

## LOAN AND SPECIAL ECONOMIC DEVELOPMENT AGREEMENT

THIS AGREEMENT, dated the 13 February, 2015 by and between G2G, LLC., with its current business address at 1806 State Road Highway 16, La Crosse, WI 54601, and its future business location at 3119 State Road Highway 16, La Crosse, WI 54601 hereinafter referred to as "Debtor," and the City of La Crosse, Wisconsin, a municipal corporation of the State of Wisconsin, having its principal office at City Hall, 400 La Crosse Street, La Crosse, Wisconsin 54601, hereinafter referred to as the "City."

WITNESSETH:

WHEREAS, the City finds it necessary to further redevelop an area of the City within Tax Incremental District No. 13, ("TID #13"), in order to further redevelop an area so the City, reduce underutilized property, grow the tax base as well as provide for a place of employment for citizens of the State and City;

WHEREAS, Section 66.1105, Wis. Stat., empowers cities to assist redevelopment projects by lending or contributing funds as well as performing other actions of a character which the City is authorized to perform for other general purposes;

WHEREAS, the Debtor desires to improve the economic environment in the community;

WHEREAS, the Debtor wishes to borrow from the City the sum of up to One Hundred Fifty Thousand, (\$150,000) for the purpose of new construction;

WHEREAS, the City is willing to loan the total sum of up to One Hundred Fifty Thousand, (\$150,000) to the Debtor for property and construction, pursuant to the following terms and conditions;

WHEREAS, prior to advancing funds to the City of La Crosse desires certain assurances as more fully set forth herein.

NOW, THEREFORE, in consideration of the mutual representations and agreements contained herein, and for other good and valuable consideration, the receipt of sufficiency whereof is hereby acknowledged, it is agreed as follows:

### A. DEFINITIONS

1. "Agreement" means this G2G Development Agreement by and between the City and the Developer, as amended and supplemented from time to time.
2. "City" means the City of La Crosse, Wisconsin, a Wisconsin municipal corporation.
3. "Debtor" means G2G, LLC, a Wisconsin limited liability company.
4. "Project" means the development and improvement of the Real Estate by constructing, La Crosse Wellness Center located on the Real Estate all as described in more detail on Exhibit B. Subject to the terms and conditions of this Agreement, uses for the Project shall be determined by zoning. The term, "Project" excludes personal property.
5. "Real Estate" means the real property described in Exhibit A.

### B. LOAN

1. City agrees to loan debtor One Hundred Fifty Thousand, (\$150,000) for property and construction as set forth in Exhibit C Promissory Note and Exhibit D Guarantee which are fully incorporated into this agreement.

### C. PROJECT REQUIREMENTS

1. Guarantee. As an additional inducement and in consideration for the City entering into this Agreement, Debtor guarantees faithful performance and compliance with all the terms, covenants, conditions and obligations to be kept and performed by Developer contained in this Agreement, including, without limitation, the obligation that the Project shall have an assessed value of not less than three million one hundred thousand dollars (\$3,100,000.00) beginning in tax year 2016 and for a period of twenty (20) years or the life of TID #13, whichever is longer. Debtor agrees that this minimum assessed value on the Project shall remain a lien on the Real Estate and shall run with the land for a

period of twenty (20) years or the life of TID #13, whichever is longer.

2. Deficiency PILOT. In the event the assessed value of the Project is less than three million one hundred thousand dollars (\$3,100,000.00) as of January 1, 2016 or for any tax year thereafter for a period of twenty (20) years or the life of TID #13, whichever is longer, then the Debtor or the then current owner, or its successors or assigns agrees to pay a Deficiency PILOT to the City by the February 1<sup>st</sup> date subsequent to said determination. For example, if any Deficiency PILOT is owed for the 2016 tax year, then said payment shall be due beginning February 1, 2017 as calculated for tax year 2016. Said Deficiency PILOT shall be calculated by first determining the difference between the guaranteed assessed value of the Project as provided in Section B.1 of this Agreement less the actual assessed value of the Project for the tax year at issue, and multiplying said difference by the total tax rate of all taxing jurisdictions as shown on tax bills issued to taxpayers in the City. This requirement shall be a lien running with the land for a period of twenty (20) years or the life of TID #13, whichever is longer.
3. Job creation is required for this project and will be captured under the Debtor's Small Business Development Loan with the City. The six (6) jobs required to be created by September, 2016 will meet a minimum of \$12.61/hour wage.
4. Anti-Lobbying: The Debtor certifies that to the best of their knowledge and belief:

- a) No federal-appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of a federal contract, grant, loan, or cooperative agreement;
- b) If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and

It will require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

D. EXHIBITS

- |           |                        |
|-----------|------------------------|
| Exhibit A | Real Estate            |
| Exhibit B | Description of Project |
| Exhibit C | Promissory Note        |
| Exhibit D | Guaranty               |

IN WITNESS HEREOF, the parties have executed and delivered this Agreement effective the date set forth next to the City's signature below.

