

RESOLUTION NO. 2015-15

**RESOLUTION AUTHORIZING THE VILLAGE OF STURTEVANT TO ENTER INTO A
PUBLIC IMPROVEMENT REIMBURSEMENT AND DEVELOPMENT INCENTIVE
AGREEMENT WITH ASHLEY ENTERPRISE, LLC**

The Village Board of the Village of Sturtevant ("Village"), Racine County, Wisconsin, resolves as follows:

RECITALS

WHEREAS, Ashley Enterprise, LLC ("Ashley") in furtherance of its proposed Enterprise Business Park to be located within the Village has proposed to construct an approximately 375,908 sq. ft. distribution facility upon Lot 2 of the new business park (the "Lot 2 Development"), with a guaranteed minimum value of at least \$10 Million; and

WHEREAS, Ashley is willing to construct necessary public improvements to serve the Lot 2 Development at its cost, and construct additional taxable improvements, provided that the Village agrees to provide a development incentive in the form of a partial reimbursement to Ashley for said public improvements. Further, that the amount of the incentive shall be a percentage of the Property Tax Increment received by the Village attributable to the assessed value of the Lot 2 Development, all as defined and provided more fully in the terms and conditions set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Sturtevant Village Board that the Public Improvement Reimbursement and Development Incentive Agreement as set forth in **Exhibit A** which is attached and incorporated herein is authorized and approved, and the Village President and Village Clerk are authorized to execute said agreement.

Adopted by the Village Board of the Village of Sturtevant, Racine County, Wisconsin, this 10th day of February, 2015.

VILLAGE OF STURTEVANT

By: _____
Steve Jansen, President

Attest: _____
Mary Cole, Clerk

02/4/15

**PUBLIC IMPROVEMENT REIMBURSEMENT
AND DEVELOPMENT INCENTIVE AGREEMENT**

THIS AGREEMENT is made and entered into as of February ____, 2015 (the "Effective Date") by and between **ASHLEY ENTERPRISE, LLC**, a Wisconsin limited liability company ("Developer"), and the **VILLAGE OF STURTEVANT**, a municipal corporation located in Racine County, Wisconsin (the "Village");

RECITALS:

1. Developer owns or controls land within the Village upon which it intends to construct a development known as the "Enterprise Business Park." Attached as **Exhibit A** and incorporated herein by reference is a copy of a proposed certified survey map that has been submitted to the Village for approval ("Enterprise Business Park Certified Survey Map").

2. This Public Improvement Reimbursement and Development Incentive Agreement ("Agreement") pertains to the proposed construction of an approximately 375,908 sq. ft. distribution facility (the "Building") to be built upon Lot 2 of the proposed Enterprise Business Park with an address of ____ Enterprise Drive, and as further described in **Exhibit B**, which is attached and incorporated herein by reference (the "Lot 2 Development").

3. Developer is willing to dedicate the lands shown as the "Enterprise Drive Right-of-Way" on the Enterprise Business Park Certified Survey Map for roadway and other public improvements, construct a portion of Enterprise Drive west of CTH "H", and install utilities to serve the Enterprise Business Park, provided that the Village agrees to provide a development incentive in the form of a partial reimbursement to Developer for said improvements.

4. The Village confirms that the Racine Water Utility and Village will provide retail water service and sanitary sewer service to the Enterprise Business Park based upon usual and customary daily and peak flows generated by the proposed Enterprise Business Park.

5. Developer and the Village have each determined and agree that the construction of the Lot 2 Development within the Enterprise Business Park has been the topic of ongoing discussions between the parties and that the construction timetable for the new development agreed to by Developer would not have occurred without the financial assistance set forth herein.

6. In addition, Developer and the Village intend and agree to cooperate in good faith to determine the feasibility of creating a tax increment financing district that will include the Enterprise Business Park and other property (the "TIF District").

IT IS MUTUALLY AGREED AS FOLLOWS:

1. **Recitals.** The above recitals are true and correct and are incorporated herein by reference.

2. **Defined Terms.**

- **"Guaranteed Minimum Value"** shall mean a value (based on the Village assessor's estimate of fair market value) of at least \$10 Million over and above the Lot 2 Tax Base Value.
- **"Lot 2 Tax Base Value"** shall mean Two Hundred Three and 00/100 Dollars (\$203.00) per acre of Lot 2 of Enterprise Business Park.
- **"Property Tax Increment"** shall mean the amount of annual real property taxes (or payment in lieu of taxes as provided herein) actually received by the Village that is attributable to the application of the Village's mill rate to that portion of the assessed value of the Lot 2 Development that is in excess

of the Lot 2 Tax Base Value. Property Tax Increment shall not contain any tax increment paid to or received by any taxing jurisdiction other than the Village.

