

COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF STEVENS POINT

1300 Briggs Court, Stevens Point, WI 54481

ADMINISTRATIVE OFFICE:
TDD Relay: 1-800-947-3529
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HI-RISE MANOR
MADISON VIEW
SCATTERED SITES
EDGEWATER MANOR

Wednesday, January 23, 2013, 12:00 PM
City Conference Room
1515 Strongs Avenue, Stevens Point, WI 54481

1. Roll call.

Discussion and possible action on the following:

2. Allowing the refinance of a mortgage for Christopher and Tonya Kowalski, 619 Franklin Street.
3. Authorization to use a portion of the funds received from Marshfield Clinic, to construct the utilities as per the development agreement.
4. Authorization to use the remaining balance of the funds received from Marshfield Clinic to construct the parking lot and green area to the south of the former Dunham's building, east of Third Street, north of Main Street, and west of Shopko.
5. Authorization to use the funds received from the sale of the former Dunham's property and adjacent property to construct the parking lot and green area to the south of the former Dunham's building, east of Third Street, north of Main Street, and west of Shopko.
6. Authorization to apply for, and accept if awarded, Brownfield Remediation and additional Site Assessment Grant funds.
7. Determination of the future status of Edgewater Manor, including the potential selling, bidding, and/or marketing of the property.
8. Adjourn.



Memo

Michael Ostrowski, Director
Community Development Authority
City of Stevens Point
1515 Strongs Avenue
Stevens Point, WI 54481
Ph: (715) 346-1567 • Fax: (715) 346-1498
mostrowski@stevenspoint.com

Community Development Authority of the City of Stevens Point

To: Community Development Authority Board of Directors
From: Michael Ostrowski
CC:
Date: 1/18/2013
Re: Agenda Item Summaries for January 23, 2013 CDA Board Meeting

1. Roll call.

Discussion and possible action on the following:

2. Allowing the refinance of a mortgage for Christopher and Tonya Kowalski, 619 Franklin Street.

Christopher and Tonya Kowalski, 619 Franklin Street, are looking to refinance their mortgage. As part of the refinance, they are requesting that they be allowed to include delinquent taxes. The current payment is approximately \$613.76, but it does not include escrow for property taxes. The new mortgage will be approximately \$490.59, with a property tax escrow of approximately \$165.67, for a total of \$656.26 per month, or an increase of \$42.50. Typically, we do not allow the inclusion of delinquent taxes; however, given the significant reduction in the interest rate of the proposed mortgage, the refinance will put all parties in a better position. Please find included in the packet information about the current and proposed loan.

3. Authorization to use a portion of the funds received from Marshfield Clinic, to construct the utilities as per the development agreement.

In accordance with the Marshfield Clinic development agreement, Marshfield Clinic was required to break ground within four years after closing on the property. The closing on the property occurred on July 10, 2008. The building permit was not pulled until November 19, 2012. With this being the case, Marshfield Clinic, in accordance with the development agreement, agreed to pay a PILOT in the amount of \$120,000.

As part of the agreement with the prior property owners, the CDA agreed to extend the water and sewer mains to the adjacent property. This cost is estimated to be approximately \$40,000.

Please see the attached agreements.

4. Authorization to use the remaining balance of the funds received from Marshfield Clinic to construct the parking lot and green area to the south of the former Dunham's building, east of Third Street, north of Main Street, and west of Shopko.

Staff is continuing to work on the parking lot and green space area where the former CenterPoint Mall once stood. This area is currently being designed, and will hopefully be constructed by July 31,

2013. Staff would recommend using the balance of funds from the Marshfield Clinic PILOT, as well as the funds received from the sale of the former Dunham's property and adjacent property to construct this area. Once designed, it will be put out for bid and the bids will need to be approved by the CDA Board.

5. Authorization to use the funds received from the sale of the former Dunham's property and adjacent property to construct the parking lot and green area to the south of the former Dunham's building, east of Third Street, north of Main Street, and west of Shopko.

Please see the above agenda item.

6. Authorization to apply for, and accept if awarded, Brownfield Remediation and additional Site Assessment Grant funds.

We are looking to apply for additional grant funds for the purpose of assessment and remediation of environmental contamination for the CenterPoint MarketPlace redevelopment project. Grant funds will be award to cover a maximum of 30% of eligible costs.

7. Determination of the future status of Edgewater Manor, including the potential selling, bidding, and/or marketing of the property.

At the Finance Committee on January 14, 2013, the development agreement with Seramur Family Limited Partnership was denied. In addition, another offer to purchase for Edgewater Manor was presented. This item is now coming back to the CDA for further discussion on how you would like to proceed with the property. Options include, but are not limited to putting the property on the market, accepting bids for the property, or redeveloping the property through the CDA.

