

COMMON COUNCIL OF THE CITY OF PRAIRIE DU CHIEN, WISCONSIN

Resolution No. 2015-38

RESOLUTION APPROVING THE AMENDED AND RESTATED
LEASE OF CERTAIN PROPERTY AND IMPROVEMENTS BY THE CITY
AND APPROVING THE ISSUANCE OF BONDS BY THE REDEVELOPMENT
AUTHORITY AND RELATED DOCUMENTS AND TRANSACTIONS

WHEREAS, the Redevelopment Authority of the City of Prairie du Chien, Wisconsin (the "Authority") has determined certain property located in the City of Prairie du Chien, Wisconsin (the "Municipality") to be blighted within the meaning of Section 66.1333, Wisconsin Statutes (the "Act");

WHEREAS, the Authority and the Common Council of the Municipality have heretofore created a redevelopment project area under the Act (the "Redevelopment Project Area") with respect to such blighted property, coterminous with the boundaries of Tax Incremental District No. 6, and have approved and adopted a redevelopment plan within the meaning of the Act (the "Redevelopment Plan") in connection therewith;

WHEREAS, the Authority has heretofore acquired the property in the Redevelopment Project Area described on Exhibit A hereto (the "Acquired Property") from the Municipality, and has carried out a program of blight elimination, community development and urban renewal on property in the Redevelopment Project Area as more fully described in the Redevelopment Plan, including water main, sanitary and storm sewer, street and storm drainage improvements and extensions and related planning and administrative costs (the "Tax-Exempt Projects"), and also including the acquisition and clearance of property, direct business assistance and related expenses (the "Taxable Projects") (collectively, the Tax-Exempt Projects and Taxable Projects shall be referred to herein as the "Projects");

WHEREAS, the Authority has heretofore issued Redevelopment Lease Revenue Refunding Bonds, Series 2005A, dated August 23, 2005 (the "2005A Bonds") and Taxable Redevelopment Lease Revenue Refunding Bonds, Series 2005B, dated August 23, 2005 (the "2005B Bonds") to provide funds to finance a portion of the costs of the Projects;

WHEREAS, the Municipality has also heretofore issued its Taxable Note Anticipation Notes, Series 2014E, dated July 1, 2014 (the "2014 Notes") to finance an additional portion of the cost of the Projects and to refund a portion of the 2005B Bonds;

WHEREAS, the Authority has now authorized the issuance and sale of (a) Taxable Redevelopment Lease Revenue Refunding Bonds, Series 2015A, dated August 25, 2015 (the "Taxable Bonds"), the proceeds of which shall be used to refund the 2005B Bonds and the 2014 Notes and (b) Redevelopment Lease Revenue Refunding Bonds, Series 2015B, dated August 25, 2015 (the "Tax-Exempt Bonds"), the proceeds of which shall be used to refund the 2015A Bonds (collectively, the Tax-Exempt Bonds and Taxable Bonds shall be referred to herein as the "Bonds").

WHEREAS, the Authority has submitted a report on the Amended and Restated Lease Agreement to be dated as of August 25, 2015 (the "Lease") to this Common Council, has duly noticed and conducted a public hearing on the Lease and has approved the Lease;

WHEREAS, Section 66.1333(13), Wisconsin Statutes, authorizes the Municipality to lend or contribute funds to assist a redevelopment project, Section 66.1105(2)(f)1.h., Wisconsin Statutes, provides that the amount of contributions made under Section 66.1333(13) in connection with implementation of the project plan is an eligible tax increment project cost and Section 66.1105(2)(f)1.b. permits the Municipality to recover "financing costs" related to tax increment projects from tax increment revenues; and

WHEREAS, the Project is located in the Municipality's Tax Incremental District No. 6 (the "District") and development of the Project is included in the project plan for the District;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the Municipality as follows:

Section 1. Approval of the Lease. The Lease, in substantially the form attached hereto as Exhibit C and incorporated herein by this reference, is hereby approved and the Mayor and City Clerk/Treasurer are hereby authorized to execute and deliver the Lease for and on behalf of the Municipality. The rentals paid under the Lease shall be "financing costs" under Section 66.1105(2)(f)1.b., Wisconsin Statutes, to the extent they constitute the payment of principal or interest on the Bonds. The Common Council covenants for the benefit of the owners of the Bonds that, subject to annual appropriation of the Lease payments, all funds in the special fund of the District will be used first to make the rental payments due under the Lease and only after the rental payments have been paid in full for any particular year shall funds in said special fund be used to pay any other project costs of the District. The Common Council finds that the rental payments due under the Lease are at the fair market value for the Acquired Property and the improvements to be leased pursuant to the Lease.

Section 2. Statement of Intent to Appropriate. The Common Council acknowledges that the projected tax increment to be derived from the District may not be realized and that the increment may therefore be insufficient to make payments under the Lease sufficient to pay all debt service on the Bonds as it becomes due. The Common Council hereby declares that it fully expects and anticipates that, if such a shortfall occurs, it will appropriate funds from other available revenues of the Municipality sufficient to fund any such shortfall in order to meet its obligation to make rental payments under the Lease sufficient to pay when due all principal of and interest on the Bonds, provided however, that such payment shall be subject to annual appropriation by the Common Council and shall be subject to the Municipality's quiet enjoyment of the property and improvements leased pursuant to the Lease. The Common Council covenants that it will not voluntarily dissolve or remove territory from the District until the Bonds have been discharged within the meaning of the resolutions authorizing the issuance of the Bonds.

