ and \_\_\_\_\_, the President and Village Clerk, respectively, of the Village of Sister Bay, Wisconsin, to me known to be the persons who executed the foregoing agreement on behalf of the Village and by its authority.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission expires: \_\_\_\_\_

**Stony Ridge Development, LLC,**  
a Wisconsin limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF WISCONSIN    )  
  )ss.  
\_\_\_\_\_ COUNTY    )

Personally appeared before me this \_\_\_\_ day of \_\_\_\_\_, 2015, the above-named \_\_\_\_\_ of Stony Ridge Development, LLC, a Wisconsin limited liability company, to me known to be the person who executed the foregoing agreement on behalf of said entity and by its authority.

\_\_\_\_\_  
Name: \_\_\_\_\_  
Notary Public, State of Wisconsin  
My Commission expires: \_\_\_\_\_

This instrument was drafted by  
and upon recording return to:

Isaac J. Roang, Esq.  
Quarles & Brady LLP  
411 E. Wisconsin Avenue  
Milwaukee, WI 53202

**EXHIBIT A****Legal Description of the Land**

[Need the metes and bounds description of all of the land comprising the entire plat of Stony Ridge--all phases.]

**EXHIBIT B**

**Current Draft of Stony Ridge Plat**

***[To be attached]***

**EXHIBIT C****Anticipated Assessed Values**

[Need info to be inserted, including the assessed value by property type, and total assessed values for each calendar year]

**EXHIBIT D****Term Sheet  
(Summary of the Loan Terms)**

Lender: The Village

Borrower: Developer

Loan Amount: \$530,000

Interest Rate: [4.66%]

Maturity: 10 years after the end of the fiscal quarter of the date of the Note.

Payment Schedule: Quarterly payments of all accrued interest commencing on the first day of the fiscal quarter following the date of the Note (the “Repayment Commencement Date”).

Commencing two years after the Repayment Commencement Date, equal quarterly payments of principal and interest sufficient to fully amortize the then-remaining balance of the Loan over the remaining 8-year term of the Loan.

Prepayment Penalty: None.

Release Prices: Lots 2, 3, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 & 18: \$41,000 per lot.

Lot 1: [\$\_\_\_\_\_].

Outlot 2: [\$\_\_\_\_\_ per acre].

Lots 4, 5, 6 & 7: N/A (not encumbered by the Mortgage).

Outlot 1 and the other Village Project Land: N/A.

**EXHIBIT E**

**Form of Note**

***[To be attached]***

**EXHIBIT F**  
**Form of Mortgage**

***[To be attached]***

## EXHIBIT G

### Form of Guaranty

#### Guaranty

This Guaranty is made as of \_\_\_\_\_, 2015, by **KEITH GAROT**, an individual, his heirs, personal representatives, and permitted successors and assigns (“Guarantor”), in favor of the **Village of Sister Bay, Wisconsin**, its successors and assigns (“VILLAGE”).

In order to induce VILLAGE to extend credit to Stony Ridge Development, LLC, a Wisconsin limited liability company (“Borrower”), and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is hereby agreed that:

#### ARTICLE I DEFINITIONS

When used in this Guaranty, capitalized terms shall have the meanings specified in the Development Agreement and as follows:

Default. “Default” shall have the meaning specified in the Development Agreement.

Development Agreement. “Development Agreement” shall mean the Development Agreement dated as of \_\_\_\_\_, as the same shall be amended, modified, replaced, refinanced, renewed, replaced or extended from time to time in accordance with the terms thereof, by and between Borrower and VILLAGE.

Guaranty. “Guaranty” shall mean this Guaranty, as the same shall be amended from time to time in accordance with the terms hereof.

Law. “Law” shall mean any federal, state, local, or other law, rule, regulation or governmental requirement of any kind, and the rules, regulations, interpretations and orders promulgated thereunder.

Obligations. “Obligations” shall mean: (a) the outstanding principal of, and all interest on, the Loan; and (b) all debts, liabilities, obligations, covenants and agreements of Borrower contained in the Development Agreement; and (c) all debts, liabilities, obligations, covenants and agreements of Borrower contained in any other documents or instruments executed and delivered by Developer or Guarantor in connection with the Development Agreement and/or the transactions which are the subject of the Development Agreement, as any such documents may be amended, modified, replaced, refinanced, renewed, replaced or extended from time to time (herein with the Development Agreement, collectively referred to as the "Loan Documents"); and (d) the construction, installation and completion of the Project and the Village Project in accordance with the terms of the Development Agreement; and (e) any and all reasonable fees and expenses, including reasonable attorneys’ fees incurred in connection with enforcing any obligations of Borrower or Guarantor under any agreement described in (a) through (d) above.

