

OPTION AGREEMENT

Marcia P. Coggs Human Services Center Building
1220 West Vliet Street, Milwaukee, Wisconsin

For and in consideration of the sum of Fifty Thousand Dollars (\$50,000.00) (“Initial Option Fee”), to be paid within ninety (90) days of the Effective Date, Milwaukee County (the “County”) hereby grants to Gorman & Company or its permitted assigns (“Developer”) an exclusive Option to Purchase (“Option”) property at 1220 W. Vliet Street, Milwaukee, Wisconsin (the “Land”) more particularly described in Exhibit A attached hereto, on the following terms and conditions:

1. **Purpose.** This Option is granted for the purpose of granting the right to Developer to acquire the Land and redevelop the building (the “Building”) according to the plans attached as Exhibit B, for use as mixed residential and commercial property, including affordable housing units and office/commercial space, subject to plans approved by the County. Developer shall be responsible for all site development and improvement costs needed for redevelopment.
2. **Effective Date.** The “Effective Date” of this Option is the date on which both parties shall have executed and delivered this Option.
3. **Agreement to Sell and Purchase.** If Developer exercises this Option (the date of such exercise being referred to herein as the “Exercise Date”), the County shall sell to Developer and Developer shall buy from the County, the Land and Building along with all of the following (collectively, the “Property”).
 - a. All rights and appurtenances pertaining to the Land, including, without limitation, any and all right, title, and interest of the County in and to adjacent roads, alleys, streets and ways, and any easements or other rights appurtenant to the Land.
 - b. All improvements, structures, facilities and fixtures placed, constructed or installed on the Land (collectively, the “Improvements”), including the Marcia P. Coggs Human Services Center Building (the “Building”).
 - c. All mechanical systems and related equipment owned by County and attached to the Improvements or located upon the Land (the “Systems and Equipment”), including, but not limited to, all electrical systems, plumbing systems, heating systems, and air conditioning systems; and all machinery, equipment, fixtures and supplies located in or on and used in connection with the Land or the Improvements or the operations thereon.
 - d. Any governmental permits, approvals and licenses owned or held by County in connection with the Land and Building or Improvements, and the right to the use thereof, to the extent the same are assignable.

The transaction contemplated herein shall not include County's personal property or any other property not falling within the definition of Property herein (collectively, the “County's Personal Property”).

4. **Payment of Purchase Price.**

- a. **Purchase Price.** If the Option is exercised, the purchase price for the Land shall be One Million Dollars (\$1,000,000.00) (the “Land Purchase Price”). The Building shall be donated from County to Developer at no cost. Developer shall not pay County at Closing the Land Purchase Price, but such Land Purchase Price shall be held as a Seller Note for One Million Dollars (\$1,000,000.00) by the County. Interest-only payments on the Land Purchase Price, defined by the Applicable Federal Rate, shall be due annually to County, with the Land Purchase Price paid to County as a lump sum at the end of fifteen (15) years (or at such other time as is mutually agreed to by Developer and County). There shall be no penalty to Developer for early payment of Land Purchase Price.

5. **Term.** This Option shall commence immediately upon the Effective Date and shall continue in effect until no earlier than June 30, 2025 (the “Initial Option Period”). The Developer may extend the Initial Option Period for up to two (2) additional three (3) month periods (each an “Extension Option Period;” the Initial Option Period together with any Extension Option Period exercised by Developer referred to collectively as the “Option Period”) by delivering written notice of such extension to the County before the end of the applicable Option Period, together with a fee of \$5,000 for the first extension and \$5,000 for the second extension (each such payment an “Extension Option Fee;” the Initial Option Fee and any Extension Option Fee paid by Developer referred to collectively as the “Option Fees”). The Developer may terminate this Option at any time prior to its exercise of the Option; provided, however, that the Option Fees shall be nonrefundable except that the Option Fees shall be fully refunded in each of the following instances: (a) if this Option is terminated by the Developer for any reason within 90 days of the Effective Date; or (b) if the Developer terminates this Option within 45 days after the County denies any reasonable request by the Developer to perform a test or inspection; or (c) if Developer is not awarded or cannot find an Investor to purchase Low Income Housing Tax Credit Equity (Competitive or Non-Competitive) and/or Historic Tax Credit Equity before the Closing Date. If Developer does not exercise the Option by the expiration of the Option Period or any extension thereof, this Option shall terminate automatically without any further action of the parties. Upon Closing, the Initial Option Fee shall be credited toward Developer’s Compliance Deposit (defined in Section 7(d) below). Any Extension Option Fee shall be retained by the County, with no credit toward the Land Purchase Price. While the County anticipates having moved out of the Building prior to June 30, 2025, it is possible the County may need to retain some or all of its space within the Building for a longer period of time. If required by the County, Developer will allow the County to retain some or all of its space within the Building, at no cost to the County, for an additional amount of time to be determined by the County.