Section 3. Approval of the Bonds. The terms of the Bonds authorized by the Authority at its meeting duly noticed, held and conducted on August 4, 2015 are ratified and approved. The Municipality designates the Tax-Exempt Bonds to be "qualified tax-exempt obligations" pursuant to Section 265(b) of the Internal Revenue Code of 1986, as amended.

Section 4. Undertaking to Provide Continuing Disclosure. The Municipality, as the obligated person with respect to the Bonds, hereby covenants and agrees, for the benefit of the owners of the Bonds, to enter into a written undertaking (the "Undertaking") required by SEC Rule 15c2-12 promulgated by the Securities and Exchange Commission pursuant to the Securities and Exchange Act of 1934 (the "Rule") to provide continuing disclosure of certain financial information and operating data and timely notices of the occurrence of certain events in accordance with the Rule. The Undertaking shall be enforceable by the owners of the Bonds or by the original purchaser of the Bonds on behalf of such owners (provided that the owners' and purchaser's right to enforce the Undertaking shall be limited to a right to obtain specific performance of the obligations thereunder and any failure by the Municipality to comply with the provisions of the Undertaking shall not be an event of default with respect to the Bonds).

To the extent required under the Rule, the Mayor and City Clerk/Treasurer shall provide a Continuing Disclosure Certificate for inclusion in the transcript of proceedings, setting forth the details and terms of the Municipality's Undertaking.

Section 5. Execution and Delivery of Documents. The Mayor and City Clerk/Treasurer are hereby authorized for and in the name of the Municipality to execute and deliver the Lease and any and all additional documents as may be necessary or desirable to effectuate the sale of the Bonds and the completion of the transactions contemplated hereby.

Adopted, approved and recorded this 4th day of August, 2015.



Mayor

(SEAL)

Attest:



City Clerk/Treasurer

EXHIBIT A TO RESOLUTION
DESCRIPTION OF PROPERTY TO
BE CONVEYED TO AUTHORITY

The property dedicated for public road purposes and identified as Cliff Haven Road within the Redevelopment Project Area and Tax Incremental District No. 6 of the City of Prairie du Chien, Wisconsin, and all public improvements located thereon and thereunder.

EXHIBIT B TO RESOLUTION

IMPROVEMENTS TO BE
LEASED BY MUNICIPALITY

All municipal water and sewer mains, laterals, lift stations, pumps and related appurtenances and equipment constructed within the Redevelopment Project Area and Tax Incremental District No. 6 of the City of Prairie du Chien, Wisconsin.

EXHIBIT C TO RESOLUTION
AMENDED AND RESTATED LEASE AGREEMENT

(See Attached)

**AMENDED AND RESTATED
LEASE AGREEMENT**

between

**REDEVELOPMENT AUTHORITY OF THE CITY OF
PRAIRIE DU CHIEN, WISCONSIN**

COPY
and

CITY OF PRAIRIE DU CHIEN, WISCONSIN

THIS AMENDED AND RESTATED LEASE AGREEMENT is made and entered into as of the 25th day of August, 2015 by and between the REDEVELOPMENT AUTHORITY OF THE CITY OF PRAIRIE DU CHIEN, a Wisconsin municipal corporation (the "Authority"), and the CITY OF PRAIRIE DU CHIEN, WISCONSIN, a Wisconsin municipal corporation and political subdivision (the "Municipality").

WITNESSETH:

WHEREAS, the Authority has acquired and is currently in possession of the real estate described in Exhibit A hereto (the "Property"); and

WHEREAS, the Authority has carried out a program of blight elimination, community development and urban renewal on property located in the Redevelopment Project Area, as more fully described in the redevelopment plan adopted in connection therewith (the "Program"), including water main, sanitary and storm sewer, street and storm drainage improvements and extensions, and related planning and administrative costs (the "Tax-Exempt Projects"), and also including the acquisition and clearance of property, direct business assistance and related expenses (the "Taxable Projects") (collectively, the Tax-Exempt Projects and the Taxable Projects shall be referred to herein as the "Project"), and has heretofore financed the Project through the issuance of its Redevelopment Lease Revenue Refunding Bonds, Series 2005A, dated August 23, 2005 (the "2005A Bonds") and its Taxable Redevelopment Lease Revenue Refunding Bonds, Series 2005B, dated August 23, 2005 (the "2005B Bonds") which were secured by an Amended and Restated Lease Agreement dated as of August 23, 2005 between the Authority and the Municipality (the "2005 Lease"); and

