

*****ATTACHMENTS*****

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 41-18-19 by Alderpersons Rindfleisch and Bohren. A Resolution to authorize a transfer of appropriations in the 2018 Budget.

REPORT PREPARED BY: Nancy Buss, Finance Director

REPORT DATE: June 20, 2018

MEETING DATE: June 25, 2018

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The Park Department received a contribution from WI Lakeshore Safety County for lakefront water safety items. The transfer will establish the \$500 increase in the General Fund Park Department 2018 budget.

The Police Department received contributions from Lakeshore Lanes and Bemis Manufacturing for the bike rodeo. The transfer will establish the \$200 increase in the General Fund Police Department 2018 budget.

The Common Council approved Res. No. 18-18-19 authorizing the purchase of approximately .82 acres (land and building located on the northern portion of 1211 North 23rd Street) for future use by the City. The transfer will establish the appropriation in the 2018 Capital Project budget.

STAFF COMMENTS:

WI State Statutes requires no funds may be expended and no liabilities incurred by the city or any department unless authorized. The resolution will establish the appropriation in the 2018 budget for the contracts.

ACTION REQUESTED:

Motion to recommend the Common Council approve Res. No. 41-18-19 by Alderpersons Rindfleisch and Bohren authorizing a transfer of appropriations in the 2018 budget.

ATTACHMENTS:

- I. Res. No. 41-18-19.
- II. Res. No. 18-18-19.

III

4.1

Res. No. 41 - 18 - 19. By Alderpersons Rindfleisch and Bohren.
June 18, 2018.

A RESOLUTION to authorize a transfer of appropriations in the 2018 Budget.

RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following transfers of appropriations in the 2018 Budget for the purposes of:

Establish appropriation for contribution from WI Lakeshore Safety County for lakefront water safety:

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
General Fund Contributions 10153000-467101	General Fund Park Department Water Safety 10153000-523410	\$500

Establish appropriation for contributions from Lakeshore Lanes and Bemis Manufacturing to the Police Department bike rodeo:

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
General Fund Contributions 10121100-467101	General Fund Police Department supplies 10121100-530210	\$200

*Finance +
Personnel*

Establish appropriation for purchase of land next to the Police Station:

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
Capital Project Fund Unreserved Fund Balance 400-253000	Capital Project Fund Land 40021100-611100	\$62,453

Ronald Rindfleisch

James A. Boh

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

III

Other Matters

83


Res. No. 18 - 18 - 19. By Alderpersons Rindfleisch and Bohren. May 7, 2018.

A RESOLUTION authorizing the purchase of approximately .83 acres (land and building located on the northern portion of 1211 North 23rd Street) for future use by the City.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the Attachment to Amendment to Offer to Purchase between 2017 Acquisition Group, LLC and Sheboygan County, in form substantially similar to the document attached hereto.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan to purchase the property.

Public Works approve.



I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____, _____, City Clerk

Approved _____ 20____, _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 43-18-19 approving the Second Amendment to Contract for Sale of Land for Private Development By and Between City of Sheboygan, Wisconsin and Eighth Street Sheboygan Housing Corporation.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: June 21, 2018

MEETING DATE: June 25, 2018

FISCAL SUMMARY:

Budget Line Item: \$53,940
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS: Eighth Street Sheboygan Housing Corporation is the owner of the Encore Apartments on the former Boston Store property. The original development agreement required the developer to pay guaranteed property tax payment on the development. The 2015 agreement did not require the developer to have to pay higher property taxes should the assessed value increase.

Recently, the developer approached the City with the proposed amendment which sets a guaranteed minimum real estate property tax of the following:

2018	\$100,000
2019-2023, inclusive	\$170,000
2024-2027, inclusive	\$175,000

The amendment further provides that "Additional Taxes Paid" (amount above the guaranteed minimum real estate property tax shall be disbursed as follows:

- First \$15,000 shall be retained by the City. .
- Any additional taxes paid above the \$15,000 should be paid to Developer within 30 days of receipt.