6. **Title Commitment.** During the Option Period, Developer shall obtain a title insurance commitment from a title company chosen by Developer together with such endorsements thereto as Developer may reasonably require (the “Title Commitment”). All costs associated with the Title Commitment shall be paid by County in accordance with Section 10(b) hereof. However, if Developer exercises its Option but does not close, it shall be responsible for any costs related to the Title Commitment. If Developer objects to any encumbrance on the Title Commitment prior to the Exercise Date, its sole remedy is to terminate the Option. County will not create any new encumbrances on the Property from the Effective Date to the Closing Date without the consent

of Developer, which will not be unreasonably withheld, conditioned or delayed. If Developer exercises its Option, encumbrances on the Title Commitment as of the Exercise Date of which Developer has notice shall be deemed accepted and Developer shall have no right to object thereto except in the case of lien created by the County.

7. **Manner of Exercise.** If Developer decides to exercise this Option, Developer shall exercise by delivering notice of exercise to the County along with a signed Development Agreement (“Agreement”), the final version of which shall be negotiated by County and Developer, but that shall be substantially similar to the sample attached as Exhibit D. The Agreement shall define Developer’s development obligations (“Project”). This Agreement shall require that the Developer:

- a. Submit final construction plans, including detailed landscape plans (“Final Plans”) and evidence of firm financing without contingencies. Final Plans must be consistent with the Preliminary Plans, including aesthetic design, quality of building materials and use, except as otherwise agreed by the parties. Any Material Alteration, as defined in the Agreement, must be approved by the Economic Development Director. All of the foregoing must be satisfactory to the County in form and substance prior to Closing. Included in Final Plans should be a specific strategy for activating Vliet Street to increase public safety and build on its catalytic potential.
- b. Commence work on the Project within sixty (60) days following County’s final exit and removal of property from the Building and be complete within eighteen (18) months (or other time period dictated by the development) following commencement. All construction must be according to approved Final Plans.
- c. Execute a Compliance Plan (“Compliance Plan”) with the Department of Administrative Services – Economic Development Division and the Office of Economic Inclusion (OEI) department of Milwaukee County prior to Closing. The Compliance Plan includes goals and minimum good faith efforts for Targeted Business Enterprise (TBE) participation, residential hiring, and workforce development (apprenticeship/job training). Developer’s goal for TBE participation will likely be at least 17% of professional services Project costs and 25% of construction Project costs. Developer shall meet with OEI prior to closing and shall consult the OEI website for County certified TBE contractors. Developer’s goal for residential hiring will likely be at least 25 percent of the hours worked on the Project being performed by Milwaukee County residents. Developer’s goal for workforce development will likely be 15 percent of the hours worked utilizing job training and apprenticeship programs.
- d. Submit at Closing a Performance Deposit in the amount of fifty thousand dollars (\$50,000.00) (“Compliance Deposit”), which can be rolled over from Developer’s Initial Option Fee. The Compliance Deposit shall not be applied against the purchase price, but shall be held by the County to guarantee completion of the project. The Compliance Deposit shall be returned to the Developer without interest upon successful completion of the Project in accordance with terms of the

Agreement and the conditions expressed herein, as certified by the Economic Development Director on behalf of County. All or part of the Compliance Deposit may be retained if Developer fails to complete the Project as agreed in the Agreement.

- e. Commit to partnering with One 5 Olive as co-developers on the Project.
- f. Upon completion of the Project, create a Tenant Advisory Committee for tenants within the residential units, and host at least quarterly committee meetings to focus on addressing any property nuisances in a timely manner.
- g. Ensure a space for Milwaukee County Behavioral Health as an anchor tenant in the office space included in the Project.
- h. After execution, a memorandum of the Agreement (“Memorandum of Agreement”) will be recorded with the Register of Deeds and the Property title encumbered until successful completion of the Project and submittal of required TBE, Residential Hiring and Workforce Development reports as certified by the Economic Development Director on behalf of County at which time the parties shall execute and record a termination of the Agreement.
- i. Allow the Milwaukee County Audit Services Division, with or without notice to audit, examine, and make copies of any and all records created or maintained by Developer which pertain to the terms and performance of the Development Agreement for a period of at least three (3) years following the completion of this Project. Developer shall allow Milwaukee County in the course of any review to interview the Contractor’s employees, agents, or contracted third parties regarding this Project and the County may utilize resulting information to support findings.