WHEREAS, the Authority now finds it necessary and desirable to refund the outstanding 2005B Bonds and the Municipality's Taxable Note Anticipation Notes, Series 2015E, dated July 1, 2014 issued to finance additional Taxable Projects and to refund a portion of the 2005B Bonds through the issuance of its \$2,705,000 Taxable Redevelopment Lease Revenue Refunding Bonds, Series 2015A, dated August 25, 2015 (the "2015A Bonds"); and

WHEREAS, the Authority also now finds it necessary and desirable to refund the outstanding 2005A Bonds through the issuance of its \$1,225,000 Redevelopment Lease Revenue Refunding Bonds, Series 2015B, dated August 25, 2015 (the "2005B Bonds") (the 2015A Bonds and the 2015B Bonds shall be collectively referred to herein as the "Bonds"); and

WHEREAS, in connection with the issuance of the Bonds, the Authority finds it necessary and desirable to amend and restate the 2005 Lease so that it secures the Bonds; and

WHEREAS, pursuant to the provisions of Sections 66.1335 and 66.1333(9) of the Wisconsin Statutes, the Authority has the power to lease real property and personal property in its possession to a public body for use in accordance with a redevelopment plan; and

WHEREAS, the Municipality desires to lease the Property and the portion of the Project described on Exhibit B hereto (the "Leased Improvements") (collectively, the Property and the Leased Improvements shall be referred to as the "Leased Property") from the Authority; and

WHEREAS, the execution, delivery and performance of this Amended and Restated Lease Agreement have been duly authorized by the Municipality and the Authority and all conditions, acts and things necessary and required by the Constitution and Statutes of the State of Wisconsin to exist, to have happened, or to have been performed precedent to or in the execution and delivery of this Amended and Restated Lease Agreement, do exist, have happened and have been performed in regular form, time and manner.

NOW, THEREFORE, in consideration of the rents, covenants and agreements herein reserved, mentioned and contained on the part of the Municipality, its successors and assigns, to be paid, kept and performed, the Authority by these presents does hereby agree to lease, demise and let to the Municipality, and the Municipality does hereby consent to said leasing and hereby takes and hires, upon and subject to the conditions hereinafter expressed, the Leased Property.

ARTICLE I

DEFINITIONS AND USE OF PHRASES

Section 1.1 Definitions. The following terms shall have the following meanings in this Amended and Restated Lease unless the text expressly or by necessary implication requires otherwise:

"Annual Debt Service Requirement" means the amount of principal and interest payable on the Bonds in any year, whether by maturity or mandatory redemption.

"Authority" means the Redevelopment Authority of the City of Prairie du Chien, Wisconsin, a Wisconsin municipal corporation.

"Bonds" means the Taxable Redevelopment Lease Revenue Refunding Bonds, Series 2015A and Redevelopment Lease Revenue Refunding Bonds, Series 2015B, issued by the Authority to provide financing for the Project.

"Commencement Date" means the date of commencement of the Leasehold Term as provided in Section 3.1 hereof.

"Debt Service Fund" means the Debt Service Fund established by the Authority in connection with the issuance of the Bonds.

"Fiscal Agent" means Associated Trust Company, National Association, Green Bay, Wisconsin, the fiscal agent for the Bonds or any successor thereto.

"Leased Improvements" means the improvements described in Exhibit B hereto.

"Leased Property" means the Property and all fixtures thereto, and the Leased Improvements.

"Leasehold Term" means the term of this Agreement as provided in Section 3.1 hereof.

"Municipality" means the City of Prairie du Chien, Wisconsin, a municipal corporation and political subdivision.

"Municipality Representative" means the Mayor, the City Clerk or such other officer of the Municipality as is appointed by the Common Council to act on behalf of the Municipality under this Agreement.

"Owner" or "Owners" means, with respect to the Bonds when in book-entry-only form, the beneficial owner or owners of the Bonds.

"Program" means the program of blight elimination, community development and urban renewal carried out by the Authority on property in the Redevelopment Project Area as more fully described in the redevelopment plan adopted in connection therewith.

"Project" means the Tax-Exempt Projects and the Taxable Projects, collectively.

"Property" means the real estate described in Exhibit A hereto.

"Quiet Enjoyment" means the right of the Municipality to peaceably and quietly have, hold and enjoy the Leased Property and to use the Leased Property for the purposes intended or permitted by this Agreement.

"Redevelopment Project Area" means the redevelopment project area created by the Authority pursuant to Section 66.1333 of the Wisconsin Statutes coterminous with the boundaries of Tax Incremental District No. 6 of the City of Prairie du Chien, Wisconsin.

"Rentals" means the rentals payable by the Municipality pursuant to Section 3.2(a) hereof.

"Resolutions" means the resolutions authorizing the issuance of the Bonds adopted by the Authority on August 4, 2015.

"Tax-Exempt Bonds" means the Redevelopment Lease Revenue Refunding Bonds, Series 2015B, dated August 25, 2015, issued by the Authority to provide financing for the Tax-Exempt Projects.

"Tax-Exempt Projects" means the portion of the Program which is eligible for tax-exempt financing, including water main, sanitary and storm sewer, street and storm drainage improvements and extensions, and related planning and administrative costs.