STAFF COMMENTS: City staff thinks the proposed agreement is a fair compromise to the original development agreement language and minimizes the possibility of any future disputes.

ACTION REQUESTED:

Motion to recommend to the Common Council to approve Res. No. 43-18-19 approving the Second Amendment to Contract for Sale of Land for Private Development By and Between City of Sheboygan, Wisconsin and Eighth Street Sheboygan Housing Corporation.

ATTACHMENTS:

- I. Res. No. 43-18-19

III

Other Matters

7.1

Res. No. 43 - 18 - 19. By Alderpersons Rindfleisch and Bohren.
June 18, 2018.

A RESOLUTION approving the Second Amendment to Contract for Sale of Land for Private Development By and Between City of Sheboygan, Wisconsin and Eighth Street Sheboygan Housing Corporation.

RESOLVED: That the City of Sheboygan hereby approves the Second Amendment to Contract for Sale of Land for Private Development By and Between City of Sheboygan, Wisconsin and Eighth Street Sheboygan Housing Corporation, in form substantially similar to the documents attached hereto and incorporated herein by this reference.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan.

Finance +
Personnel

Ronald Rindfleisch
James A. Biel

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 2018.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

SECOND AMENDMENT TO CONTRACT

THIS SECOND AMENDMENT TO CONTRACT (“Amendment”) amends the Contract for Sale of Land For Private Development between the City of Sheboygan, Wisconsin (“City”) and Eighth Street Sheboygan Housing Corporation (“Contract”). That Contract was originally executed on December 11, 2015. It was amended on March 7, 2016 (“Original First Amendment”). The parties subsequently entered into an Amended and Restated First Amendment, which was executed on June 6, 2016 (“Amended and Restated First Amendment”). This Amendment further amends the Contract, as previously amended. Except as specified herein, the Contract remains unchanged and in full force and effect.

The parties hereto are the parties to the Contract and, for good and valuable consideration, mutually agree to the following amendments to the Contract.

Article IV, Sec. 402 is stricken in its entirety and is replaced by the following:

“SEC. 402. Guaranteed Minimum Real Estate Property Tax Payment.”

- (a) Guarantee. The Developer guarantees payment of a minimum amount of real estate tax to be generated by the Project, the amount of which shall be paid annually, regardless of the assessed value or mill rate. The minimum real estate taxes to be generated by the Project are as follows:

2018	\$100,000
2019-2023, inclusive	\$170,000
2024-2027, inclusive	\$175,000

- (b) Additional Taxes Paid. Because the guaranteed minimum annual payments specified in (a), above, were established to insure an annual flow of funds to TID #16, sufficient to reimburse the City for its contribution, plus interest thereon, as described in Article II, Sec. 204(b)(2), real estate taxes paid annually by Developer in excess of the guaranteed minimum amount shall be deemed to be “Additional Taxes Paid”, and shall be governed by (c) below.

- (c) Additional Developer Incentive Payments. Additional Taxes Paid annually by Developer shall be retained or distributed by City in the following manner:

1. The first \$15,000 of any annual Additional Taxes Paid by Developer shall be retained by City as additional TID #16 funds.

2. Any annual Additional Taxes Paid by Developer in excess of \$15,000 shall be paid to Developer, within thirty (30) days of receipt, as additional Developer Incentive Payments, as described in Article II, Sec. 204(b)(2).

IN WITNESS WHEREOF, the parties have executed this Amendment as of June _____, 2018.

CITY:

CITY OF SHEBOYGAN, WISCONSIN

By: _____
Mike Vandersteen, Mayor

ATTEST:

By: _____
Meredith DeBruin, City Clerk

By: _____
[], City Treasurer

DEVELOPER:

**EIGHTH STREET HOUSING
CORPORATION**

By: _____
Michael L. Morey, President

By: _____
Michael C. Morey, Vice President