Person. “Person” shall mean and include an individual, partnership, corporation, trust, unincorporated association, limited liability entity, and any unit, department or agency of government.

## ARTICLE II THE GUARANTY

2.1 The Guaranty. Guarantor, for himself, his heirs, personal representatives, successors and assigns, hereby unconditionally and absolutely guarantees to VILLAGE the full and complete payment and performance when due (whether at stated maturity, by acceleration or otherwise) of each of the Obligations. This is a guaranty of payment and performance and not of collection.

2.2 Waivers and Consents. (a) Guarantor acknowledges that the obligations undertaken herein involve the guaranty of obligations of a Person other than Guarantor and, in full recognition of that fact, Guarantor consents and agrees that VILLAGE may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (i) supplement, modify, amend, extend, renew, accelerate or otherwise change the time for payment or the other terms of the Obligations or any part thereof, including without limitation any increase or decrease of the principal amount thereof or the rate(s) of interest thereon; (ii) supplement, modify, amend or waive, or enter into or give any agreement, approval or consent with respect to, the Obligations or any part thereof, or any of the Loan Documents or any additional security or guaranties, or any condition, covenant, default, remedy, right, representation or term thereof or thereunder; (iii) accept new or additional instruments, documents or agreements in exchange for or relative to any of the Loan Documents or the Obligations or any part thereof; (iv) accept partial payments on the Obligations; (v) receive and hold additional security or guaranties for the Obligations or any part thereof; (vi) release, reconvey, terminate, waive, abandon, fail to perfect, subordinate, exchange, substitute, transfer and/or enforce any security or guaranties, and apply any security and direct the order or manner of sale thereof as VILLAGE in its sole and absolute discretion may determine; (vii) release any Person from any personal liability with respect to the Obligations or any part thereof; (viii) settle, release on terms satisfactory to VILLAGE or by operation of applicable Law or otherwise, liquidate or enforce any Obligations and any security or guaranty in any manner, consent to the transfer of any security and bid and purchase at any sale; and/or (ix) consent to the merger, change or any other restructuring or termination of the limited liability existence of Borrower or any other Person, and correspondingly restructure the Obligations, and any such merger, change, restructuring or termination shall not affect the liability of Guarantor or the continuing effectiveness hereof, or the enforceability hereof with respect to all or any part of the Obligations.

(b) Upon the occurrence and during the continuance of any Default, VILLAGE may enforce this Guaranty independently of any other remedy, guaranty or security VILLAGE at any time may have or hold in connection with the Obligations, and it shall not be necessary for VILLAGE to marshal assets in favor of Borrower, any other guarantor of the Obligations or any other Person or to proceed upon or against and/or exhaust any security or remedy before proceeding to enforce this Guaranty. Guarantor expressly waives any right to require VILLAGE to marshal assets in favor of Borrower or any other Person or to proceed

against Borrower or any other guarantor of the Obligations or any collateral provided by any Person, and agrees that VILLAGE may proceed against any obligor and/or the collateral in such order as it shall determine in its sole and absolute discretion. VILLAGE may file a separate action or actions against Guarantor, whether action is brought or prosecuted with respect to any security or against any other Person, or whether any other Person is joined in any such action or actions. Guarantor agrees that VILLAGE and Borrower may deal with each other in connection with the Obligations or otherwise, or alter any contracts or agreements now or hereafter existing between them, in any manner whatsoever, all without in any way altering or affecting the security of this Guaranty.

(c) VILLAGE's rights hereunder shall be reinstated and revived, and the enforceability of this Guaranty shall continue, with respect to any amount at any time paid on account of the Obligations which thereafter shall be required to be restored or returned by VILLAGE upon the bankruptcy, insolvency or reorganization of any Person, all as though such amount had not been paid. The rights of VILLAGE created or granted herein and the enforceability of this Guaranty shall remain effective at all times to guarantee the full amount of all the Obligations even though the Obligations, including any part thereof or any other security or guaranty therefor, may be or hereafter may become invalid or otherwise unenforceable as against Borrower or any other guarantor of the Obligations and whether or not Borrower or any other guarantor of the Obligations shall have any personal liability with respect thereto.