"Taxable Bonds" means the Taxable Redevelopment Lease Revenue Refunding Bonds, Series 2015A, dated August 25, 2015, issued by the Authority to provide financing for the Taxable Projects.

"Taxable Projects" means the portion of the Program which is not eligible for tax-exempt financing, including the acquisition and clearance of property, direct business assistance and related expenses.

Section 1.2 Use of Phrases. The following provisions shall be applied whenever appropriate herein:

"Herein", "Hereby", "hereunder"; "hereof" and other equivalent words refer to this Agreement as an entirety and not solely to the particular portion of this Lease in which any such word is used.

The definitions set forth in Section 1.1 hereof shall be deemed applicable whether the words defined are herein used in the singular or the plural.

Wherever used herein, any pronoun or pronouns shall be deemed to include both the singular and the plural and to cover all genders.

Unless otherwise provided, any determinations or reports hereunder which require the application of accounting concepts or principles shall be made in accordance with generally accepted accounting principles, except that they may be qualified with respect to the fixed asset account group.

ARTICLE II

COMPLETION OF THE PROJECT

The Authority has made all contracts and done all things necessary to cause the Project to be constructed and equipped. Title to the Leased Property and all equipment acquired with proceeds of the Bonds and all fixtures thereto shall be held by the Authority, subject to this Lease.

So long as this Lease is in full force and effect, the Authority shall have full power to carry out the acts and agreements provided in this Section, and such power is granted and conferred under this Lease to the Authority, and is accepted by the Authority and shall not be terminated or restricted by act of the Authority or the Municipality, except as provided in this Section.

ARTICLE III

TERM AND RENTS

Section 3.1 Term. The term of the Lease pursuant to this Agreement shall commence as of August 25, 2015. This Agreement shall expire on September 1, 2020, unless the parties shall sooner terminate this Agreement by mutual agreement; provided, however, that the end of said term shall not be advanced nor shall this Agreement expire or be terminated so long as the Bonds shall be outstanding; provided, further, that when the Authority shall have fully paid (or provided for the payment of) all of the principal and interest on the Bonds, this Agreement shall automatically terminate.

Section 3.2 Rentals. During the Leasehold Term the Municipality agrees to pay to the Fiscal Agent for the Authority, without deduction or offset (except as described in the following paragraph), rental payments ("Rentals") semi-annually on February 1 and August 1 of each year commencing on February 1, 2016. The rental payable on any date shall be an amount equal to the sum of the following:

- (1) The amount of principal payable on the Bonds on the next succeeding payment date for the Bonds; and
- (2) The amount of interest payable on the Bonds on the next succeeding payment date for the Bonds.

The schedule of principal and interest payments on the Bonds is shown on Exhibit C attached hereto and incorporated by this reference.

The amount of any Rental payable by the Municipality shall be reduced by the amount of investment earnings, contributions by the Municipality and other monies on deposit in the Debt Service Fund for the Bonds.

The obligation of the Municipality to pay Rentals is conditioned upon (a) the Municipality's "Quiet Enjoyment" of the Leased Property and (b) annual appropriation of the rental payment by the Municipality. The parties acknowledge that the Leased Property is being leased at its fair market value.

Section 3.3 Debt Service on Bonds. The Authority covenants and agrees that the Rentals payable hereunder shall be used only to pay the principal of and interest on the Bonds, as provided in the Resolutions and that no Rentals shall be used to pay operating expenses of the Authority.

Section 3.4 Payment of Costs and Expenses. If the Municipality defaults under any provisions of this Agreement and the Authority employs attorneys or incurs other expenses for the collection of payments due or for the enforcement of performance or observance of any other obligation or agreement on the part of the Municipality herein contained, the Municipality agrees that it will on demand therefor pay to the Authority the reasonable fees of such attorneys and such other reasonable expenses so incurred by the Authority.

Section 3.5 Not Debt. Notwithstanding anything to the contrary herein contained by implication or otherwise, the obligations of the Municipality created by or arising out of this Agreement shall not be general debt obligations of the Municipality and do not constitute or give rise to charges against its general credit or taxing powers.

Section 3.6 Repairs and Maintenance. The Municipality covenants and agrees throughout the Leasehold Term to maintain the Leased Property and keep the same in as good order and condition as the same are in upon the effective date of this Agreement.

Section 3.7 Utilities. The Municipality agrees to pay or cause to be paid all charges for gas, electricity, light, heat or power, telephone or other communication service, or any other service used, rendered or supplied upon or in connection with the Leased Property during the Leasehold Term and to protect the Authority and save it harmless against any liability or damages on such account. The Municipality shall also procure any and all necessary permits, licenses or other authorizations thereafter required for the lawful and proper installation and maintenance upon the Leased Property of wires, pipes, conduits, tubes and other equipment and appliances for use in supplying any such services to and upon the Leased Property.

ARTICLE IV

COVENANTS OF MUNICIPALITY

Section 4.1 Restriction on Use. The Municipality covenants that the Leased Property shall be used for public purposes. The Authority covenants and agrees that the Leased Property shall be and remain open to and available for public use to the same extent and in the same manner as if the Leased Property were owned by the Municipality. The Municipality and the Authority agree that, during the term hereof, no portion of the Leased Property shall be sold to, leased to or otherwise used by, a private party in any manner which would cause the Tax-Exempt Bonds to become "private activity bonds" under the provisions of the Internal Revenue Code and the regulations promulgated thereunder.