8. Adjourn.

Subordination Request Information

Date: 1/18/2013

Christopher and Tonya Kowalski
619 Franklin Street
Stevens Point, WI 54481

Original Loan Amount(s): \$78,731.00 TCF Bank

Amount(s) Due on Original Loan: \$80,122.00 TCF Bank

Original Term: 30 yr fixed

Original Interest Rate: 8.650%

Proposed Loan Amount: \$86,500.00 TCF Bank

Proposed Term: 30 yr fixed

Proposed Interest Rate: 5.490%

Proposed Loan Payouts: \$80,122.00 TCF

\$3,448.00 closing costs + prepaid to set up escrow

\$2,930.00 delinquent property taxes

TOTAL \$86,500.00

Cash Out: \$0.00

Cash out to be used for:

Property Value from Appraisal: \$108,000.00

Date of Appraisal: 12/11/2012

Assessed Value:

Proposed Liens on Property: \$86,500.00 TCF

\$10,000.00 City of Stevens Point

\$14,891.00 CDA

\$111,391.00

ELIGIBLE FOR SUBORDINATION

DEVELOPMENT AGREEMENT

This Agreement is made this 26th day of March, 2008, by and between the Community Development Authority of the City of Stevens Point (“City”) and the Marshfield Clinic, a Wisconsin Non-Profit Corporation (“Developer”).

Recitals

A. The Developer is in the business of providing medical services through various clinics throughout the State of Wisconsin and desires to construct a medical clinic on certain lands (“Property”) located in the Town of Hull and City of Stevens Point more particularly described on Exhibit A.

B. The Property will require improvements including turn lanes on State Highway 66 and landscaping along State Highway 66 (“Improvements”).

C. The City desires to assist the Developer in obtaining the Property and to make Improvements.

D. The City and Developer desire to articulate their respective responsibilities through this Development Agreement (“Agreement”).

NOW THEREFORE, in consideration of the recitals and mutual covenants made between the parties hereto, it is agreed as follows:

1. Representations and Warranties.

- A. The City warrants that it is a Wisconsin Municipal Corporation having jurisdiction over the Property, and that it has authority under Wis. Stats. §§66.1301-66.1337 to enter into this Agreement and to be bound by its terms. In the event the City does not have jurisdiction over the Property, the Developer will execute an annexation petition at the City’s expense and the City will annex the Property.
- B. The Developer is a Wisconsin Non-Profit Corporation in good standing and through approval of its Executive Committee and Board of Directors has the

power enter into this Agreement and be bound by its terms. Upon execution of this Agreement, the Developer will seek the necessary approvals from its Executive Committee and Board of Directors, and will notify the City of such approvals.

C. The Developer and City will fully cooperate with each other and will provide their best efforts toward fulfilling their respective obligations under the terms of this Agreement.

D. The City's representative and contact shall be John Gardner, Community Development Director and the Developer's representative shall be Jim Colburn, Director of Facilities and Property.

2. **Real Estate-Property.** The City will obtain or has obtained an Option to Purchase the Property. Upon written notice to the City by the Developer, the City agrees to exercise such option to purchase by presenting an Offer to Purchase to the current owners of the Property. Prior to the City presenting the Offer to Purchase, except for the purchase price, the City and Developer will mutually agree on the terms of the City's Offer to Purchase.

A. If the current owners of the Property accept the Offer to Purchase, the City shall diligently proceed toward obtaining the Property pursuant to the terms and conditions in the Offer to Purchase. After acceptance by the current Property owners, any variances from the terms and conditions contained in the Offer to Purchase must be mutually agreed to by the City and Developer.

B. If the current owners do not accept the Offer to Purchase from the City, the City and Developer will in good faith attempt to resolve the issues that prevented the Offer to Purchase from being accepted by the owners of the Property. Subsequent Options to Purchase and Offers to Purchase may be prepared and presented to the current owners of the Property, so long as such documents are mutually agreed to by the City and Developer, and are consistent with this Agreement.

1. If subsequent Offers to Purchase result in non-acceptance by the current owners, the Developer may terminate this Agreement.
2. If subsequent Offers to Purchase are accepted by the current owners, the terms of Section 2(A) shall control.

C. Upon the City obtaining lawful legal title via a warranty deed to the Property, the City agrees to convey the Property to the Developer at a price of one hundred and twenty-five thousand dollars (\$125,000.00) per acre via a warranty deed, subject to the terms and conditions in the Offer to Purchase the Property between the Developer and the City.

1. In addition to the terms and conditions contained in the Offer to Purchase the Property between the Developer and the City, if the Property is not within the City's jurisdiction and the Property is not annexed into the City prior to Closing, the Developer may terminate this Agreement. The City will retain the Property and the Developer will be released from Closing on the Property.

3. Developer's Construction and Permits. After the Property is conveyed from the City to the Developer, the Developer agrees to construct a medical facility ("Facility") on the Property by the Commencement Date as defined in Section 4. The Facility is in the planning stages and is expected to be approximately 20,000 – 30,000 square feet in size. The Developer agrees to obtain necessary construction approvals and permits from applicable governmental agencies, including the City. City agrees to process approvals and permits pursuant to its normal standards and processes and independent of this Agreement. Except as specifically identified in Section 5, the construction of the Facility shall be under the total control and auspices of the Developer. In the event the Developer is unable to obtain the necessary permits or variances to construct the Facility, the City agrees to purchase the Property from the Developer at the price indicated in Section 2(C).