8. Due Diligence Materials. Within thirty (30) days from the Effective Date, the County shall (at the County's sole cost) deliver or make available to the Developer copies of the following documents to the extent they are in the possession and control of the County's Director of Administrative Services, Economic Development Director, Director of Facilities Management Division, Director of Architecture, Engineering and Environmental Services Section, or Comptroller (together, the “Controlling Parties”) and to the extent that such documents are not subject to attorney-client privilege (all such documents being referred to as the “Due Diligence Materials”).

- a. **Due Diligence Materials Include:**
 - (i) To the extent issued, created or published in the fifteen (15) years prior to the date of this Option, all environmental site assessments and soil tests, inspections, evaluations and/or reports.
 - (ii) To the extent issued, created or published in the ten (10) years prior to the date of this Option, all other tests, inspections, evaluations and/or reports relating to the physical condition of the Property, including but not limited

to structural, topographical and geological studies and reports, but excluding any reports subject to attorney-client privilege.

- (iii) To the extent issued, created or published in the ten (10) years prior to the date of this Option, all surveys, maps, site plans, architectural plans, specifications, historical data regarding prior uses (including locations of potential gravesites) and other drawings of the Property, and any as-builts, blueprints, warranties or owners' manuals relating to the Improvements.
 - (iv) To the extent issued, created or published in the two (2) years prior to the date of this Option, all notices, orders or other communications by or between County and any federal, state, municipal, local, or governmental agency regarding the Property.
 - (v) All appraisals of the Land from 2010 to the present.
- b. **Referenced Documents.** If during the course of reviewing the Due Diligence Materials Developer discovers a reference to one or more documents in the possession of the County that predates the Due Diligence Materials, Developer may request that the County produce such document(s) and County shall exercise reasonable efforts to locate and deliver same to Developer.
- c. **Material Change.** In the event that any of the Controlling Parties obtains actual knowledge that information contained in the Due Diligence Materials has materially changed at any time prior to Closing, the County shall promptly update such information and provide revised documentation to Developer. Likewise, if at any time prior to Closing any additional Due Diligence Materials come into the possession or control of any of the Controlling Parties, the County shall deliver same to Developer. All documents required to be provided under the foregoing provisions shall hereinafter be referred to as the "Additional Due Diligence Materials." If the County delivers any Additional Due Diligence Materials after the Exercise Date, but before Closing and such Additional Due Diligence Materials disclose adverse conditions not theretofore known to the Developer, and which materially and adversely affect the value of the Property to the Developer, the Developer may, in its discretion, terminate the Option by written notice to the County, including with the notice a full explanation of the circumstances.
- d. **No Affirmative Obligation.** Nothing in this Section shall impose an affirmative obligation on the County to seek out Due Diligence Materials or Additional Due Diligence Materials not in the possession or control of the Controlling Parties. Furthermore, the County makes no representation or warranty that the Due Diligence Materials and any Additional Due Diligence Materials constitute all such materials relating to the Property. Documents to be delivered hereunder may, at the County's election, be delivered in electronic format.
- e. **Use of Documents.** The Due Diligence Materials are being furnished solely for the purpose of assisting Developer in evaluating the Property, and will not be

distributed or furnished by Developer to any person other than its professional advisors or lenders in connection with the transactions contemplated herein.

9. **Due Diligence Review.** Prior to the end of the Option Period:

- a. **Environmental Assessments.** The Developer and/or Developer's agents and representatives shall have the right to conduct any soil, environmental or other assessment of the Property that the Developer deems necessary including, without limitation, any geotechnical or archaeological investigation, a Phase I environmental assessment, and any sampling and testing of soil or groundwater on or under the Land (collectively together the "Soil/Environmental Assessments"). Developer shall pay all costs associated with the Soil/Environmental Assessments and promptly restore any portions of the Property damaged by such tests (e.g., soil borings) to substantially the same condition as existing just prior to such Soil/Environmental Assessment. Developer shall indemnify County for any costs or damages to property or injury to persons resulting from Developer's actions in the performance of the Soil/Environmental Assessments, excluding costs or damages relating to or arising from the discovery of pre-existing environmental conditions on or under the Land. Developer shall, and shall require that its agents, representatives, and independent contractors, perform such work in conformance with applicable legal requirements and professional standards, and in a manner that does not unreasonably cause disturbance to the Land, and with at least one week notice if any testing may cause disturbance to occupants of the Building.
- b. **Additional Matters.** Before the end of the Option Period, Developer may, in its sole cost and discretion, conduct any other test, inspection or review of the Property (or any information related to the Property), including, but not limited to, (i) inspecting the Improvements; (ii) reviewing the Due Diligence Materials; and (iii) reviewing or seeking to obtain any permit, notice, approval, variance, review or other matter relating to any federal, state, municipal, local or governmental agency involving the Property (collectively, the "Due Diligence Review").
- c. **Right of Entry.** County hereby grants to the Developer and the Developer's agents permission to enter the Property at reasonable times upon reasonable notice to conduct the activities set forth in this Section. Because the Building is currently occupied by County departments and other occupants, reasonable notice requires at least one week notice of any entry that may cause disturbance to occupants of the Building, so notice can be provided to all occupants. The County shall have the right to have County employees or consultants accompany Developer and its agents while conducting such activities, and shall have the right, at County's own cost, to arrange for simultaneous duplicate samplings. The County shall also cooperate with the Developer with respect to the Developer's activities set forth in this Section. Notwithstanding the provisions of this Section, before engaging in any Soil/Environmental Assessment or Due Diligence Review requiring soil borings on the Property, the Developer shall submit its contractor's proposed work plan to the County for approval by the Economic Development

