

**ADDENDUM 1 TO
TAX INCREMENT FINANCING AGREEMENT
TAX INCREMENT DISTRICT 14
@ NORTH BEACH REDEVELOPMENT**

THIS ADDENDUM made this ____ day of _____, 2019, by and between RACINE HARBORSIDE LLC, a Wisconsin Limited Liability Company, hereinafter called “DEVELOPER”, and the CITY OF RACINE, a municipal corporation of the State of Wisconsin, located in Racine County, hereinafter called the “CITY”.

RECITALS:

WHEREAS, the Parties entered into the TAX INCREMENT FINANCING AGREEMENT TAX INCREMENT DISTRICT 14 @ NORTH BEACH REDEVELOPMENT (“TID Agreement”) on _____, 2019; and

WHEREAS, the TID Agreement, in Paragraph 3. B. 2) b. provides:

CITY has requested that DEVELOPER incorporate design features related to sanitary sewer, water and streets within the PROJECT that will benefit the general public and serve other private properties (“Extraordinary Costs”). CITY shall pay the Extraordinary Costs associated with these design features ; and

WHEREAS, the CITY has designed a segment of sanitary sewer (“Extra Sewer”) that will be constructed within the PROJECT that will benefit the general public and serve other private properties outside of @North Beach; and

WHEREAS, a description of the Extra Sewer and projected costs therefore are set forth in Exhibit A attached hereto; and

WHEREAS, the costs associated with construction of the Extra Sewer are Extraordinary Costs under Paragraph 3. B. 2) b. of the TID Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. **Extra Sewer.** DEVELOPER shall include the Extra Sewer in the Developer Infrastructure to be constructed by DEVELOPER in conformity with obligations set forth in Paragraph 4. D. of the TID Agreement.
2. **Extraordinary Costs.** CITY shall reimburse DEVELOPER for the actual costs of construction of the Extra Sewer, not to exceed Five Hundred Ninety Five Thousand (\$595,000) Dollars.
3. **Recapture of Extraordinary Costs.** In the event the CITY recovers any of the Extraordinary Costs, be it from special assessments, impact fees or otherwise, CITY shall pay all monies actually received to DEVELOPER.
4. Paragraph 3. B. 3) of the TID Agreement shall be revised to provide:

DEVELOPER INCENTIVE -- A tax increment finance “developer funded” incentive shall be paid to DEVELOPER in an amount equal to **95%** of the tax increment generated by the DEVELOPER during the remaining life of TID 14, which ends in 2033.
5. **TID Agreement.** All other terms and conditions of the TID Agreement remain in full force and effect.

[SIGNATURES ON FOLLOWING PAGES]

IN WITNESS WHEREOF, DEVELOPER and CITY have caused this TIF AGREEMENT to be signed in two original counterparts the day and year first above written.

DEVELOPER:

RACINE HARBORSIDE LLC

By: Racine Harborside P2 LLC, Manager

By: _____
Kevin L. Newell, Managing Member

ACKNOWLEDGMENT

STATE OF WISCONSIN)
) SS
COUNTY OF MILWAUKEE)

The foregoing instrument was acknowledged before me this ____ day of _____, 2018, by Kevin L. Newell, the Managing Member of Racine Harborside P2 LLC, the manager of Racine Harborside LLC.

Notary Public, State of Wisconsin
My commission expires: _____

CITY OF RACINE:

By: _____
Cory Mason, Mayor

By: _____
Tara Coolidge, Assistant City Clerk

STATE OF WISCONSIN)
) SS
COUNTY OF RACINE)

Personally came before me this ____ day of, 2018, the above-named Cory Mason, Mayor, and Tara Coolidge, Assistant City Clerk, of the City of Racine, and to me known to be such Mayor and Assistant City Clerk of said municipal corporation and acknowledged that they executed the foregoing instrument as such officers as the deed of said municipal corporation by its authority, and pursuant to the authorization by the Common Council from their meeting on the ___ day of _____, 2018.

Notary Public, State of Wisconsin

My commission expires: _____

APPROVED AS TO FORM:

Scott R. Letteney, City Attorney

Provisions have been made to pay the liability that will accrue hereunder.

David Brown, Finance Director

This document was drafted by Attorney H. Stanley Riffle on behalf of the City of Racine.

Exhibit "A"

Extra Sewer Description