- "**Public Improvements**" shall mean the construction of a portion of Enterprise Drive from County Highway "H" to the western boundary of Lot 2 as shown on the Enterprise Business Park Certified Survey Map (including certain traffic improvements related thereto) (the "Initial Road Installation"), together with the installation of storm water improvements, a 12 inch water main and an 8 inch sewer main within such portion of Enterprise Drive, all as further described on **Exhibit C** attached hereto.
- "**Substantial Completion**" shall mean that the Building shell has been substantially completed in accordance with the approved plans and specifications therefor, as certified by Developer's architect and as determined by the Village's Building Inspector (such determination by the Village's Building Inspector not to be unreasonably withheld, delayed or conditioned), and subject to the later completion of tenant improvements, landscaping, punch list items and weather-dependent items.
- "**Term**" of this Agreement shall mean the period of time from the Effective Date through the last date of the tenth (10th) year of the Development Incentive, as described in Section 4 below.

3. **Conditions of Agreement.** The making of any incentive payments to Developer under this Agreement is conditioned upon Developer's not being in default of any of the terms of

this Agreement (after the expiration of all applicable notice and cure periods) during the Term, including, without limitation, all of the following conditions:

- a) Laws, Regulations, Approvals and Permits. Developer shall (to the best of its actual knowledge) comply with and/or obtain (as may be applicable) all necessary and applicable local, county, state, and federal laws, regulations, approvals, and permits, pertaining to the construction of the Public Improvements, including, without limitation, prevailing wage determinations, REC Fees imposed by the Racine Water Utility, and any and all requisite approvals by the Village Plan Commission and/or Village Board of the Enterprise Business Park Certified Survey Map, architectural, engineering, grading, design, and construction plans and specifications.
- b) Payment of Fees and Other Financial Obligations. Developer shall timely pay any and all fees required to be paid by Developer to the Village pertaining to the construction of the Public Improvements and all improvements associated with the Lot 2 Development.
- c) Substantial Completion. Subject to force majeure provisions of Section 15, Developer shall achieve Substantial Completion of the Building within eighteen (18) months after the issuance by the Village of the building permit for the Building, and no later than twenty-four (24) months after the Effective Date of this Agreement.
- d) Guaranteed Minimum Value. Payment of the Development Incentive set forth below is premised upon the requirement that the Lot 2 Development shall meet or exceed the Guaranteed Minimum Value during the ten (10)

year period during which Developer is receiving Development Incentive payments from the Village.

- e) Traffic Impact Analysis. Developer shall comply with all requirements of Racine County and the Wisconsin Department of Transportation in response to Developer's Traffic Impact Analysis prepared by TADI.
- f) Construction of Public Improvements. Except for the obligations of the Village described below in Section Four (4), Developer shall be solely responsible for all costs of design and construction of the Public Improvements. Only if and when Developer develops Lot 3 of Enterprise Business Park, Developer shall also be responsible for all costs of design and construction of the southern half of Enterprise Drive from the western boundary of Lot 2 to the western boundary of such Lot 3 of Enterprise Business Park. The Village shall cause the remainder of Enterprise Drive (i.e., widening of Enterprise Drive per the Village's requirements) to be designed and constructed by the Village or the owner(s) of the real property abutting Enterprise Drive to the north, at the time that such real property is developed (the construction of the remainder of Enterprise Drive, in whole or in part, is referred to herein as the "Subsequent Road Installation").
- g) Dedication of Property Interests and Maintenance of Public Improvements. Developer shall dedicate the Enterprise Drive Right-of-Way to the Village in connection with the construction of the Public Improvements identified in **Exhibit C**. Said dedication shall be shown on the face of the Enterprise Business Park Certified Survey Map (which shall be recorded with the