Director as to the location of the proposed borings (which approval shall not be unreasonably withheld, conditioned or delayed). The indemnity and a certificate of insurance complying with the requirements set forth in **Exhibit C**, attached hereto, shall be provided by Developer's consultants, contractors or engineers in regard to all Due Diligence Review activities set forth in this Section. Upon receipt and approval of the materials submitted under this Section, Developer shall have a written right of entry onto the Property to conduct such activities.

- d. **Good Faith.** The County and the Developer agree to work with one another in good faith to resolve in a mutually acceptable fashion any material issues that may arise during Due Diligence Review.

10. **Closing Deliveries.**

- a. **Developer's Deliveries.** At or prior to Closing, or as otherwise provided herein, the Developer shall deliver the following:

- (i) a Development Agreement related to ongoing obligations of the sale, and including at least the terms and obligations described in Section 7 of this Option;
- (ii) such affidavits and other items as are reasonably required by the Title Company; and
- (iii) any other documents customarily associated with the sale of commercial real estate in Milwaukee, Wisconsin.

- b. **County Deliveries.** At or prior to Closing, or as otherwise provided herein, County shall deliver the following:

- (i) a Warranty Deed in recordable form warranting that title to the Property is free and clear of all liens and encumbrances except any of the following items identified in the Title Commitment to which Developer has not objected: any municipal and zoning ordinances and recorded agreements, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, and the general taxes levied in the year of closing.
- (ii) The documents necessary to record the conveyance at County's cost, including the payment of the Wisconsin Real Estate Transfer fee, if any.
- (iii) At County's cost, an owner's policy of title insurance (from the same insurer issuing the Title Commitment) in the amount of the Purchase Price on a current ALTA form (the "Title Policy"). The Title Policy shall be subject only to those items shown in the Title Commitment which Developer has expressly accepted or are deemed accepted pursuant to Section 6 hereof. The Title Policy shall contain a "gap" endorsement or other equivalent coverage to provide coverage for any liens or

encumbrances first filed or recorded after the effective date of the Title Commitment and before the deed is recorded. Any costs of the Title Policy above the base premium for insurance in the amount of the Purchase Price shall be paid by the Developer. The County shall provide any affidavits or other documents required by the title company to issue the gap endorsement (or equivalent coverage), to remove the applicable standard exceptions to title and/or to issue any endorsements reasonably requested by Developer, provided that doing so shall not involve cost or expense to the County and provided that if any such affidavit indicates that lienable work has been performed then the County shall indemnify the issuer of the Title Policy over such potential liens.

- (iv) Any other documents customarily associated with the sale of commercial real estate in downtown Milwaukee, Wisconsin.

11. **County's Warranties and Representations.** County hereby makes the following warranties and representations with respect to the Property (in each case where a representation is to the knowledge of the County, this shall mean to the actual, conscious knowledge, without investigation, as of the Effective Date of the Controlling Parties).

a. **Warranties and Representations:**

- (i) County has the full power and authority to enter into this Option and to close the transaction contemplated hereunder.
- (ii) To the best of the current and actual knowledge of the County, County has not received, and County has no knowledge of any predecessor receiving, notice of any violation of any law, municipal ordinance or other governmental requirement affecting the Property. County has no knowledge that any governmental authority is contemplating issuing such notice or that any such violation exists.
- (iii) Other than this Option Agreement, County is not a party to any agreement, contract or commitment to sell, convey, lease, assign, transfer, provide option rights, provide rights of first refusal, or otherwise give any third party any rights to use or occupy all or any part of the Property.
- (iv) To the best of County's current and actual knowledge, there are no condemnation or eminent domain proceedings, nor any negotiations in lieu of condemnation, pending against the Property, and County is not aware of any condemnation or eminent domain proceedings being contemplated or threatened against the Property.
- (v) To the best of County's current and actual knowledge, there are no claims, actions, litigation, proceedings, inquiries, disputes, rulings, judgments, or orders that are attached, pending against, affecting, or relating to the Property or the transaction contemplated herein.