4. Construction Commencement Date. Developer agrees to commence construction no later than four (4) years after the Developer closes on the Property. Once construction is commenced, the construction shall proceed diligently to completion.

5. City Site Work-Improvements. The City agrees to obtain required permits and make Improvements near the Property. Such Improvements will be a City Public Works project, and shall be under the control and auspices of the City. However, the City will incorporate any design or construction specifications suggested by the Developer, provided the suggestions do not diminish the specifications required by law or the City's usual design standards. The Improvements will consist of adding a right hand turn lane into the Property from Westbound State Highway 66; adding a left hand turn lane into the Property from Eastbound State Highway 66; adding acceleration lanes on Westbound and Eastbound State Highway 66; and providing landscaping in the median of State Highway 66 and the State Highway 66 right of way along the Property. The schedule and specific scope of the Public Works project shall be approved in writing by the Developer and shall be performed by the City Department of Public Works at the City's sole cost and expense. The City's obligation to perform such work shall be contingent upon Developer commencing construction on the Facility as set forth in Section 4, or as otherwise agreed to. In the event that that City does not perform its obligations in this Section and the Developer incurs any costs in making the Improvements, the City agrees to pay the Developer for the costs incurred by the Developer to make the Improvements.

6. City Option to Purchase. After the Property is conveyed to the Developer and before the Construction Commencement Date, if the Developer desires to sell, transfer or lease the Property to a third party, the Developer must first notify the City in writing. The City shall then have a right to purchase the Property from the Developer at the price identified in Section 2(C). If the City does not exercise its right to purchase the Property within sixty (60) calendar days of notice, the City's right to purchase the Property is deemed waived and there will be no restrictions on the Developer from selling, transferring or leasing the Property.

7. **Delay in Construction.**

A. The City and Developer agree that the Construction Commencement Date in Section 4 is a good faith estimate based on current circumstances. In the event the construction of the Facility does not occur prior to the Construction Commencement Date, the City and Developer agree to negotiate in good faith toward extending the Construction Commencement Date.

B. If the City and Developer cannot agree to extend the Construction Commencement Date and construction does not occur prior to the Construction Commencement Date, the Developer agrees to make annual payments in lieu of taxes to the City, as if the Facility had been built. The parties agree that the annual payment in lieu of taxes will be \$120,000.00, and will be payable at the same time(s) property taxes are collected. Such payment in lieu of taxes is binding only on the Developer and is not binding on subsequent buyers. In the event the Facility is built, the Facility will be taxed pursuant to applicable State of Wisconsin law, and the payment in lieu of taxes will stop, and the Developer will be relieved of any payment in lieu of tax obligations.

8. **Default.** A default is defined herein as the Developer's or the City's breach or failure to comply with the terms and conditions of this Development Agreement. City and Developer reserve to themselves all remedies available at law or equity as necessary to cure any default. City agrees to waive all procedural and jurisdictional defenses including sovereign immunity,

[The rest of page is intentionally blank.]

IN WITNESS WHEREOF,

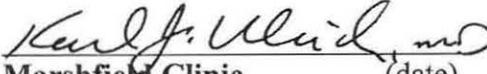


City of Stevens Point (date)

By: Andrew J. Halverson, Mayor

CDAs  *6/6/08*
City of Stevens Point (date)

By: ~~John V. Moe, Clerk~~ James R. Hamilton, Secretary

 *3/26/08*
Marshfield Clinic, (date)

By: Karl J. Ulrich, M.D., M.M.M.,
President and CEO

ADDENDUM A
VACANT LAND OFFER TO PURCHASE
SELLER: COMMUNITY DEVELOPMENT AUTHORITY OF CITY OF STEVENS POINT
BUYER: MARSHFIELD CLINIC

This Addendum A (this “**Addendum**”) is attached to and incorporated by reference into the March 26, 2008 Vacant Land Offer to Purchase (the “**Offer**”) to Community Development Authority of City of Stevens Point (“**Seller**”) and Marshfield Clinic (“**Buyer**”). For purposes of this Addendum and of the Offer, Buyer and Seller together shall be known as the “**Parties**”.

The Offer and this Addendum together shall constitute and be construed as a single instrument. Accordingly, except as specifically modified by the terms of this Addendum, the terms of the Offer shall remain in full force and effect. Any terms in this Addendum (capitalized or not) that are specifically defined in the Offer shall have the definitions given to them, respectively, in the Offer. In the event any provision of this Addendum conflicts with or contradicts any provision in the Offer, then the provision of this Addendum shall control the interpretation of the Offer and the Addendum together as a single instrument, hereinafter referred to as “**this Offer**”.