Racine County Register of Deeds at the time of Developer's acquisition of the Enterprise Business Park site). At the time of such dedication, Developer shall reserve (or the Village shall grant, by separate instrument): (i) temporary construction easements to permit Developer (and its agents, contractors and employees) to construct the Public Improvements (including the Initial Road Installation), and (ii) permanent easements to permit Developer (and its agents, contractors and employees) to maintain the Public Improvements (including the Initial Road Installation) as set forth herein. In addition, until the Subsequent Road Installation has been substantially completed (in whole or in part), Developer shall be responsible for the costs of maintaining, lighting, plowing and salting that portion of Enterprise Drive that was constructed by Developer, and maintaining the detention pond dedicated to the Village and located near the entrance to Enterprise Drive off of County Highway "H" (the "Pond"). For the period of time during which Developer is responsible for the costs of street lighting for Enterprise Drive, Developer shall establish the hours for such lighting. After the Subsequent Road Installation has been substantially completed (or an incremental portion of the Subsequent Road Installation has been substantially completed), the Village shall be responsible for all costs related to Enterprise Drive as a public street (including costs of street lighting) for the portion of Enterprise Drive where the Subsequent Road Installation has been substantially completed, as well as for all costs related to the Pond. As future incremental portions of the Subsequent Road Installation are

substantially completed, the Village shall be responsible for all costs related to Enterprise Drive as a public street for such portions of Enterprise Drive where the Subsequent Road Installation has been substantially completed. The Village shall assume responsibility for maintenance of the sewer utilities located within the Enterprise Drive right-of-way upon installation and acceptance of the utilities by the Village. The Racine Water Utility, by separate agreement, shall assume responsibility for maintenance of water utilities located within the Enterprise Drive right-of-way upon installation and acceptance of the utilities by the Racine Water Utility.

- h) Reimbursement of Costs. Pursuant to the August 2014 Reimbursement Agreement (“Reimbursement Agreement”) entered into between the parties, which is incorporated herein by reference, and in accordance with the good faith cost estimate attached hereto as **Exhibit D**, Developer shall continue to be liable for and shall pay to and reimburse the Village for any and all reasonable costs for engineering, inspection, planning (including financial planning), legal and administrative fees and expenses previously incurred by the Village and those to be incurred by the Village with respect to the following:
 - i. Processing, reviewing, revising, and approving any conceptual, preliminary or Lot 2 Development and/or Public Improvement-related documents; and

- ii. Processing, reviewing, revising, drafting and approving any agreements, easements, deed restrictions or other Lot 2 Development and/or Public Improvement-related documents; and
- iii. Construction, installation, inspection and approval of all improvements provided for in the Lot 2 Development or for the Public Improvements, including, but not limited to, consultation reasonably required to address problems encountered during the course of the design and construction of the Lot 2 Development or for the Public Improvements.

4. **Incentive Payments by the Village.** Provided that Developer is not in default of any of the conditions for reimbursement set forth in Section 3 above (after the expiration of all applicable notice and cure periods), the Village agrees to reimburse Developer for a portion of the costs of the Public Improvements by paying Developer an incentive payment (the "Development Incentive") consisting of the following:

- (a) a payment equal to 50% of the Property Tax Increment annually generated by the Lot 2 Development for a period of ten (10) years, beginning with the tax year immediately following the earlier of the date on which the Building is at least 50% leased and occupied or the date that is thirty-six (36) months after Substantial Completion of the Building (for example, if the Building becomes 50% leased and occupied on July 1, 2016, the 10-year period would begin on January 1, 2017 and the Development Incentive would first apply to payments of the 2017 property taxes - *i.e.*, the installments that will be paid in January and July 2018 - and would continue for 10 years to and including the installments that will be paid in January and July 2027); and

(b) an additional payment equal to 25% of the Property Tax Increment annually generated by the Lot 2 Development during the ten (10) year period described in subsection (a) above (*i.e.*, in the example above, the 10-year period commencing with the 2017 property taxes payable in 2018), but only if the average occupancy of the Building for the previous calendar year (*i.e.*, the calendar year during which the Property Tax Increment was generated) was at least 50%. As used herein, "average occupancy of the Building" shall be the average of the actual occupancy rates on the 15th day of each calendar month during the subject year. Developer agrees to provide the Village with reasonable substantiation of such average occupancy rates not later than January 15 of the succeeding calendar year.