- (vi) To the best of County's current and actual knowledge, there are no attachments, executions, assignments for the benefit of creditors, receiverships, or voluntary or involuntary proceedings in bankruptcy, or pursuant to any other debtor relief laws which have been (i) filed by County; (ii) contemplated by County; (iii) threatened against County; or (iv) which are currently pending against County in any judicial or administrative proceeding.
- (vii) To the knowledge of County, no brokerage fee, commission or finder's fee of any type is due any person in connection with the transaction contemplated by this Option.

- b. **Reaffirmation.** All such warranties and representations of County shall be reaffirmed to be true and correct as of the Closing Date to the same extent as the date of this Option, and shall survive for a period of five (5) years after the Closing Date. If any of the foregoing warranties and representations becomes untrue in any material respect after the execution of this Option and is not cured by County (at no cost to Developer) on or before Closing, then Developer, as its sole remedy, may elect to terminate this Option, in which event the Option Fees shall be returned to Developer.
- c. **Limitations.** Except for the express representations and warranties set forth in this Section, County makes no warranties, representations or statements whatsoever, express or implied, concerning or relating to the Property, including without limitation: zoning and building codes and other similar restrictions; availability or cost of utilities; the condition of the soils on the Property, the environmental condition of the Property; the presence or absence of any hazardous substances, hazardous materials, petroleum, or any substances regulated by federal, state or local law in, on or under the Property; compliance of the Property with any law, regulation, ordinance or similar requirement, including without limitation the Americans with Disabilities Act; or the physical condition of the Property. Developer acknowledges that no agents, employees, brokers or other persons are authorized to make any representations or warranties for County.

12. **Property Condition.**

- a. Developer is hereby purchasing the Property in "AS-IS, WHERE-IS" condition and "with all faults" and agrees that it relies upon no warranties, representations or statements by County, or any other persons for County, in entering into this Option or in closing the transactions described herein, except for the express representations and warranties set forth in Section 11. Developer's closing on the acquisition of the Property shall constitute conclusive evidence that Developer is satisfied with the condition of and title to the Property. In closing and completing this transaction, Developer will have relied exclusively upon its own inspections and reviews, and not upon any representation or warranty of County or its agents or employees except those expressly set forth in Section 11.

b. County shall not provide an updated survey of the Property.

13. **Closing.** Provided that all of the conditions for closing hereunder have been satisfied, the closing (“Closing”) shall occur within sixty (60) days from the Exercise Date (the “Closing Date”), unless another date is agreed to by the parties in writing. The transaction shall be closed at a location acceptable to the parties. Occupancy of the entire Property shall be given to Developer at the time of Closing, or such later time as determined by County, as discussed in Section 5 above. County anticipates having moved out of the Building prior to Closing, but it is possible the County may need to retain some or all of its space within the Building for a longer period of time. If required, the County and Developer will discuss the updated timeline for County removal from the Building, and occupancy of the Property shall be given to Developer at such agreed-upon time. Prior to their final removal from the Building, the County shall remove from the Property all of the County's tangible personal property that it desires to retain.

14. **Release.** Developer, effective as of Closing, releases the County from any and all liability in connection with any claims that Developer may have against the County, and Developer hereby agrees not to assert any claims, for contribution, cost recovery or otherwise, against the County relating directly or indirectly to the existence of Hazardous Materials or Hazardous Substances on, or environmental conditions of the Property. As used herein, the term “Hazardous Materials” or “Hazardous Substances” mean hazardous wastes, hazardous substances, hazardous constituents, toxic substances or related materials, whether solids, liquids or gases, including, but not limited to substances defined as “hazardous wastes,” “hazardous substances,” “toxic substances,” “pollutants,” “contaminants,” “radioactive materials,” or other similar designations in, or otherwise subject to regulation under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended (“CERCLA”), 42 U.S.C §9601 et. seq.; the Toxic Substance Control Act (“TSCA”), 15 U.S.C. § 2601 et. seq.; the Hazardous Materials Transportation Act, (“HMTA”) 49 U.S.C. § 1802; the Resource Conservation and Recovery Act, (“RCRA”), 42 U.S.C. § 9601 et. seq.; the Clean Water Act (“CWA”), 33 U.S. .C. § 1251 et seq.; the Safe Drinking Water Act, (“SOWA”), 42 U.S.C. § 300f et seq.; the Clean Air Act (“CAA”), 42 U.S.C. § 7401 et seq.; and in any permits, licenses, approvals, plans, rules, regulations or ordinance adopted, or other criteria and guidelines promulgated pursuant to the preceding laws or other similar federal, state or local laws, regulations, rules or ordinances now or hereafter in effect relating to environmental matters (collectively, the “Environmental Laws”); and any other substances, constituents or wastes subject to any applicable federal, state or local law, regulation or ordinance, including any Environmental Law now or hereafter in effect, including, but not limited to, petroleum, refined petroleum products, waste oil, waste aviation or motor vehicle fuel, and asbestos. Developer further acknowledges and agrees that the County is under no duty to make any inquiry into the condition of the Land.