Section 4.2 Public Liability Insurance. The Municipality shall maintain or cause to be maintained during the Leasehold Term general public liability insurance against all claims for personal injury, death or property damage for which any of the parties might be liable, occurring upon, in or about the Leased Property or any buildings, facilities, sidewalks, streets and passageways, therein or thereon; such insurance to afford protection to the parties to the limit of not

less than \$1,000,000 per occurrence and \$1,000,000 in aggregate per year in respect of personal injury and death and property damage, or such other limits as may be mutually agreed upon.

Section 4.3 Hazard Insurance. (a) The Municipality shall cause any structures that are part of the Leased Property to be continually insured during the Leasehold Term against damage or destruction by fire, windstorm and any other loss or damage customarily insured in comparable structures in an amount equal to the replacement value of the property.

(b) In case of damage, loss or destruction of the Leased Property, or any part thereof, or any lost fixtures or equipment thereof during the Leasehold Term, the proceeds of any insurance which pertains to such premises, fixtures and equipment shall be used and applied by the Municipality as promptly as possible to repair, restore, rebuild or replace the same as nearly as possible to the condition existing prior to such damage, loss or destruction.

(c) In consideration of the provisions of this Agreement giving and granting to the Municipality exclusive possession, custody and control of the Leased Property, the Municipality hereby assumes all risks during the Leasehold Term in connection with any damage, loss or destruction of the Leased Property, or any part thereof, or any fixtures or equipment thereof from any and all causes whatsoever, and, in the event of any such damage, loss or destruction, the Municipality covenants and agrees to repair, restore, rebuild or replace the same as nearly as possible to the condition they were in immediately prior to such damage, loss or destruction either from the proceeds of insurance as hereinabove in this Section 4.3 provided, or, to the extent such proceeds of insurance are insufficient or unavailable therefor, from available appropriations of moneys derived from other sources.

Section 4.4 Compliance with Laws and Regulations. The Municipality agrees that throughout the Leasehold Term it will promptly comply with all laws and ordinances and the orders, rules, regulations and requirements of all federal, state and local governments and agencies and departments thereof which are applicable to the Municipality and the Leased Property, and whether or not the same requires structural repairs or alterations, which may be applicable to the Leased Property, the fixtures or equipment thereof, or the sidewalks, curbs and parking areas adjoining the demised premises, or the use or manner of use of the Leased Property. The Municipality will also observe and comply with the requirements of all policies and arrangements of insurance at any time in force during the Leasehold Term of this Agreement with respect to the Leased Property and the fixtures and equipment thereof.

Section 4.5 Alterations and Additions to Leased Property. The Municipality shall have the right at any time and from time to time during the Leasehold Term, without liability to the Authority, to make such changes, alterations and additions, structural or otherwise, to the Leased Property and any fixtures and equipment thereof, now or hereafter located on the Leased Property, as the Municipality shall deem necessary or desirable in connection with the use of the Leased Property. All such changes, alterations and additions when completed shall be of such a character as not to reduce or otherwise adversely affect the value of the Leased Property or the rental value thereof. The cost of any such change, alteration or addition shall be promptly paid and discharged so that the Leased Property shall at all times be free of liens for labor and materials supplied to the Leased Property, provided, however, that the Municipality may in good faith contest any lien if adequate security is provided during the pendency of proceedings so that the Leased Property is not in danger of being lost through lien foreclosure or otherwise. All alterations, additions and

improvements to the Leased Property shall be and become a part of the realty covering the Leased Property.

Section 4.6 Covenants Against Waste. The Municipality covenants during the term of the Lease not to do or suffer or permit any waste or damage, disfigurement or injury to the Leased Property or any building or improvement now or hereafter on the Leased Property or the fixtures or equipment thereof.

Section 4.7 Municipal Budget; Consequences of Non-Appropriation. The Municipality hereby covenants that its staff will include the Rentals to become due hereunder in its annual budget as submitted to the Common Council of the Municipality for approval during each year of the Leasehold Term, and further covenants that its staff will request the necessary appropriation from the Common Council and will exhaust all available administrative reviews and appeals in the event that portion of the budget is not approved. The Municipality reasonably believes, expects and intends that funds will be budgeted and appropriated sufficient to make all payments of Rentals during the term of this Lease Agreement.

If the Common Council of the Municipality in any year does not budget and appropriate the Rentals to become due during the next succeeding year, the Municipality will provide written notice to that effect to the Authority, to the Fiscal Agent and to Robert W. Baird & Co. Incorporated, the original purchaser of the Bonds, no later than 15 days after adoption and approval of that annual budget. This Lease Agreement shall terminate 30 days after notice of any non-appropriation has been given by the Municipality to the Authority, and the Municipality shall, upon such termination, peacefully quit, surrender and deliver up to the Authority, its successors or assigns, the Leased Property in good condition, ordinary wear and tear excepted. Upon such termination, in the event any of the Leased Property has become lost, stolen, destroyed, damaged beyond repair or rendered permanently unfit for use for any reason, the Municipality shall repair or replace such Leased Property at the Municipality's sole cost prior to surrender of the Leased Property to the Authority, with said repair or replacement subject to the Authority's reasonable approval.

