

5/31/13

PLANNING OPTION AGREEMENT

THIS PLANNING OPTION AGREEMENT, made and entered into this _____, by and between the REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY, a Wisconsin municipal corporation established pursuant to Chapter 66, Wis. Stats., having its office at Room 608, City Hall, 100 North Jefferson Street, Green Bay, Wisconsin (hereinafter "RDA"), and New Town Redevelopment LLC and its mailing address at 319 North Broadway, Green Bay, WI 54303 (hereinafter "DEVELOPER").

WITNESSETH:

WHEREAS, RDA owns parcels 5-586 and 5-587 located on North Broadway and more fully described in the legal description, which is attached hereto and incorporated herein as Exhibit A (hereinafter "Project Site"); and

WHEREAS, DEVELOPER has requested a Planning Option (hereinafter "Option") to allow time to complete all due diligence necessary to determine the physical and financial feasibility of constructing a residential or mixed-use development that would generate a minimum of \$500,000 of new assessed value on the Project Site; and

WHEREAS, RDA desires to see the Project Site developed into a residential or mixed-use development that generates economic activity and tax base for the community and is willing to negotiate a sale or long term lease for the Project Site with the DEVELOPER upon a determination by both parties of the economic and land use compatibility of the proposed project by the DEVELOPER.

NOW, THEREFORE, for good and valuable consideration, the parties mutually agree and state as follows:

1. RDA hereby grants to DEVELOPER an exclusive twelve-month Planning Option until August 1, 2014, for the Project Site. The price of the Planning Option shall be one dollar (\$1.00). This Option may be extended for an additional year for a fee of fifteen hundred dollars (\$1500) provided that construction plans have been submitted to the RDA and a development agreement executed between the parties prior to August 1, 2014. If the option agreement is exercised on or before its expiration date, all payments made to the RDA for the Planning Option shall be applied to costs associated with the transfer of title to Developer.
2. RDA agrees that the approximately 6,734 square-foot Project Site identified on Exhibit A will be leased or transferred to DEVELOPER for \$1.00 upon receiving evidence of project financing and execution of a Development Agreement. This sale price is in consideration of, and is contingent upon, the simultaneous fee-simple sale by DEVELOPER of DEVELOPER-owned parcel 12-122 located on North Adams Street to RDA for fifteen thousand dollars (\$15,000), which shall include DEVELOPER releasing all easements pertaining to Parcels 12-118 and 12-119.
3. If Option is exercised on or before its expiration date, all payments made to the RDA for the Planning Option shall be applied to costs associated with the transfer of title to DEVELOPER. If a Development Agreement is not agreed to by the parties, the DEVELOPER shall forfeit all development rights to the property.
4. RDA, during the period of the Planning Option, or any extension thereof, shall provide that the real property subject to such Planning Option (Project Site) shall not be conveyed to any other legal entity and hereby agrees to grant to the DEVELOPER exclusive negotiating

rights for the purchase or lease of said real property during the applicable period set out above. The RDA hereby grants DEVELOPER full access to the site for purposes of completing normal due diligence on the property.

5. It is agreed and understood by the parties that the intent of the project is to create a quality residential or mixed-use development compliant with existing City zoning. This agreement does not supersede existing City zoning. It does not guarantee or imply that any proposed uses that are not currently permitted by existing zoning will be authorized or that the regular design review processes can be avoided. DEVELOPER shall also demonstrate the ability to obtain financing for the proposed use prior to the expiration of the Option.
6. RDA shall coordinate the public agency participation in planning, obtaining data from public records as may be available, reviewing and commenting on aspects of the proposed development in a timely manner. The RDA and/or City shall make available all known environmental reports and activity upon the property.
7. During the pendency of this Option and upon determination of the feasibility of the proposed use, the parties shall negotiate the terms of a Development Agreement that shall provide for the sale or lease of the Project Site to DEVELOPER pursuant to Section 1. above. The Development Agreement shall be contingent upon DEVELOPER creating at least \$500,000.00 worth of new assessed value and is subject to the approval of the RDA and City of Green Bay Common Council.
8. In the event the DEVELOPER determines that the proposed use on the Project Site is not feasible during the pendency of this Option, DEVELOPER shall terminate this Option and shall notify the RDA in writing of the termination.
9. In the event the DEVELOPER exercises this Option, the parties agree to transfer the Project Site within one year of the date of exercise.

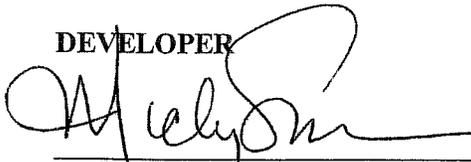
IN WITNESS WHEREOF, this Agreement has been duly executed as of the date first above written.

**THE REDEVELOPMENT AUTHORITY
OF THE CITY OF GREEN BAY**

Harry Maier, Chairman

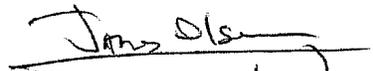
P. Robert Strong, Secretary

DEVELOPER



Michael Schwantes

NewTown Development, LLC



JAMES OLSEN