15. **Time is of the Essence.** It is understood that time is of the essence as to the provisions of this Option.

16. **Notices.** All notices and demands by either party to the other shall be given in writing and personally delivered or sent by United States certified mail, postage prepaid, and addressed:

To the County: Economic Development Director
Dept. of Administrative Services
Economic Development Division
633 West Wisconsin Avenue, Suite 903
Milwaukee, WI 53203

With copies to: Milwaukee County Corporation Counsel
901 North 9th Street, Room 303
Milwaukee, WI 53233

To the Developer: _____

With a copy to: _____

Either party may, upon prior notice to the other, specify a different address for the giving of notice. Notices shall be deemed given upon receipt (in the case of personal delivery) or two days following the date of their deposit in the United States mail (in the case of mailing).

17. **Default.** A material failure to perform any obligation relating to the purchase or sale of the Property shall be a default which may subject the defaulting party to liability for damages or other legal remedies. If the Developer defaults on the terms of the purchase of the Property after the Developer’s exercise of this Option, the County may sue for specific performance and request the Option Fees as partial payment of the Purchase Price, or terminate this Option and sue for actual damages. If County defaults on the terms of the purchase of the Property, the Developer may sue for specific performance or terminate this Option and sue for actual damages.

18. **Miscellaneous Provisions.**

a. **Audit.** The Developer, its officers, directors, agents, partners and employees shall allow the County Audit Services Division and department contract administrators (collectively referred to as “Designated Personnel”) and any other party the Designated Personnel may name, with or without notice, to audit, examine and make copies of any and all records of the Developer related to the terms and performance of the Option Agreement for a period of up to three years following the date of last payment, the end date of this Option Agreement, or activity under this Option Agreement, whichever is later. Any subcontractors or other parties performing work on this Option Agreement will be bound by the same terms and responsibilities as the Developer. All subcontracts or other agreements for work performed on this Option Agreement will include written notice that the subcontractors or other parties understand and will comply with the terms and

responsibilities. The Developer and any subcontractors understand and will abide by the requirements of Section 34.09 (Audit) and Section 34.095 (Investigations Concerning Fraud, Waste, and Abuse) of the MCCO.

- b. **Force Majeure Delay.** If any party is delayed or prevented from the performance of any act required by this Option, other than the payment of any monies required to be made herein, by reason of fire, earthquake, war, flood, riot, strikes, labor disputes, judicial orders, public emergency or regulations, or other causes beyond the reasonable control of the party obligated to perform, then, provided that the affected party proceeds diligently to minimize the duration of the delay, performance of such act shall be excused for the period of such delay and the time for the performance of any such act shall be extended for a period equivalent to such delay, not to exceed ninety (90) days. The delayed party shall provide the other party with prompt and ongoing notice of the cause of the delay and the measures being taken to address it.
- c. **Disclosure.** The County and the Developer agree that the Developer (or its agents) may provide copies of this Option to any potential lenders, and to any appraisers, title insurance companies and other settlement service providers connected to the transaction contemplated herein.
- d. **Dates and Deadlines.** Deadlines expressed as a number of “days” from an event, such as the calculation of the Option Period or the Closing Date, shall be calculated by excluding the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. If the deadline falls on a Saturday, Sunday, or legal holiday in the State of Wisconsin, then the deadline shall be postponed until the next business day.
- e. **Counterparts.** This Option is executed in one or more counterparts, each of which shall constitute one and the same instrument. The parties agree that a signature affixed to any counterpart of this Agreement and delivered by facsimile or email shall be valid, binding and enforceable against such party.
- f. **Further Assurance.** Each of the parties hereto hereby agrees to execute and deliver such documents and to take such other actions as may be reasonably requested by the other party hereto to carry out the provisions or purposes of this Option.
- g. **Indemnity.** Developer agrees to the fullest extent permitted by law, to indemnify, defend and hold harmless Milwaukee County and its agents, officers, and employees from and against all loss or expenses including costs and reasonable attorneys’ fees by reason of liability for damages including suits at law or in equity, caused by any wrongful, intentional, or negligent act or omission of the Contractor and/or its agent(s) which may arise out of or is connected with the activities covered by this Agreement. The County’s liability is limited by Wis. Stats. Section 893.80 for general liability and Wis. Stats. Section 345.05(3) for automobile liability