Developer covenants that the uses of the Building by any and all tenants in the Building shall be in compliance with the zoning and lawful use requirements of the Village. The payment of the Development Incentive is subject to the following provisions:

- i. The Development Incentive shall be non-interest bearing.
- ii. The Village's obligation to make Development Incentive payments is conditioned upon the timely payment of all property taxes for the Lot 2 Development (subject to the opportunity to effect a cure of non-compliance as provided in this Agreement). Developer retains the right to contest the property taxes for the Lot 2 Development in the normal course of property tax challenges. However, in the event Developer is to receive a tax refund as a result of contesting the assessment value of the Lot 2 Development, or as a result of filing an unlawful tax or excessive assessment claim, the Village shall be entitled to an offset against or

reimbursement of any Development Incentive payments made to Developer for that amount of the assessed valuation reduced. (For example - and for illustrative purposes only - if as a result of a successful tax appeal Developer is entitled to a refund of \$40,000 of taxes paid to the Village, and if Developer had received a Development Incentive payment equal to 50% of the Property Tax Increment annually generated by the Lot 2 Development during the tax years pertaining to such refund, then the refund of \$40,000 would be reduced by 50% and the refund would be \$20,000.)

- iii. The Village's obligation to make Development Incentive payments is conditioned upon the appropriation by the Village Board of said payments. The Village herein and hereby expresses its intent to appropriate funds in the future if Developer is not in default under this Agreement. The Village covenants and agrees that: (a) its staff shall include the annual Development Incentive payment in the proposed budget prepared by staff and submitted to the Village Board for consideration, and (b) if the proposed annual budget in any year does not provide for appropriation of the Development Incentive payment to Developer, the Village will notify Developer in writing of that fact at least forty-five (45) days prior to the date the budget is presented to the Village Board for final approval.
- iv. The Village's obligation to make Development Incentive payments shall be contingent on Developer not being in default of any of the terms or

conditions of this Agreement (after the expiration of all applicable notice and cure periods).

- v. Development Incentive payments shall be made by the Village to the owner of record for the Lot 2 Development within thirty (30) days after each tax settlement date.

5. **Taxability.** Developer agrees that during the Term it will not sell, lease, assign or otherwise transfer or convey any interest in the Lot 2 Development to a person or entity exempt from general property taxation or in a manner which would cause all or any portion of the Lot 2 Development to be exempt from general property taxation (the "Tax-Exempt Covenant"). This Tax-Exempt Covenant will run with the land and bind all present and future owners of the Lot 2 Development during the Term. A Memorandum of this Agreement, in form and content mutually agreeable to the Village and Developer, shall be recorded by the Village. In the event any court finds the Tax-Exempt Covenant is not valid or enforceable or if for any reason the Tax-Exempt Covenant is terminated, and if Lot 2 is subsequently owned or leased by a property tax-exempt user, then during the occupancy of such tax-exempt user through the end of the Term Developer, or its successors and assigns, shall make payments in lieu of taxes to the Village in an amount equal to the amount of property taxes that would have been collected by the Village were the Lot 2 Development taxable, and by the same dates that the installment tax payments on the Lot 2 Development would have been due were the entire Lot 2 Development taxable. During the Term of this Agreement, the Village shall be obligated to pay to Developer the same amount of Development Incentive payments pertaining to any payments in lieu of taxes as Developer would have been entitled to receive under this Agreement if such payments were General Property Taxes.

6. **Laws to Be Observed.** Developer shall at all times observe and comply, subject to the opportunity to effect a cure of non-compliance as provided in this Agreement, with all federal, state, and local laws, regulations, and ordinances (collectively, the "Laws") which are in effect or which may be placed in effect and impact the ownership and occupancy of the Lot 2 Development or Developer's operations and the exercise of its rights and obligations hereunder.

7. **Public Protection and Safety.** The Village shall not be responsible for any damage, bodily injury, or death arising out of Developer's ownership or occupancy of the Lot 2 Development or Developer's exercise of its rights hereunder whether from maintaining an "attractive nuisance" or otherwise, except as caused by the negligence or willful misconduct of the Village or any of its agents, contractors, consultants, officers, or employees.

8. **Personal Liability of Public Officials.** In carrying out any of the provisions of this Agreement or in exercising any power or authority granted to them thereby, there shall be no personal liability of the Village officers, agents, consultants or employees, it being understood and agreed that in such matters they act as agents and representatives of the Village.

9. **Indemnification/Hold Harmless Agreement.** Developer hereby expressly agrees to indemnify and hold the Village and its agents, consultants, officers and employees harmless from and against all claims, judgments, damages, penalties, fines, costs or loss (including reasonable fees for attorneys and consultants) and liability of every kind and nature for injury (including death), or damage received or sustained by any person or entity in connection with the construction of the Public Improvements and subsequent maintenance responsibilities of Developer as to Enterprise Drive and the Pond, as set forth more fully in this Agreement, except to the extent as such claims or liability arise by virtue of the negligence, unlawful, or willful misconduct of the Village or any of its agents, contractors, officers, or

employees. Developer is not an agent or employee of the Village, and nothing herein is intended or shall be construed as creating a partnership or joint venture between or among the Village and Developer.