The Municipality will also, whether or not the Rentals due under this Agreement are budgeted and appropriated, furnish the Authority and the Purchaser and the Fiscal Agent with a copy of its annual budget within 15 days of its adoption. All obligations of the Municipality arising under this Lease Agreement during the Municipality's occupancy of the Leased Property shall survive this Lease Agreement.

Section 4.8 Tax Covenant. The Municipality and the Authority covenant for the benefit of the Owners of the Tax-Exempt Bonds that they will not take any action or omit to take any action with respect to the Tax-Exempt Bonds, the proceeds thereof, any other funds of the Municipality and the Authority or any facilities financed with the proceeds of the Tax-Exempt Bonds if such action or omission (i) would cause the interest on the Tax-Exempt Bonds to lose its exclusion from gross income for federal income tax purposes under Section 103 of the Code and applicable Regulations, or (ii) would cause interest on the Tax-Exempt Bonds to lose its exclusion from alternative minimum taxable income as defined in Section 55(b)(2) of the Code except to the extent such interest is required to be included in the adjusted current earnings adjustments applicable to corporations under Section 56 of the Code in calculating corporate alternative minimum taxable income, or (iii) would subject the Municipality or the Authority to any penalties under Section 148 of the Code. The foregoing covenant shall remain in full force and effect, notwithstanding the

payment in full or defeasance of the Tax-Exempt Bonds, until the date on which all obligations of the Municipality and the Authority in fulfilling the above covenant under the Code have been met.

ARTICLE V

ASSIGNMENT, SUBLETTING AND MORTGAGING

Section 5.1 Assignment and Subleasing by the Municipality. This Lease may not be assigned by the Municipality for any reason. However, the Leased Property may be subleased, as a whole or in part, by the Municipality without the necessity of obtaining the consent of the Authority, subject, however, to each of the following conditions:

(a) The Leased Property may be subleased, in whole or in part, only to an agency or department or political subdivision of the State; or to another entity or entities if, in the opinion of nationally recognized municipal bond counsel, such sublease will not cause the Municipality to violate its tax covenant in Section 4.8 hereof;

(b) This Lease, and the obligations of the Municipality hereunder, shall at all times during the Leasehold Term remain obligations of the Municipality, and the Municipality shall maintain its direct relationships with the Authority notwithstanding any sublease; and

(c) The Municipality shall furnish or cause to be furnished to the Authority a copy of any sublease agreement.

Except as permitted in this Section 5.1, so long as the Bonds are outstanding, neither the Authority nor the Municipality shall mortgage, assign or pledge its interests in the Leased Property or any rentals payable with respect thereto.

Section 5.2 Priority of Lease. No sublessee or assignee of the Leased Property shall mortgage, assign or pledge its interest in the Leased Property or any rentals payable with respect thereto unless such mortgage, assignment or pledge shall be subordinate to this Agreement.

ARTICLE VI

CONDITIONS OF LEASE

Section 6.1 Merger of Interest. It is mutually agreed by the parties hereto that so long as the Bonds are outstanding, the leasehold interest and estate created by this Agreement shall not be merged or deemed to be merged with any reversionary interest and estate of the Municipality in the Leased Property.

Section 6.2 Right to Inspect. The Municipality covenants and agrees during the Leasehold Term to permit the Authority and the authorized agents and representatives of the Authority or the owners of the Bonds to enter the Leased Property at all times during usual business hours for the purpose of inspecting the same.

Section 6.3 Character of Lease. It is mutually agreed that the Lease granted under this Agreement is an absolutely "net" lease and notwithstanding any language herein to the contrary, it is intended and the Municipality expressly covenants and agrees that all rentals and other payments herein required to be made by the Municipality to the Authority shall be made without notice or demand and without set-off, counterclaim, abatement, suspension, deduction or defense, and shall be net payments to the Authority, meaning that the Authority is not and shall not be required to expend any money or do any acts or take any steps affecting or with respect to the maintenance, preservation, repair, restoration, reconstruction, insuring or protection of the Property or any part thereof, all such obligations being the responsibility of the Municipality.

Section 6.4 Condition of Premises. The Municipality, prior to the occupancy thereof, and at all times thereafter, shall fully familiarize itself with the physical condition of the Property and any improvements, fixtures and equipment thereof. The Authority makes no representations whatever in connection with the condition of the Property or the improvements, fixtures or equipment thereof, and the Authority shall not be liable for any latent or patent defects therein.

Section 6.5 Consent to Suit. The Municipality hereby consents and agrees to the institution of any and all actions, including mandamus, against the Municipality or any of its officers which may arise out of this Agreement and, to the extent permitted by law, the Municipality waives resort prior to the bringing of any such action by the Authority, as lessor hereunder, or its assignees to any administrative claim procedure provided in the Wisconsin Statutes.