- h. **Equitable Remedy.** If (i) this Option is exercised and, subsequent to Closing, an action is brought seeking to invalidate the conveyance contemplated herein due to a lack of authority of County to convey the Land or on any other grounds, and (ii) an order or judgment is entered by a Court of competent jurisdiction invalidating such conveyance, then the parties will request the Court to stay such order pending appeal, or if there is no such stay or the matter is no longer appealable then to provide equitable relief restoring the parties to their respective positions held prior to the Closing Date, and County shall refund to Developer the full amount of the Purchase Price previously paid, inclusive of the Option Fees, but less any amounts that the Developer would have been obligated to pay pursuant to this Option or any other agreement between the Parties but did not. Neither party shall be liable to the other for any costs, expenses or damages based upon or arising out of the invalidated transaction.
- i. **Survival.** All provisions herein which by their terms pertain to time periods or events post-Closing, shall survive the Closing.
- j. **Public Records.** Both parties understand that the County is bound by public records law, and as such, all of the terms of this agreement are subject to and conditioned on the provisions of Wis. Stat. § 19.21, et seq. Contractor hereby agrees that it shall be obligated to assist the County in retaining and timely producing records that are subject to the Wisconsin Public Records Law upon any statutory request having been made, and that any failure to do so shall constitute a material breach of this agreement, whereupon the Contractor shall then and in such event be obligated to indemnify, defend and hold the County harmless from liability under the Wisconsin Public Records Law occasioned by such breach. Except as otherwise authorized by the County in writing, records that are subject to the Wisconsin Public Records Law shall be maintained for a period of three years after receipt of final payment under this agreement.
- k. **Independent Contractor.** Nothing contained in this Option shall constitute or be construed to create a partnership or joint venture between County or its successors or assigns and Developer or its successors or assigns.
- l. **Restrictions on Assignment.** This Option shall not be assigned by Developer without the written consent of the County except that consent shall not be required for an assignment of this Option, in whole or in part, to a parent entity, wholly-owned subsidiary or any other entity affiliated with any member of Developer, which parent, subsidiary or affiliate assumes the obligations of Developer under the Option and all agreements which survive Closing, and provided that no such assignment will release the Developer from its obligations. Any assignment of the Option by the Developer in violation of this Section prior to the Exercise Date shall give County the right to terminate the Option and retain the Option Fees as liquidated damages.
- m. **Choice of Law and Venue.** This Option shall be governed, interpreted, construed, and enforced in accordance with the internal laws of the State of

Wisconsin, without regard to its conflict of laws principles. Any litigation over the enforceability of the provisions herein or to enforce any rights hereunder shall be in state court with venue in Milwaukee County.

- n. **Severability.** If any part of this Option is declared invalid or unenforceable by a court of competent jurisdiction, it shall not affect the validity or enforceability of the remainder of this Option, unless the Agreement so construed fails to meet the essential business purposes of the Parties as manifested herein.
- o. **Merger Clause.** This Option and all Exhibits constitute the entire agreement between the Parties relating to the subject matter hereof, and supersede any and all prior agreements and negotiations, whether oral, written, or implied. No change, addition, or amendment shall be made except by written agreement signed by a duly authorized representative of each Party.


List of Exhibits and Schedules

Exhibit A	Legal Description
Exhibit B	Project Plans
Exhibit C	Insurance Requirements – Right of Entry
Exhibit D	Sample Development Agreement
Exhibit E	Certification

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, The Developer, _____, has signed and sealed this Option this _____ day of _____, 20__.

Gorman & Company

By:  _____
Ted Matkom

Date: 6/3/2024

IN WITNESS WHEREOF, Milwaukee County, has caused this Option to be duly executed in its name and on its behalf.

Milwaukee County


By: 

David Crowley, County Executive

Date: 6/3/2024

Approved as to form: Scott P. Brown

Corporation Counsel

Approved as to availability of funds: 

Liz Sumner, County Comptroller

Certified pursuant to Wis. Stats. § 59.17(2)(b)3 on the _____ day of _____, 20__ . Certification is attached as Exhibit E.

Exhibit A
Legal Description

Exhibit B

Project Plans

Exhibit C

Insurance Requirements - Right of Entry

Every Contractor and parties furnishing services or products to Milwaukee County or any of its subsidiaries must provide County with evidence of the following minimum insurance requirements. In no way do these minimum requirements limit the liability assumed elsewhere in the contract.

Modifications to the types of coverage, limits and/or other terms should not be made without the approval of the County's Risk Manager.