The Offer is hereby modified and supplemented as follows:

1. **Property Description.** The Property to be purchased is approximately 18.1 acres, more or less, known as Lot 1, Certified Survey Map No. 513-2-173, in the SW ¼ SW ¼ and SE 1/4 SW ¼, Section 22, T24N, R8E, City of Stevens Point, Portage County, Wisconsin. The Property is depicted as Parcel A on “Exhibit I”. The exact location and acreage of the Property shall be determined by the Survey described in Section 4, below.
2. **Purchase Price.**
 - a. **Purchase Price.** The Purchase Price for the Property shall be \$125,000 per acre, excluding dedicated public roadways within the description. The Purchase Price is estimated to be Two Million Two Hundred Sixty-Two Thousand and Five Hundred Dollars (\$2,262,500.00) on the assumption that the parcel contains exactly 18.1 acres. The final purchase price will be determined based on the survey described in Section 4 to this Addendum.
3. **Closing.** This transaction is to be closed at the offices of Buyer or as mutually agreed upon. The Closing Date shall be no later than twenty-one (21) days of Buyer’s written satisfaction of the contingencies in this Offer to Purchase, but no later than June 6, 2008, unless mutually agreed upon.
4. **Title and Survey Matters.**
 - a. **Title and Title Insurance Commitment.** Within fifteen (15) days after the Approval by the Board of Directors, Seller at its expense, shall provide Buyer a commitment issued by the Title Company for an owner’s policy of title insurance covering the Property (the “Title Commitment”). Such Title Commitment shall indicate the Title Company’s willingness to issue to Buyer at Closing the Title Policy described in Section 4.e. of this Addendum, shall set forth the status of the title to the property, and shall reflect all liens, claims, encumbrances, easements, rights-of-way, encroachments, reservations, and other matters of

record affecting the Property. The Title Commitment shall also include legible copies of all documents identified by the commitment as an exception to coverage.

b. **Survey.** This Offer to Purchase is contingent upon Buyer obtaining, at Buyer's expense, within sixty (60) days of Acceptance of this Offer to Purchase, a current survey and a current ALTA topographical map of the Property ("**Survey**"), prepared by a duly licensed land surveyor acceptable to Buyer. The survey shall: show the boundaries of the Property; contain a proper and complete legal description of the Property and show the total number of acres in the Property; show all dedicated public streets providing access to the Property and locate any areas of restricted access or other relevant access issues; show all existing improvements; locate all recorded and visible easements and rights-of-way; show any encroachments upon the Property and show the Property not to be in any flood plain or hazard area. The survey shall contain a certification acceptable to the title insurance company proposing to issue title insurance in favor of the Buyer with regard to this transaction.

c. **Access Easement.** The Buyer agrees that that it will provide an access easement which shall be a perpetual non-exclusive easement for ingress and egress from the access point connecting to State Highway 66 to the C.A. Klasinski property that was not part of the conveyance between C.A. Klasinski and City of Stevens Point-Community Development Authority. Buyer agrees at closing to execute a mutually agreeable with C.A. Klasinski easement agreement in favor of Klasinski's property, which will incorporate terms of perpetual non-exclusive easement for ingress and egress.

d. **Objection.** If the Title Commitment or Survey shall disclose any condition of title, other than the Permitted Exceptions, that is reasonably not acceptable to Buyer, Buyer may disapprove of such condition(s) (collectively the "**Disapproved Matters**") by giving written notice of objection to Seller within thirty (30) days after receipt of the Title Commitment or Survey, respectively. If any objection is made, Seller shall have ten (10) days in which to exercise its best efforts to correct such Disapproved Matter. If the Disapproved Matter cannot be corrected within the 10-day period despite the Seller's best efforts, Buyer may, at its option (1) declare the Offer null and void and all money paid by Buyer shall be returned forthwith to Buyer or (2) elect to accept such title as Seller is able to convey and proceed to closing without abatement of the purchase price. Seller shall pay for the updating of the title insurance commitment, which shall be done no sooner than fifteen (15) days prior to closing.

e. **Condition of Title.** Upon payment of the purchase price, Seller shall convey the Property by warranty deed free and clear of all liens and encumbrances except exceptions specifically approved by Buyer.

f. **Title Insurance.** At Closing, the Title Company shall, at Seller's expense, issue to Buyer an ALTA owner's form of title insurance policy in the form customarily issued in Wisconsin, in the full amount of the purchase price, insuring that indefeasible fee simple title to the Property is vested in Buyer subject only to the exceptions specifically approved by Buyer. Such Title Policy shall be dated with the date and time of Closing. Seller shall provide, at Seller's expense, a gap endorsement to the Title Policy. Seller shall also provide, at Seller's expense, additional endorsements and amendments to the Title Policy that Buyer

may reasonably request, provided that the Closing shall not be delayed as a result of Buyer's request.