Section 6.6 Transfer of Title. Upon full and final payment of all Bonds (or if all Bonds shall, prior to maturity or redemption date thereof, have been discharged within the meaning of the Resolutions) and of all amounts due under this Lease Agreement,

(a) this Lease Agreement shall terminate and neither the Municipality nor the Authority nor any Owner of the Bonds shall thereafter have any rights hereunder, saving and excepting those that shall have theretofore vested; and

(b) title to the Leased Property shall, without any further payment, be transferred to the Municipality, and the Authority shall execute any document of conveyance reasonably requested by the Municipality to evidence such transfer.

Section 6.7 Enjoyment of Property. The Authority hereby covenants that the Municipality shall during the Leasehold Term peaceably and quietly have and hold and enjoy the Property without suit, trouble or hindrance from the Authority, except as expressly required or permitted by this Lease. The Authority shall not interfere with the quiet use and enjoyment of the Property by the Municipality during the Leasehold Term so long as no event of default shall have occurred under the Lease. The Authority shall, at the request of the Municipality and at the cost of the Municipality, join and cooperate fully in any legal action in which the Municipality asserts its right to such possession and enjoyment. In addition, the Municipality may at its own expense join in any legal action affecting its possession and enjoyment of the Property and shall be joined in any action affecting its liabilities hereunder.

ARTICLE VII

MISCELLANEOUS

Section 7.1 Amendments. No modification, alteration or amendment to this Agreement shall be binding upon either party hereto until such modification, alteration or amendment is reduced to writing and executed by both parties hereto.

Section 7.2 Successors. Except as limited or conditioned by the express provisions hereof, the provisions of this agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties hereto.

Section 7.3 Governing Law. The laws of the State of Wisconsin shall govern this Agreement.

Section 7.4 Captions. The captions or headings in this Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement.

Section 7.5 Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were on the same instrument.

Section 7.6 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or when mailed by certified or registered mail, postage prepaid, or by prepaid telegram addressed as follows:

If to the Municipality:

City of Prairie du Chien
Attention: City Clerk/Treasurer
214 East Blackhawk Avenue
Prairie du Chien WI 53821

If to the Authority:

Redevelopment Authority of the City of Prairie du Chien
Attention: Secretary
214 East Blackhawk Avenue
Prairie du Chien WI 53821

If to the original purchaser:

Robert W. Baird & Co. Incorporated
777 East Wisconsin Avenue
25th Floor
Milwaukee, WI 53202

If to the Fiscal Agent:

Associated Trust Company, National Association
200 North Adams Street
Green Bay, WI 54301

Any party may by like notice at any time, and from time to time, designate a different address to which notices shall be sent. Notices given in accordance with these provisions shall be deemed received when mailed.

Section 7.7 Severability. If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provisions or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or Sections in this Agreement contained, shall not affect the remaining portions of this Agreement, or any part thereof.

Section 7.8 No Waivers. Failure of the Authority or the Municipality to exercise its rights in connection with any breach or violation of any term, covenant or condition herein contained shall not be deemed to be a waiver of such term, covenant or condition for any subsequent breach of the same or any other term, covenant or condition herein contained. The subsequent acceptance of rent hereunder by the Authority shall not be deemed to be a waiver of any preceding breach by the Municipality of any term, covenant or condition of this Agreement, other than the failure of the Municipality to pay the particular rental so accepted, regardless of the Authority's knowledge of such preceding breach at the time of acceptance of such rent.

Section 7.9 Recording. Either party hereto may record this Lease Agreement, or a memorandum or short form hereof, executed by both of such parties, in the office of the Registrar of Deeds for Crawford County, Wisconsin.

Section 7.10 No Personal Liability. Under no circumstances shall any officer, elected official or employee of the Municipality or the Authority have any personal liability arising out of this Lease Agreement, nor shall any party seek or claim any such personal liability.

Section 7.11 Beneficiaries of Agreement. This Agreement has been entered into by the Municipality and the Authority for the benefit of the Municipality, the Authority and the Owners of the Bonds, and is not revocable by the Municipality or the Authority prior to the payment in full of the Bonds. This Agreement shall be binding upon and inure to the benefit of the Municipality and the Authority and shall constitute a third party beneficiary contract for the benefit of the Owners of the Bonds. Nothing in this Lease Agreement expressed or implied is intended or shall be construed to give any person other than the Municipality, the Authority and the Owners of the Bonds, any legal or equitable right, remedy or claim under or in respect to this Agreement or any covenants, conditions or provisions therein or herein contained; all such covenants are for the sole and exclusive benefit of the Municipality, the Authority and the Owners of the Bonds.

IN WITNESS WHEREOF, the City of Prairie du Chien, Wisconsin, has caused these presents to be executed by its Mayor and City Clerk/Treasurer and its seal affixed, and the Redevelopment Authority of the City of Prairie du Chien has caused these presents to be executed by its Chairperson and Secretary, all as of the day and year first hereinabove set forth.