Dated this 13 day of Feb., 2015

Dated this 13<sup>th</sup> day of Feb., 2015

G2G, LLC

City of La Crosse

Kara Schuster  
Kara Schuster, Managing Member

Timothy Kabat  
Timothy Kabat, Mayor

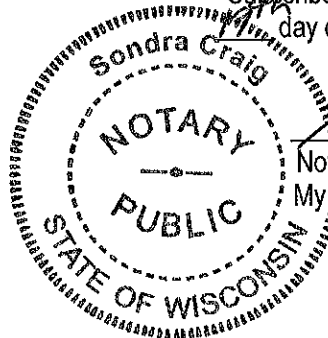
Christopher Schuster  
Christopher Schuster, Managing Member

Teri Lehrke  
Teri Lehrke, City Clerk

Subscribed and sworn to before me this 13<sup>th</sup> day of February, 2015.

Subscribed and sworn to before me this day of February, 2015.

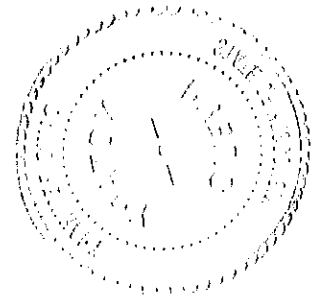
Dawn [Signature]  
Notary Public, State of WI  
My Commission: 8/28/16



Sondra Craig  
Notary Public, State of Wisconsin  
My Commission: 11/11/17

EXHIBIT A

*Lot 2 of Certified Survey Map filed June 13, 2014 in Volume 16 of Certified Survey Maps, Page 31, as Document No. 1640620, being part of Government Lot 5 of Section 15, Township 16 North of Range 7 West, City of La Crosse, La Crosse County Wisconsin, TOGETHER WITH an easement on Outlot 1 of said CSM.  
(Part of Tax Parcel No. 17-10315-610)*



## EXHIBIT B

The project is a wellness complex that offers a variety of wellness services including indoor facilities for all kinds of exercise and sports programming. In addition the facility will house a chiropractor, daycare and bistro. In partnership with UWL this complex will allow for the expansion of strength & conditioning and adaptive PE programming as well. The Chill/Freeze Hockey Association and Soccer Organizations are all in need of indoor turf facilities that the wellness complex will provide. The complex will also provide space for the La Crosse Autism Foundation to provide programs, camps, transitional training and support group meetings.

EXHIBIT C

<b>FIXED RATE – INSTALLMENT NOTE</b>	
Note Date - February 13, 2015	Tax I.D.#
Amount  <b>\$150,000.00</b>	Maturity Date <u>August 1, 2026</u>

For value received, the undersigned promises to pay to the order of the **City of La Crosse, Wisconsin**, a municipal corporation of the State of Wisconsin (the "City") at City Hall, 400 La Crosse Street, La Crosse, Wisconsin 54601, **ONE HUNDRED FIFTY THOUSAND AND 00/100** Dollars (U.S.) in installments of \$1,250 each **INCLUSIVE** of interest on the unpaid principal balance from the date of this Note at the rate of 0% per annum until maturity, whether by acceleration or otherwise, or until Default, as later defined, and after that at a rate equal to the rate of 6% per annum (but in no event in excess of the maximum rate permitted by law). Interest will be calculated for the actual number of days the principal is outstanding on the basis of a 360-day year.

Installments of principal and accrued interest due under this Note shall be payable on the 1st day of each month commencing September, 2016, and the entire remaining unpaid balance of principal and accrued interest shall be payable on the Maturity Date.

At Maturity Date, all amounts outstanding under this Note will be due and payable in full. If any payment of principal or interest under this Note will be payable on a day other than a day on which the City is open for business, this payment will be extended to the next succeeding business day and interest will be payable at the rate specified in the Note during this extension. A late payment charge equal to 5% of each late payment may be charged on any payment not received by the City within 10 calendar days after the payment due date, but acceptance of this charge will not waive any Default under this Note.