10. **Insurance.** During the Term of this Agreement (or, if earlier, until the termination of Developer's obligations to maintain the Public Improvements as set forth herein), Developer shall maintain commercial general liability insurance issued by an insurer with a rating of at least "A-" and in the financial size category of at least "VII" as established by A.M. Best Company and licensed-to do business in the State of Wisconsin, providing coverage for loss by perils, hazards, liabilities and other risks occurring on or about the Enterprise Drive Right-of-Way under a comprehensive general liability policy including contractual liability in an amount not less than \$2,000,000.00 combined single limit for bodily injury, including personal injury, and property damage. The policy shall require the insurer to provide at least thirty (30) days prior written notice to the Village of any cancellation of such policy. The Village shall be named as an additional insured on such policy of insurance, and during the period of construction of the Public Improvements the Village's engineering consultant, GAI Consultants, Inc., shall also be named as an additional insured on such policy of insurance. Should the Village notify Developer that additional construction consultants have been engaged by the Village during the period of construction of the Public Improvements, the certificate of insurance shall be reissued to include such consultant(s) for such period of construction.

11. **Successors and Assignment.** This Agreement is binding upon and enforceable against the parties' respective successors and assigns, and the provisions hereof shall be covenants running with the land during the Term. The Village may upon written notice to Developer assign its interest in this Agreement to any successor entity or entities, including any

municipality or municipalities established under Wisconsin law with jurisdiction over part or all of the area now occupied by the Village. Developer may upon written notice to the Village assign its interest in this Agreement in connection with a sale of the Lot 2 Development.

12. **Developer Default.** In the event Developer fails to timely perform any one or more of its obligations under this Agreement (an “Developer Default”), the Village shall promptly provide written notice to Developer. The notice shall provide Developer at least twenty (20) days from the date of the notice to cure any payment default and at least sixty (60) days to cure any other default not related to payment obligations. However, the sixty day period may be extended to the period of time reasonably necessary to cure the default if Developer promptly commences activities to cure the default, but in no event shall the period of time to cure the default exceed one hundred and twenty (120) days from the date of the Village’s notice. In the event Developer Default is not fully and timely cured by Developer, the Village shall have no further obligation to make any additional Development Incentive under this Agreement, and the Village shall have all of the rights and remedies available at law and in equity.

13. **Village Default.** In the event the Village fails to timely perform any one or more of its obligations under this Agreement (a “Village Default”), Developer shall promptly provide written notice to the Village. The notice shall provide the Village at least twenty (20) days from the date of the notice to cure any payment default and at least sixty (60) days to cure any other default not related to payment obligations. However, the sixty-day (60-day) period may be extended to the period of time reasonably necessary to cure the default if the Village promptly commences activities to cure the default and in good faith diligently pursues such activities to fully cure the default, but in no event shall the period of time to cure the default exceed one-hundred and twenty (120) days from the date of Developer's notice. In the event a Village

Default is not fully and timely cured by the Village, Developer shall have all of the rights and remedies available at law and in equity.

14. **Notices.** All notices permitted or required by this Agreement shall be given in writing and shall be considered given upon receipt if hand delivered to the party or person intended or a successor designated by a party to this Agreement, or upon facsimile transmission to the fax numbers set forth herein or a successor number or numbers designated by the party or one business day after deposit with a nationally recognized overnight commercial courier service, air bill prepaid, or forty-eight (48) hours after deposit in the United States mail, postage prepaid, by certified mail, return receipt requested, addressed by name and address to the party or person intended as follows, or a successor party or address, or both:

To Developer: Ashley Enterprise, LLC
c/o Ashley Capital, LLC
9810 S. Dorchester Avenue
Chicago, IL 60628
Facsimile Number: (773) 221-9518

To The Village: Village of Sturtevant
Attention: Village Clerk
2801 – 89th Street
Sturtevant, WI 53177
Facsimile Number: (262) 886-7205

15. **Force Majeure.** In the event that Developer or Village shall be delayed or hindered in or prevented from the performance of any act required hereunder by reason of strikes, lockouts, labor troubles, inability to procure materials, failure of power, fire, earthquake, flood, terrorism, war, acts of God, or other reason beyond Developer's or Village's reasonable control, then performance of such act shall be excused for the period of delay and the period for the performance of any such act shall be extended for a period equivalent to the period of such delay, prevention or stoppage.