CITY OF PRAIRIE DU CHIEN, WISCONSIN

(SEAL)

By _____
Mayor

And _____
City Clerk/Treasurer

REDEVELOPMENT AUTHORITY OF
THE CITY OF PRAIRIE DU CHIEN

By _____
Chairperson

And _____
Secretary

STATE OF WISCONSIN)
) SS
COUNTY OF CRAWFORD)

On the ____ day of _____, 2015, before me, a Notary Public in and for said County, personally appeared David Hemmer and Barbara L. Elvert, the Mayor and City Clerk/Treasurer, respectively, of the above-named City of Prairie du Chien, a Wisconsin municipal corporation, to me known to be the persons who executed the foregoing instrument and known to me to be such Mayor and City Clerk/Treasurer of said municipal corporation, and acknowledged that they executed the foregoing instrument as such officers; that they know the seal of said municipal corporation; that the seal affixed to said instrument is the seal of said municipal corporation; that said instrument was signed and sealed on behalf of said municipal corporation by authority of its governing body pursuant to resolution passed and approved; and that said persons severally acknowledged the execution of said instrument to be the free and voluntary act and deed of said municipal corporation by it being freely and voluntarily executed.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal.

COPY

Name (Printed): _____
Notary Public
Crawford County, Wisconsin
My Commission: _____

STATE OF WISCONSIN)
) SS
COUNTY OF CRAWFORD)

On the ____ day of _____, 2015, before me, a Notary Public in and for said County, personally appeared Robert Standorf and Aaron Kramer, the Chairperson and Secretary, respectively, of the Redevelopment Authority of the City of Prairie du Chien, a Wisconsin municipal corporation, to me known to be the persons who executed the foregoing instrument and to me known to be such Chairperson and Secretary of said Authority, and acknowledged that they executed the foregoing instrument as such officers; that said instrument was signed by them as such officers of and on behalf of said Authority by authority of its Commissioners; and the said Authority acknowledged the execution of said instrument to be the free and voluntary act and deed of said Authority by it being freely and voluntarily executed.

IN WITNESS WHEREOF, I have hereunder set my hand and official seal.

Name (Printed) _____
Notary Public
Crawford County, Wisconsin
My Commission: _____

COPY

This document was drafted by:
Rebecca A. Speckhard
Quarles & Brady LLP
411 East Wisconsin Avenue
Milwaukee, WI 53202

EXHIBIT A
LEGAL DESCRIPTION
RIGHT OF WAY
CLIFF HAVEN ROAD

A parcel located in Farm Lot 22 of the Private Land Claims at Prairie du Chien, Crawford County, Wisconsin, bound by the following described line; Commencing at the Southeast corner of Farm Lot 22 of the Private Land Claims at Prairie du Chien; Thence S85°52'59"W, 224.91 Feet to the west right of way line of State Highway "35"; Thence N04°27'01"W, 308.45 Feet along the west right of way line of State Highway "35" to the Point of Beginning; Thence S85°52'59"W, 1353.44 Feet, to a point on a curve to the right having a radius of 60.00 feet and a central angle of 168°32'35"; Thence Northerly and Westerly, 176.50 feet along the arc of said curve, the long chord of which bears S85°54'39"W, 119.40 Feet; Thence S85°54'01"W, 176.82 Feet to the east right of way line of the Burlington Northern Railroad; Thence S00°58'45"W, 66.26 Feet along the east right of way line of the Burlington Northern Railroad; Thence N85°54'01"E, 242.41 Feet; Thence N85°52'59"E, 1413.51 Feet to the west right of way line of State Highway "35"; Thence N04°27'01"W, 66.00 Feet along the west right of way line of State Highway "35" to the Point of Beginning.

The above right of way for Cliff Haven Road is as dedicated in Certified Survey Map No. 722, recorded 8/7/1996, in Volume 6-CSM-16-16B, inclusive, as Document No. 250991, in the office of the Register of Deeds for Crawford County, Wisconsin.

BOND DEBT SERVICE

RDA of the City of Prairie du Chien, WI
 Taxable Lease Rev. Refunding Bonds, 2015A
 Final - R.W. Baird & Co., Inc.

| Period Ending | Principal | Coupon | Interest | Debt Service | Annual Debt Service |
|---------------|-----------|--------|------------|--------------|---------------------|
| 03/01/2016 | | | 28,951.42 | 28,951.42 | |
| 09/01/2016 | 755,000 | 1.600% | 28,017.50 | 783,017.50 | 811,968.92 |
| 03/01/2017 | | | 21,977.50 | 21,977.50 | |
| 09/01/2017 | 765,000 | 2.000% | 21,977.50 | 786,977.50 | 808,955.00 |
| 03/01/2018 | | | 14,327.50 | 14,327.50 | |
| 09/01/2018 | 785,000 | 2.300% | 14,327.50 | 799,327.50 | 813,655.00 |
| 03/01/2019 | | | 5,300.00 | 5,300.00 | |
| 09/01/2019 | 400,000 | 2.650% | 5,300.00 | 405,300.00 | 410,600.00 |
| | 2,705,000 | | 140,178.92 | 2,845,178.92 | 2,845,178.92 |

COPY