5. **Additional Contingencies.** In addition to any other contingencies set forth elsewhere in this Offer, Buyer's obligation to conclude the purchase of the Property pursuant to this Offer is conditioned on each of the following:

a. **Buyer's Executive Committee and Board of Directors Approval.** This Offer is subject to final approval of the terms and conditions hereof by Buyer's Executive Committee. Written notice of said approval shall be given to Seller within thirty (30) days after Acceptance, or this Offer shall be null and void. Further, this Offer is subject to final approval of the terms and conditions hereof by Buyer's Board of Directors. Written notice of Board approval shall be given to Seller on or before May 1, 2008, or this Offer to Purchase shall be null and void.

b. **Restrictions and Covenants.** This Offer is contingent on Seller providing Buyer, within thirty (30) days of Acceptance, copies of all current subdivision regulations and building and use restrictions and easements and zoning ordinances affecting the Property. Buyer shall have thirty (30) days after receipt within which to notify Seller in writing of any objections thereto. If Seller is unable to satisfy Buyer's objections within thirty (30) days after receipt of such notice from Buyer, or to obtain an amendment or variance to those restrictions deemed unacceptable, Buyer may at its sole election terminate this Offer by written notice to Seller, and this Offer shall be null and void and all earnest money paid hereunder shall be returned to Buyer.

c. **Rezoning.** This Offer is contingent upon Buyer, at Buyer's expense, obtaining before Closing, any necessary rezoning of the Property, and any necessary permits and approvals to permit Buyer to construct on the Property a medical facility and educational and research facility similar to Buyer's existing regional centers and related facilities. Seller agrees to cooperate with Buyer in applying for rezoning and permits, including signing the application, appearing at any public hearings and such other activities as Buyer may reasonably request. If Buyer is unable to obtain such rezoning or permits before Closing, this Offer shall be null and void.

d. **Environnemental Indemnification.** For purposes of this Section 5(d) only, Seller shall be deemed to be C.A. Klasinski, the immediate predecessor in title of the Property. In a sales contract regarding the Property between C.A. Klasinski and the City, C.A. Klasinski made the following warranties and representations, which the Buyer is reasonably relied on and is reasonably relying on:

"The Marshfield Clinic, a Wisconsin non-profit corporation (the "Marshfield Clinic") shall be treated as the "Buyer" and the indemnification given herein shall inure to the benefit of the Marshfield Clinic. Marshfield Clinic will be purchasing this Property and will be relying on the representations made by Seller in this Section. Notwithstanding any investigation conducted by Buyer, Seller has owned the Property for fourteen (14) years and warrants and represents to the best of his knowledge: (i) that the property is in full compliance with all environmental laws and permits; (ii) there are no claims, disputes, actions or proceedings existing against the Seller or affecting the Property that relate to environmental laws or permits; (iii) there

are no hazardous substances on the Property and that no releases of hazardous substances on, at, over or from the Property are occurring or have occurred; and (iv) the Seller is not subject to and is not currently operating under any compliance or consent order, schedule, decree or agreement issued or entered into under any environmental law. Seller agrees to indemnify and hold Buyer harmless against and from any and all damages, claims, losses, liabilities, costs and expenses, including reasonable attorneys fees, which may be imposed upon, incurred by or asserted against Buyer by any party arising out of, in connection with, or relating to Seller's breach of, or any inaccuracy, in any representations set forth in this Section 4. This indemnification shall survive the closing on the sale of the Property for a period of six (6) years from the date of closing."

e. **Leases.** This Offer is contingent on the Seller's representation that the house located on the Property is currently un-occupied and Seller warrants that there are no tenants or valid leases.

f. **Access.** This Offer is contingent upon Buyer, confirming or, at Buyer's expense, obtaining rights for the Property to have direct, and appropriately controlled access to and from State Highway 66. Seller agrees to cooperate with Buyer in applying for access as Buyer may reasonably request. If Buyer is unable to obtain such access before closing, this Offer shall be null and void. Buyer agrees to promptly determine the necessity and apply for any such access.

g. **Utilities.** This Offer is contingent upon Seller, within thirty (30) days of acceptance, providing written evidence of the availability of commercial or public water, sewer, telephone/data, electricity, and natural gas utilities adjacent to the Property, but Buyer shall be responsible for coordinating connection and the related costs.