If the undersigned or any guarantor under a guaranty of all or part of the indebtedness ("guarantor") (a) fail(s) to pay any of the indebtedness when due, by maturity, acceleration or otherwise, or fail( s) to pay any indebtedness owing on a demand basis upon demand; or (b) fail( s) to comply with any of the terms or provisions of any agreement between the undersigned (or any of them) or any guarantor and the City; or (c) become(s) insolvent or the subject of a voluntary or involuntary proceeding in bankruptcy, a reorganization, arrangement or creditor composition proceeding, (if a business entity) ceases doing business as a going concern, (if a natural person) dies or becomes incompetent, (if a partnership) dissolves or any general partner of it dies, becomes incompetent or becomes the subject of a bankruptcy proceeding, or (if a corporation or limited liability company) is the subject of dissolution, merger or consolidation; or (d) if any warranty or representation made by any of the undersigned or any guarantor in connection with this Note or any of the indebtedness be discovered to be untrue or incomplete; or (e) if there is any termination, notice of termination, breach of any guaranty, pledge, collateral assignment or subordination agreement relating to all or any part of the indebtedness; or (f) if there is any failure by any of the undersigned or any guarantor to pay when due any of its indebtedness (other than to the City) or in observance or performance of any term, covenant or condition in any document evidencing, securing or relating to such indebtedness; or (g) if the City deems itself insecure believing the prospect of payment of this Note or any of the indebtedness is impaired or shall fear deterioration, removal or waste of any of the Collateral; or (h) if there is filed or issued a levy or writ of attachment or garnishment or other like judicial process upon the undersigned (or any of them) or any guaranty, then the City, upon the occurrence of any of these events (each a "Default"), may at its option and without prior written notice to the undersigned (or any of them), declare any or all of the indebtedness to be immediately due and payable (notwithstanding any provision contained herein to the contrary), sell or liquidate all or any portion of the Collateral, set off against the indebtedness any amounts owing by the City to the undersigned (or any of them), charge interest at the default rate provided in the document evidencing the relevant indebtedness and exercise anyone or more of the rights and remedies granted to the City by any agreement with the undersigned (or any of them) or given to it under applicable law.

If this Note is signed by two or more parties (whether by all as makers or by one or more as an accommodation party or otherwise), the obligations and undertakings under this Note will be that of all and any two or more jointly and also of each severally. This Note will be binding the undersigned, and the undersigned's respective heirs, personal representatives, successors and assigns.

The undersigned waive(s) presentment, demand, protest, notice of dishonour, notice of demand or intent to demand, notice of acceleration or intent to accelerate, and all other notices, and agree(s) that no extension or indulgence to the undersigned (or any of them) or release, substitution or nonenforcement of any security, or release or substitution of any of the undersigned, any guarantor or any other party, whether with or without notice, shall affect the obligations of any of the undersigned. The undersigned waive(s) all defenses or right to discharge available under Section 3-605 of the Uniform Commercial Code (Wis. State. §403.605) and waive(s) all other suretyship defenses or right to discharge. The undersigned agree(s) that the City has the right to sell, assign, or grant participations, or any interest, in any or all of the indebtedness, and that, in connection with this right, but without limiting its ability to make other disclosures to the full extent allowable, the City may disclose all documents and information which the City now or later has relating to the undersigned or the indebtedness.

The undersigned agree( s) to reimburse the holder or owner of this Note for any and all costs and expenses (including without limit court costs, legal expenses and reasonable attorney fees) incurred in collecting or attempting to collect this Note or incurred in any other matter or proceeding relating to this Note.

The undersigned acknowledge(s) and agree(s) that there are no contrary oral or written agreements establishing a term of this Note and agree(s) that the terms and conditions of this Note may not be amended, waived or modified except in a writing signed by an authorized representative of the City expressly stating that the writing constitutes an amendment, waiver or modification of the terms of this Note. As used in this Note, the word "undersigned" means, individually and collectively, each maker, accommodation party, endorser and other party signing this Note in a similar capacity. If any provision of this Note is unenforceable in whole or in part for any reason, the remaining provisions will continue to be effective.

THIS NOTE WILL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF WISCONSIN. THE UNDERSIGNED EXPRESSLY WAIVES TRIAL BY JURY.

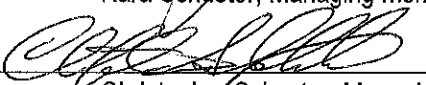
G2G, LLC

By: \_\_\_\_\_



Kara Schuster, Managing Member

By: \_\_\_\_\_



Christopher Schuster, Managing Member

Address: 3119 State Road Highway 16, La Crosse, WI 54601

