

February 2, 2016

Zimmerman Ventures

Headquarters:

510 W. Kilbourn Avenue

Milwaukee, Wisconsin 53203

www.zimmventures.com

Common Council
City of Franklin
9929 W. Loomis Road
Franklin, WI 53132

Re: Memorandum of Understanding Between The City of Franklin Wisconsin (the "City") and Zimmerman Ventures, LLC ("Developer").

Dear Common Council Members:

We are pleased to present for your review and signature this Memorandum of Understanding (this "MOU") with regard to a mixed-use development, in the context of a public/private partnership, and in collaboration with the City of Franklin, Milwaukee County, and The Rock Sports Complex (the "Rock"). We are proposing a development called "Ballpark Commons" that is currently planned to include:

1. An outdoor baseball stadium with approximately 2,500 hard seats and a capacity to accommodate a total of approximately 4,000 spectators. The stadium will be home to a minor league professional baseball team affiliated with the American Association of Professional Baseball. It will also be the home field for the University of Wisconsin-Milwaukee baseball team. The facility will also be able to host baseball tournaments and other community events.
2. An indoor, year-round sports complex that will feature four little league-sized baseball fields, along with retail and restaurant spaces. The building could also accommodate other sports, including soccer and lacrosse.
3. One or two hotels accommodating up to 220 rooms.
4. Multiple restaurants.
5. Depending on market demand, office, possibly including a purpose-built co-working facility, retail and mixed-use buildings facing Rawson Avenue, each no more than three stories in height, with the possibility of up to 70 luxury apartments on upper levels.

6. A luxury apartment community featuring 200 or more units. The apartment community would include two story buildings adjacent to the existing residential neighborhoods to the west, with three story buildings to the east, closer to Loomis Road.

To move Ballpark Commons forward in order to meet certain deadlines, including the acquisition of an American Association membership license for the 2017 playing season, Developer and City agree to work together in good faith to advance the design of the project and related infrastructure and to analyze its economic feasibility and the need for (and appropriate terms of) a public/private partnership in the form of a tax incremental financing district to make it a reality.

In particular, the Developer will:

- A. Engage architects, engineers, and other professionals to work with City staff and consultants and finalize plans for the development and related infrastructure;
- B. Apply to rezone the properties to PDD, revise the City's Comprehensive Master Plan, obtain a new special use permit for the stadium, etc.;
- C. Maintain ongoing engagement with City residential and business communities through continued outreach, including public information meetings;
- D. Engage Milwaukee County regarding its participation in the development, including the extension of the Oak Leaf Trail to and through the development, and coordinate the development with the replacement of the existing methane containment system;
- E. Engage the Wisconsin Department of Natural Resources in reviewing and approving all aspects of the development as necessary;
- F. Contract a market feasibility study for the development and provide details to City staff and the City's financial consultant for their review of the economic feasibility of the development and the need for (and appropriate terms of) a public/private partnership in the form of a tax incremental financing district ("TID"); and
- G. Work with City staff to negotiate a payment-in-lieu-of-taxes ("PILOT") agreement for those portions of the development that are exempt from property taxes because they are located on land owned by Milwaukee County.
- H. Explore possible grants and other funding sources with the State of Wisconsin and others to cover a portion of the costs of the proposed development.

The City will:

- A. Direct City staff and consultants to work with Developer to finalize plans, and with regard to Developer's applications to rezone the properties, revise the City's Comprehensive Master Plan, and seek a special use permit(s) as necessary for the proposed development;
- B. Hire an independent financial consultant (Ehlers, Inc.) to work with the City and Developer to evaluate the economic feasibility of the development and the need for (and appropriate terms of) a public/private partnership in the form of a TID; and
- C. As may be determined reasonable and necessary by the City upon its review of a completed economic feasibility study, initiate and pursue the process to create a TID, commencing with creation of a project plan, followed by public hearings and other required procedures.

The Developer and the City will jointly investigate infrastructure investment necessary to support the project and a possible joint venture or other form of partnership to undertake such work.

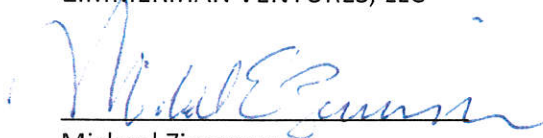
From time to time and upon request by Developer or City, and approval by Developer and the Franklin Common Council, City and Developer will update and amend this MOU.

Developer and City will work together in good faith to pursue completion of the above activities as soon as reasonably possible. Understanding that time is of the essence and the project's priority, the parties (the City represented by staff) will establish a weekly meeting schedule to keep each other advised of progress and to coordinate their efforts. Each party's obligations are dependent upon the other party's performance of its obligations.

By signing below, the parties agree to the terms of this Memorandum of Understanding:

[Signature page to follow]


ZIMMERMAN VENTURES, LLC



Michael Zimmerman
CEO

CITY OF FRANKLIN:

MAYOR OF THE
CITY OF FRANKLIN


Steve Olson 2/03/2016

CLERK OF THE
CITY OF FRANKLIN


Sandra L. Wesolowski 2/03/2016

ATTORNEY OF THE
CITY OF FRANKLIN


Jesse A. Wesolowski 2/4/16

DIRECTOR OF FINANCE & TREASURER


Paul Rotzenberg 2-3-2016