6. **Closing Documents.** Buyer's attorneys shall prepare the necessary closing documents. Seller understands that Buyer's attorney is not representing Seller in the sale of the Property. Buyer's attorney shall review and approve of all documents in writing on behalf of Buyer prior to the Closing Date.
7. **Brokers Fees.** Each party shall be responsible for the party's own broker's fees in regard to this transaction.
8. **Access to Property.** Beginning on the acceptance date and during the contingency periods identified herein, Seller agrees to give Buyer, and Buyer's agents, access to the Property for the purpose of conducting the survey, and such other tests and inspections as provided in this Offer. Buyer agrees to comply with all applicable laws, codes, and ordinances in conducting its activities related to the Property. Buyer shall furnish to Seller, within ten (10) days after receipt by Buyer, copies of all reports received by Buyer relating to the survey, inspection and testing of the property, including any environmental reports. Buyer shall provide evidence of insurance to Seller insuring the activities of the Buyer, its agents, and contractors, while on the property. Buyer shall also indemnify Seller for any damages to the Property and for injury to persons caused by Buyer's performance of any tests and investigations. Further Buyer agrees to repair or restore the property, if the Property becomes damaged or altered as a result of Buyer's inspections and testing except Buyer shall not be required to repair or restore the Property if

Buyer subsequently proceeds to close on the purchase of the Property. The indemnity contained herein, shall survive the termination of this Offer.

9. **Indemnification.** Except as specifically provided otherwise in this Offer, Seller shall indemnify and hold Buyer harmless from and against any and all loss, cost, damages, injury or expense, including reasonable attorney's fees, arising out of or in any way related to claims or injury to or death of persons, damage to property or contract liabilities associated with the ownership or operation of the Property, or the business conducted thereon, arising out of events or transactions before the date of Closing; provided that Seller is relieved of liability to Buyer to the extent Buyer is required to indemnify Seller as described in paragraph 8. Except as specifically provided otherwise in this Offer, Buyer shall indemnify and hold Seller harmless from and against any and all loss, cost, damages, injury or expenses, including reasonable attorney's fees, arising out of or in any way related to claims for injury to or death of persons, damage to property, or contract liabilities associated with the ownership or operation of the Property or business conducted thereon, arising out of events or transactions after the Closing Date.
10. **Survival.** The provisions of this Offer shall survive a closing of the transaction and delivery of possession and title of the Property. This Offer is binding on and inures to the benefit of the Parties hereto, and their successors and assigns.
11. **Counterparts/Facsimile Signatures.** This Offer may be executed simultaneously or in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. A facsimile signature appearing on this Offer shall be given the same effect as if it were an original signature on an original Offer.

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Marshfield Clinic (BUYER)

Dated: 3-26-08

By: Karl J. Ulrich, MD

Name: Karl J. Ulrich, M.D., M.M.M.

Title: President

Marshfield Clinic (BUYER)

Dated: 3-26-08

By: Reed E Hall

Name: Reed E. Hall

Title: Executive Director

City of Stevens Point (SELLER)

Dated: _____

By: Andrew J. Halverson

Name: Andrew J. Halverson

Title: Mayor

CDA of the
City of Stevens Point (SELLER)