(d) Guarantor expressly waives any and all defenses now or hereafter arising or asserted by reason of: (i) any disability or other defense of Borrower or any other guarantor for the Obligations with respect to the Obligations; (ii) the unenforceability or invalidity of any security for or guaranty of the Obligations or the lack of perfection or continuing perfection or failure of priority of any security for the Obligations; (iii) the cessation for any cause whatsoever of the liability of Borrower or any other guarantor of the Obligations (other than by reason of the full payment and performance of all Obligations); (iv) any failure of VILLAGE to marshal assets in favor of Borrower or any other Person; (v) any failure of VILLAGE to give notice of sale or other disposition of collateral to Borrower or any other Person or any defect in any notice that may be given in connection with any sale or disposition of collateral; (vi) any failure of VILLAGE to comply with applicable Laws in connection with the sale or other disposition of any collateral or other security for any Obligation, including, without limitation, any failure of VILLAGE to conduct a commercially reasonable sale or other disposition of any collateral or other security for any Obligation; (vii) any act or omission of VILLAGE or others that directly or indirectly results in or aids the discharge or release of Borrower or any other guarantor of the Obligations, or of any security or guaranty therefor by operation of Law or otherwise; (viii) any Law which provides that the obligation of a surety or guarantor must neither be larger in amount nor in other respects more burdensome than that of the principal or which reduces a surety's or guarantor's obligation in proportion to the principal obligation; (ix) any failure of VILLAGE to file or enforce a claim in any bankruptcy or other proceeding with respect to any Person; (x) the election by VILLAGE, in any bankruptcy proceeding of any Person, of the application or non-application of Section 1111(b)(2) of the United States Bankruptcy Code; (xi) any extension of credit or the grant of any lien under Section 364 of the United States Bankruptcy Code; (xii) any use of collateral under Section 363 of the United States Bankruptcy Code; (xiii) any agreement or stipulation with respect to the provision of adequate protection in any bankruptcy proceeding of any Person; (xiv) the avoidance of any lien or security interest in favor of VILLAGE for any

reason; (xv) any bankruptcy, insolvency, reorganization, arrangement, readjustment of debt, liquidation or dissolution proceeding commenced by or against any Person, including without limitation any discharge of, or bar or stay against collecting, all or any of the Obligations (or any interest thereon) in or as a result of any such proceeding; or (xvi) any action taken by VILLAGE that is authorized by this Section or any other provision of any Loan Document. Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Obligations, and all notices of acceptance of this Guaranty or of the existence, creation or incurrence of new or additional Obligations.

2.3 Condition of Borrower. Guarantor represents and warrants to VILLAGE that it has established adequate means of obtaining from Borrower, on a continuing basis, financial and other information pertaining to the businesses, operations and condition (financial and otherwise) of Borrower and its assets and properties. Guarantor hereby expressly waives and relinquishes any duty on the part of VILLAGE (should any such duty exist) to disclose to Guarantor any matter, fact or thing related to the business, operations or condition (financial or otherwise) of Borrower or its assets or properties, whether now known or hereafter known by VILLAGE during the life of this Guaranty. With respect to any of the Obligations, VILLAGE need not inquire into the powers of Borrower or agents acting or purporting to act on its behalf, and all Obligations made or created in good faith reliance upon the professed exercise of such powers shall be guaranteed hereby.

2.4 Continuing Guaranty. This is a continuing guaranty and shall remain in full force and effect as to all of the Obligations until all amounts owing by Borrower to VILLAGE on the Obligations shall have been paid in full.

2.5 Subrogation; Subordination. Guarantor expressly waives any claim for reimbursement, contribution, indemnity or subrogation which Guarantor may have against Borrower as a guarantor of the Obligations and any other legal or equitable claim against Borrower arising out of the payment of the Obligations by Guarantor or from the proceeds of any collateral for this Guaranty, until all amounts owing to VILLAGE under the Obligations shall have been paid in full and all commitments to lend have been terminated or expired. In furtherance, and not in limitation, of the foregoing waiver, Guarantor hereby agrees that no payment by any Guarantor pursuant to this Guaranty shall constitute any Guarantor a creditor of Borrower. Until all amounts owing to VILLAGE under the Obligations shall have been paid in full and all commitments to lend have terminated or expired, Guarantor shall not seek any reimbursement from Borrower in respect of payments made by Guarantor in connection with this Guaranty, or in respect of amounts realized by VILLAGE in connection with any collateral for the Obligations, and Guarantor expressly waives any right to enforce any remedy that VILLAGE now has or hereafter may have against any other Person and waives the benefit of, or any right to participate in, any collateral now or hereafter held by VILLAGE. No claim which Guarantor may have against any other guarantor of any of the Obligations or against Borrower, to the extent not waived pursuant to this Section, shall be enforced nor any payment accepted until the Obligations are paid in full and all such payments are not subject to any right of recovery.

### ARTICLE III

## REPRESENTATIONS AND WARRANTIES OF GUARANTOR

Guarantor hereby represents and warrants to VILLAGE as follows:

3.1 Enforceability. This Guaranty is the legal, valid and binding obligation of Guarantor, enforceable against Guarantor in accordance with its terms.

3.2 Absence of Conflicting Obligations. The making, execution, delivery and performance of this Guaranty, and compliance with its terms, do not violate any existing provision of Law; or any agreement or instrument to which Guarantor is a party or by which Guarantor or any of his assets are bound.