16. **Severability.** The provisions of this Agreement are severable. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions of this Agreement shall be binding on all parties.

17. **Venue and Governing Law.** This Agreement shall be governed, controlled, interpreted and construed by and under the laws of the State of Wisconsin (without regard to its conflicts of law rules). The venue for any legal action arising under and/or pertaining to this Agreement shall solely and exclusively be Racine County Circuit Court in Racine, Wisconsin.

18. **Effective Date.** This Agreement becomes effective as of the Effective Date. Notwithstanding the foregoing, Developer's obligations as set forth in this Agreement are contingent upon Developer acquiring fee title to the Enterprise Business Park site.

19. **Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original as against any party whose signature appears thereon, and all of which shall together constitute one and the same instrument. If executed in multiple counterparts, this Agreement shall become binding when two or more counterparts hereto, individually or taken together, bear the signatures of all of the parties reflected hereon as the signatories. A facsimile or electronic signature to this Agreement shall be deemed to be an original for all purposes.

20. **Further Assurances.** Each party agrees (a) to furnish upon request to each other party such further information, (b) to execute and deliver to each other party such other documents, and (c) to do such other acts and things, all as another party may reasonably request for the purpose of carrying out the intent of this Agreement and the documents and transactions referred to in this Agreement.

21. **Duty of Cooperation.** Each party shall cooperate with the other party so that the other party may properly perform its obligations under this Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year set forth below.

ASHLEY ENTERPRISE, LLC

By: _____

Name: _____

Title: _____

STATE OF _____)
) SS:
COUNTY OF _____)

Personally came before me this ____ day of _____ 2015, the above-named _____, _____ of Ashley Enterprise, LLC to me known to be the person who executed the foregoing instrument and acknowledged the same on behalf of said limited liability company.

Notary Public, _____ County,

My Commission expires: _____

VILLAGE OF STURTEVANT

By: _____

Steve Jansen
Village President

Attest: _____

Mary Cole

Village Clerk

STATE OF WISCONSIN)
) SS:
COUNTY OF RACINE)

Personally came before me this _____ day of _____, 2015, Steve Jansen and Mary Cole, Village President and Village Clerk of the Village of Sturtevant, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, Racine County, Wisconsin
My Commission Expires:_____

List of Exhibits:

- Exhibit A – Proposed Enterprise Business Park Certified Survey Map
- Exhibit B – Legal Description of Lot 2 Development
- Exhibit C – Description of Public Improvements
- Exhibit D – Good Faith Estimate of Costs Reimbursement

EXHIBIT B

Legal Description of Lot 2 Development

Ashley Capital, LLC

Lot 2 of CSM No. _____ Sturtevant, WI

That part of the Northeast ¼ and Southeast ¼ of the Southeast ¼ of Section 20, Township 3 North, Range 22 East, Village of Sturtevant, Racine County, Wisconsin which is bounded and described as follows:

Commencing at the Southeast corner of said Southeast 1/4 Section; thence North 01° 51' 31" West along the East line of said Southeast 1/4 Section 750.28 feet to the intersection of the North line of Canadian Pacific Rail System lands and said East line; thence South 81° 39' 03" West along said North line 473.02 feet to the point of beginning of lands hereinafter described; thence continue South 81° 39' 03" West along said North line 694.53 feet to a point; thence North 01°51'31" West along said West line 1353.57 feet to a point; thence North 89°40'23" East 473.98 feet to a point of curvature; thence 211.41 feet along the arc of a curve and said North line having its center lying to the South, with a radius of 303.00 feet bearing South 70°20'21" East 207.14 feet to a point; thence South 50°21'04" East 108.67 feet to a point; thence South 39°38'56" West 87.22 feet to a point; thence South 01°51'31" East 1049.08 feet to the point of beginning. Lands contain 897,793 square feet or 20.6105 acres.

February 3, 2015

EXHIBIT C

Description of Public Improvements

EXHIBIT D

Good Faith Estimate of Costs Reimbursement

- Legal fees = \$14,039.26
- Engineering through 1/31/15 = \$8,494
- Pending review of final plans & misc. engineering related coordination = \$2,500 +/-
- Construction observation and related construction tasks = \$35,000 +/-