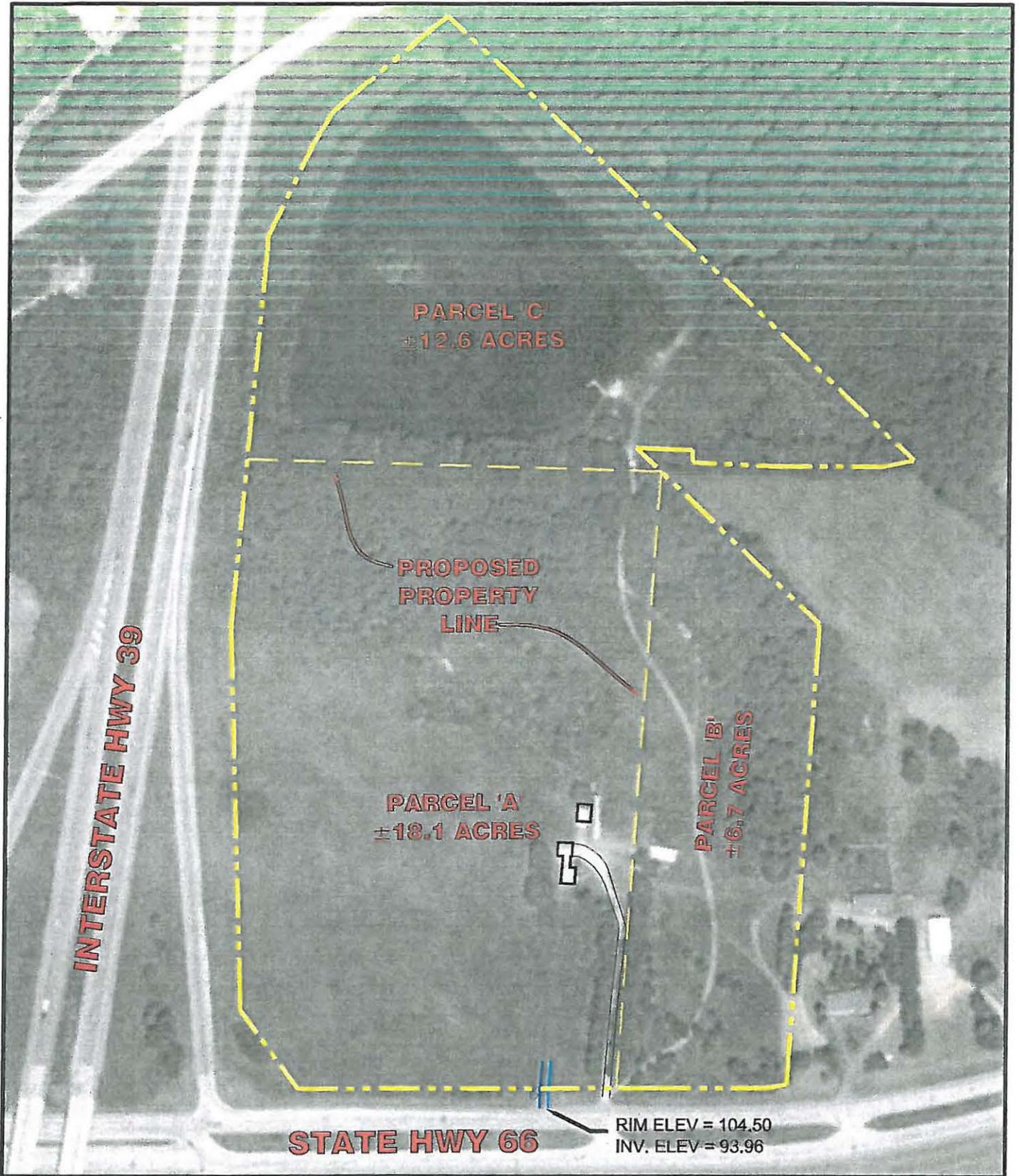
Dated: _____

By: John V. Moe

Name: John V. Moe *James R. Hamilton*

Title: ~~Clerk~~ *Secretary*

Exhibit I



JHR
rettlar corporation

3317 BUSINESS PARK DRIVE • STEVENS POINT, WI 54481
TEL: 715-341-2633 • FAX: 715-341-6431 • EMAIL: info@rettlar.com

LANDSCAPE ARCHITECTURE
ENGINEERING
LAND SURVEYING
SITE CONSTRUCTION MANAGEMENT
SITE MAINTENANCE

SCALE: 1" = 200'-0"

**KLASINSKI PROPERTY
PROPOSED PARCEL MAP**

— 8" SANITARY SEWER
— 8" WATER LINE

ADDENDUM A
TO
VACANT LAND OFFER TO PURCHASE

Seller: Clarence A. Klasinski

Purchaser: Community Development Authority of the City of Stevens Point, a Municipal Corporation

1. Description of Property. The exact legal description for the property to be conveyed shall be as set forth in the title insurance commitment to be provided by Seller prior to closing. The property being sold and purchased shall consist of the property depicted as Lot 1 on the attached draft of a Certified Survey Map ("CSM") consisting of 18.022 acres. The property is located in the City of Stevens Point and Town of Hull, Portage County, Wisconsin. This Offer to Purchase is contingent upon Seller obtaining, at Seller's expense, within twenty (20) days of acceptance of this Offer to Purchase, a CSM of the Property in the form required for recording with the Portage County Register of Deeds Office. The CSM shall: show the boundaries of the Property; contain a proper and complete legal description of the Property and show the total number of acres in the Property; show all dedicated public streets providing access to the Property and locate any areas of restricted access or other relevant access issues; show all existing improvements; locate all recorded and visible easements and rights-of-way; show any encroachments upon the Property and show the Property not to be in any flood plain or hazard area. The CSM shall contain a certification acceptable to the title insurance company proposing to issue title insurance in favor of the Buyer with regard to this transaction.

2. Access Easement. At closing, Seller will retain a perpetual easement for access to and from State Highway 66 over that portion of Lot 1 as described on the attached draft of the CSM. The non-exclusive perpetual easement for ingress and egress shall be for the benefit of Seller's remaining property which is located adjacent to the property being sold and is described as Lot 2 on the attached draft of the CSM. The obligation of Seller to close on this transaction is contingent upon Seller, Buyer and Marshfield Clinic entering into an easement agreement at closing for the benefit of the Seller's remaining property that will incorporate the terms of the perpetual non-exclusive easement for ingress and egress to and from Highway 66. The easement shall require Marshfield Clinic, or its successor or assigns, to construct and maintain the easement, at its own expense.

3. Extension of Water Main and Sewer Main. Purchaser agrees, at Purchaser's cost, to extend the water main and sewer main north east along Highway 66 to the City of Stevens Point boundary line identified on Lot 2 of the attached CSM. The size and diameter of the extended water main and sewer main shall be the same or substantially the same as the existing water main and sewer main.