3.3 Consideration for Guaranty. The Guarantor acknowledges and agrees with VILLAGE that but for the execution and delivery of this Guaranty by Guarantor, VILLAGE would not have entered into the Development Agreement. The Guarantor acknowledges and agrees that the Development Agreement will result in significant benefit to the Guarantor.

### ARTICLE IV COVENANTS OF THE GUARANTOR

4.1 Actions by Guarantor. Guarantor shall not take or permit any act, or omit to take any act, that would: (a) cause Borrower to breach any of the Obligations; (b) impair the ability of Borrower to perform any of the Obligations; or (c) cause a Default under the Development Agreement.

4.2 Reporting Requirements. Guarantor shall furnish, or cause to be furnished, to VILLAGE such information respecting the business, assets and financial condition of Guarantor as VILLAGE may reasonably request. In addition, Guarantor shall furnish on or before \_\_ days following the end of each calendar year, the following financial information for Guarantor and each entity in which Guarantor holds any interest: financial statements, balance sheet and income statements, net worth statements, operating statements, tax returns and such other financial information as maybe reasonably requested by Village.

### ARTICLE V MISCELLANEOUS

5.1 Expenses and Attorneys' Fees. Guarantor shall pay all reasonable fees and expenses incurred by VILLAGE, including the reasonable fees of counsel, in connection with the protection or enforcement of VILLAGE's rights under this Guaranty, including without limitation the protection and enforcement of such rights in any bankruptcy, reorganization or insolvency proceeding involving Borrower or Guarantor, both before and after judgment.

5.2 Revocation. This is a continuing guaranty and shall remain in full force and effect against Guarantor until VILLAGE receives written notice of revocation signed by Guarantor. Upon revocation by written notice, this Guaranty shall continue in full force and effect against Guarantor as to all Obligations contracted for or incurred before revocation, and as to them VILLAGE shall have the rights provided by this Guaranty as if no revocation had occurred. Any renewal, extension, or increase in the interest rate(s) of any such Obligation,

whether made before or after revocation, shall constitute an Obligation contracted for or incurred before revocation. Obligations contracted for or incurred before revocation shall also include credit extended after revocation pursuant to commitments made before revocation.

5.3 Assignability; Successors. The Guarantor's rights and liabilities under this Guaranty are not assignable or delegable, in whole or in part, without the prior written consent of VILLAGE. The provisions of this Guaranty shall be binding upon Guarantor, his successors and permitted assigns and shall inure to the benefit of VILLAGE, its successors and assigns.

5.4 Survival. All agreements, representations and warranties made herein or in any document delivered pursuant to this Guaranty shall survive the execution and delivery of this Guaranty and the delivery of any such document.

5.5 Governing Law. The parties choose and adopt the laws of the State of Wisconsin, applicable to agreements made and wholly performed within such state, to govern the interpretation, construction and enforcement of this Guaranty, the Development Agreement, and all other Loan Documents and the other instruments, agreements and documents issued pursuant to this Development Agreement.

5.6 Counterparts; Headings. This Guaranty may be executed in several counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same agreement. The article and section headings in this Guaranty are inserted for convenience of reference only and shall not constitute a part of this Guaranty.

5.7 Notices. All communications or notices required or permitted by this Guaranty shall be in writing and shall be deemed to have been given (a) upon delivery if hand delivered, or (b) two (2) days after deposit in the United States mail, postage prepaid, or (c) upon deposit with a nationally recognized overnight commercial carrier, airbill prepaid, or (d) upon sending by email or facsimile, and each such communication or notice shall be addressed as follows, unless and until any of such parties notifies the other in accordance with this Section of a change of address:

If to Guarantor:

Keith Garot  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Fax No.: \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

If to VILLAGE:

Village of Sister Bay, Wisconsin  
\_\_\_\_\_  
\_\_\_\_\_  
Attention: \_\_\_\_\_  
Fax No.: (\_\_\_\_) \_\_\_\_\_  
E-Mail Address: \_\_\_\_\_

5.8 Amendment. No amendment of this Guaranty shall be effective unless in writing and signed by the Guarantor and VILLAGE.

5.9 Severability. Any provision of this Guaranty which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Guaranty in such jurisdiction or affecting the validity or enforceability of any provision in any other jurisdiction.

5.10 Taxes. If any transfer or documentary taxes, assessments or charges levied by any governmental authority shall be payable by reason of the execution, delivery or recording of this Guaranty, Guarantor shall pay all such taxes, assessments and charges, including interest and penalties, and hereby indemnifies VILLAGE against any liability therefor.

**In Witness Whereof**, the undersigned has executed this Guaranty as of the day and year first above written.

---

Keith Garot