Insurance

Contractor shall, at its sole expense, maintain the following insurance:

A. Commercial General Liability Insurance including contractual coverage: The limits of this insurance for bodily injury and property damage combined shall be at least:

Each Occurrence Limit	\$1,000,000
General Aggregate Limit	\$2,000,000
Products – Completed Operations Limit	\$2,000,000
Personal and Advertising injury Limit	\$1,000,000

B. Automobile Liability Insurance:

Should the performance of this Agreement involve the use of automobiles, Contractor shall provide comprehensive automobile insurance covering the ownership, operation and maintenance of all owned, non-owned and hired motor vehicles. Contractor shall maintain limits of at least \$1,000,000 per accident for bodily injury and property damage combined.

C. Workers' Compensation Insurance:

Such insurance shall provide coverage in amounts not less than the statutory requirements in the state where the work is performed, even if such coverages are elective in that state.

D. Employers Liability Insurance:

Such insurance shall provide limits of not less than \$1,000,000 per occurrence for bodily injury; \$1,000,000 per employee for bodily injury by disease, and \$1,000,000 policy aggregate.

Additional Requirements:

E. Contractor shall require the same minimum insurance requirements, as listed above, of all its contractors, and subcontractors, and these contractors, and subcontractors shall also comply with the additional requirements listed below.

- F. If any of the coverage noted above is provided on a claims made and reported period, coverage shall be maintained for not less than 2 years (24 months) after the end of the Contract by either an extended reporting period (ERP) provision or by maintaining the coverage in force.
- G. The insurance specified in (A.), (B.), and (D.), above shall: (a) name Milwaukee County including its directors, officers, employees and agents as additional insureds by endorsement to the policies, and (b) provide that such insurance is primary coverage with respect to all insureds and additional insureds.
- H. Milwaukee County should also be granted a waiver of subrogation in its favor on the insurance specified under the insurance policy terms of in (A.), (B.), (C.), and (D.) above.
- I. The above insurance coverages may be obtained through any combination of primary and excess or umbrella liability insurance.
- J. Except where prohibited by law, all insurance policies shall contain provisions that the insurance companies waive the rights of recovery or subrogation, by endorsement to the insurance policies, against County, its subsidiaries, its agents, servants, invitees, employees, co-lessees, co-venturers, affiliated companies, contractors, subcontractors, and their insurers.
- K. Contractor shall provide certificates evidencing the coverages, limits and provisions specified above on or before the execution of the Agreement and thereafter upon the renewal of any of the policies. Contractor shall require all insurers to provide County with a thirty (30) day advanced written notice of any cancellation, nonrenewal or material change in any of the policies maintained in accordance with this Agreement.

Exhibit D

Sample Development Agreement

Exhibit E

Certification Approving
Option Agreement Relating to
1220 West Vliet Street
Milwaukee, WI

The undersigned certify that each has reviewed the terms and conditions of the attached Option Agreement for the property located at 1220 West Vliet Street, Milwaukee, WI and hereby certifies, pursuant to Wis. Stats. § 59.17(2)(b)(3) that the sale of the Property (as defined in the Option Agreement) is in the best interests of Milwaukee County.

The Department of Administrative Services of Milwaukee County is hereby authorized to commence all actions necessary to complete the sale of the property known by the County as Marcia P. Coggs Human Services Center Building located at 1220 West Vliet Street, Milwaukee, Wisconsin to Gorman & Company or its permitted assigns as soon as practicable, in accordance with the Option Agreement attached hereto.

Dated this _____ day of _____, 20____.

Pursuant to Wis. Stats. § 59.17(2)(b)(3) this certification is valid if signed by two of the following:

1. David Crowley, Milwaukee County Executive
2. Liz Sumner, Milwaukee County Comptroller.
3. An individual who is a resident of the City of Milwaukee who has been appointed by the Milwaukee County Intergovernmental Cooperation Council (ICC), an executive council, as defined in Wis. Stats. § 59.794(1)(d).

CERTIFICATION Approving Option Agreement Relating to
1220 West Vliet Street, Milwaukee, Wisconsin



David Crowley, Milwaukee County Executive

Date: 6/3/2024

CERTIFICATION Approving Option Agreement Relating to
1220 West Vliet Street, Milwaukee, Wisconsin



Liz Sumner, Milwaukee County Comptroller

Date: 6/2/2024

CERTIFICATION Approving Option Agreement Relating to
1220 West Vliet Street, Milwaukee, Wisconsin

David P. Misky

David Misky

Resident of the City of Milwaukee and Appointee of the Milwaukee County Intergovernmental Cooperation Council pursuant to Wis. Stat. §§ 59.17(2)(b)3 and 59.794(1)(d).

Date: 5/29/2024