4. Environmental Indemnification. For purposes of this Section 4, the Marshfield Clinic, a Wisconsin non-profit corporation (the "Marshfield Clinic") shall be treated as the "Buyer" and the indemnification given herein shall inure to the benefit of the Marshfield Clinic. Marshfield Clinic will be purchasing this Property and will be relying on the representations made by Seller in this Section. Notwithstanding any investigation conducted by Buyer, Seller has owned the Property for fourteen (14) years and warrants and represents to the best of his knowledge: (i) that the property is in full compliance with all environmental laws and permits; (ii) there are no claims, disputes, actions or proceedings existing against the Seller or affecting the Property that relate to environmental laws or permits; (iii) there are no hazardous substances on the Property and that no releases of hazardous substances on, at, over or from the Property are occurring or have occurred; and (iv) the Seller is not subject to and is not currently operating under any compliance or consent order, schedule, decree or agreement issued or entered into under any environmental law.

Seller agrees to indemnify and hold Buyer harmless against and from any and all damages, claims, losses, liabilities, costs and expenses, including reasonable attorneys fees, which may be imposed upon, incurred by or asserted against Buyer by any party arising out of, in connection with, or relating to Seller's breach of, or any inaccuracy, in any representations set forth in this Section 4. This indemnification shall survive the closing on the sale of the Property for a period of six (6) years from the date of closing.

END OF ADDENDUM A

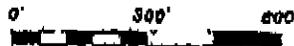
CERTIFIED SURVEY MAP

LEGAL DESCRIPTION

CERTIFIED SURVEY MAP FOR CLARENCE A. KLASINSKI, BEING PART OF THE SW 1/4 OF SECTION 23, TOWNSHIP 24 NORTH, RANGE 8 EAST, CITY OF STEVENS POINT & TOWNSHIP OF HULL, PORTAGE COUNTY, WISCONSIN.

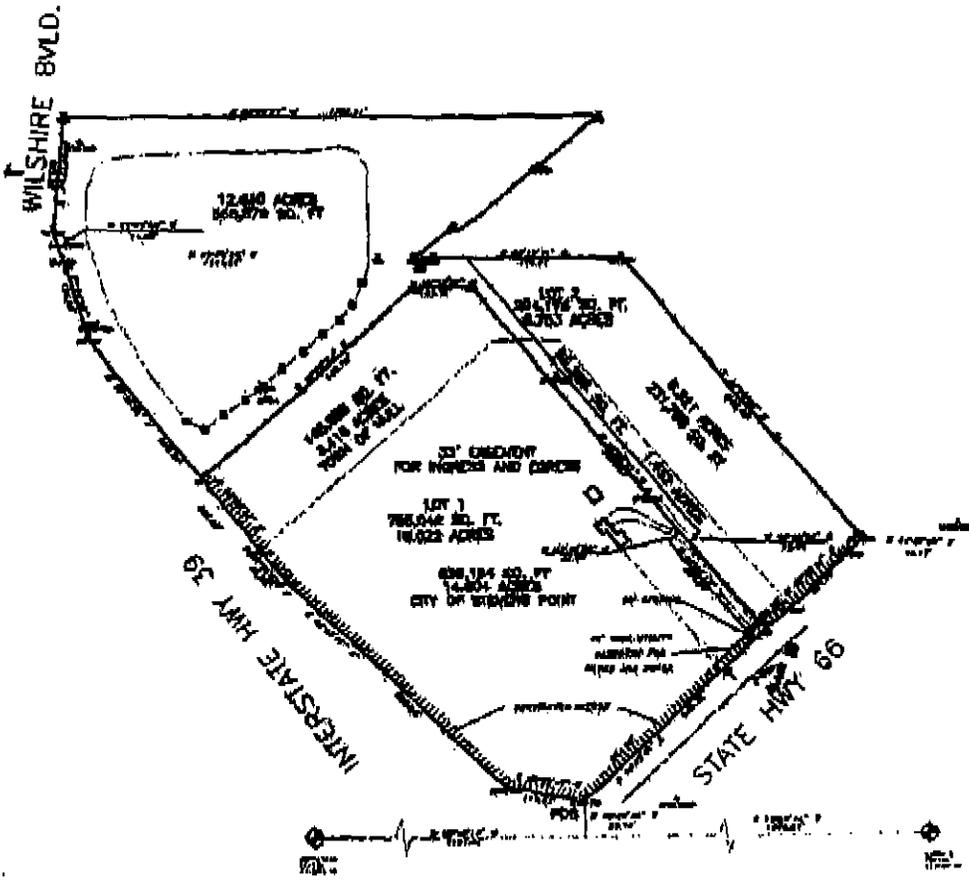
BASE FOR BEARING

IS THE SOUTH LINE OF THE SOUTHWEST QUARTER OF SECTION 22 ASSUMED TO BEAR S 69°00'14" W.



SCALE 1" = 300'

CLARENCE A. KLASINSKI
BY ERNEST WOOSTER
REGISTERED LAND SURVEYOR
NO. 10000



BRETTLER CORPORATION
LAND SURVEY DIVISION
REGISTERED LAND SURVEYOR
ERNEST WOOSTER #1741
715-341-2833

THIS INSTRUMENT WAS DRAFTED BY ERNEST WOOSTER AND DRAWN BY ERNEST WOOSTER

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