

*****ATTACHMENTS*****

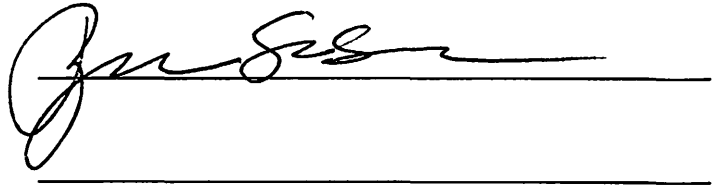
III

A.2

Res. No. 136- 20 - 21. By Alderpersons Sorenson and Donohue.
December 21, 2020.

A RESOLUTION authorizing the appropriate City officials to execute the First Amendment to Agreement Between the City of Sheboygan, Visit Sheboygan, Inc., and Sheboygan Area Room Tax Commission Regarding Reimbursement of Expenditures Made By the City of Sheboygan Related to Blue Harbor Resort and Conference Center.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute the First Amendment to Agreement Between the City of Sheboygan, Visit Sheboygan, Inc., and Sheboygan Area Room Tax Commission Regarding Reimbursement of Expenditures Made By the City of Sheboygan Related to Blue Harbor Resort and Conference Center, a copy of which is attached hereto and incorporated herein.



*Skip and
Sorenson/Dickler
Object to suspension
Donohue
SAYC 3 MAY
Refer to FFP
Sorenson/Donohue*

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

FIRST AMENDMENT TO
AGREEMENT
BETWEEN THE CITY OF SHEBOYGAN, WISCONSIN,
VISIT SHEBOYGAN, INC., AND
SHEBOYGAN AREA ROOM TAX COMMISSION

REGARDING REIMBURSEMENT OF EXPENDITURES MADE BY THE CITY OF
SHEBOYGAN RELATED TO BLUE HARBOR RESORT AND CONFERENCE CENTER

This First Amendment to the Agreement between the City Of Sheboygan, Wisconsin, Visit Sheboygan, Inc., and the Sheboygan Area Room Tax Commission, dated May 28, 2019 and regarding reimbursement of expenditures made by the City of Sheboygan related to Blue Harbor Resort and Conference Center (“Agreement”) is made and entered into effective this ____ day of _____, 20__ (the “Effective Date”), by and between: (1) the City of Sheboygan (the “City”), a municipal corporation, (2) Visit Sheboygan, Inc. (“Visit Sheboygan”), and (3) the Sheboygan Area Room Tax Commission (the “Commission”). Referenced together, the City, Visit Sheboygan, and the Commission are the parties (“Parties”) to this Agreement.

WITNESSETH:

WHEREAS, Visit Sheboygan made the first repayment to the City for debt service payments it made toward the convention center required, as required in section 2 of the Agreement; and,

WHEREAS, economic changes due to the COVID-19 pandemic have and will significantly reduce the amount of room tax receipts directed to Visit Sheboygan, thereby impacting Visit Sheboygan’s ability to make its 2020 and 2021 payments per the Agreement;

NOW THEREFORE, in consideration of mutual covenants and agreements and good and valuable consideration, the delivery and receipt of which is hereby acknowledged by and between Developer and City, the parties do hereby agree to amend the Agreement as follows:

1. Paragraph 2.

Paragraph 2 is hereby amended to read as follows:

“2. Repayment of the Blue Harbor Debt Service.

The Commission instructs Visit Sheboygan to repay the City for the debt service payments it made toward the convention center above and beyond the room tax receipts received from Blue Harbor. This repayment shall be actually received by the City on the following schedule:

December 30, 2019: \$100,000 [paid]
December 29, 2022: \$100,000
December 28, 2023: \$125,000
December 30, 2024: \$125,000

December 30, 2025: \$125,000
December 30, 2026: \$125,000
December 30, 2027: \$49,399

(Collectively the "Reimbursement").

So long as the Reimbursement Payments are made timely, no interest shall be calculated on the Reimbursement.

Visit Sheboygan may, but is not obligated to make any payments to the City regarding the Reimbursement other than as set forth above. If Visit Sheboygan decides to make payments on a faster schedule than that set forth above, there shall be no penalty, but prepayment shall not result in more than a dollar-for-dollar reduction of the total amount of Reimbursement.

IN WITNESS WHEREOF, the Parties have caused this First Amendment to Agreement Regarding Reimbursement of Expenditures Made by the City of Sheboygan Related to Blue Harbor Resort and Conference Center to be executed by their proper officers on the day and year first written above:

CITY OF SHEBOYGAN, WISCONSIN

VISIT SHEBOYGAN, INC.

BY: _____
Michael J. Vandersteen, Mayor

BY: _____
Chad Pelishek, Chairperson

ATTEST: _____
Meredith DeBruin, City Clerk

ATTEST: _____
Amy Wilson, President

DATE: _____

DATE: _____

SHEBOYGAN AREA ROOM TAX COMMISSION

BY: _____
Chad Pelishek, Commission Chairperson

ATTEST: _____
Michael Vandersteen, Commission Vice-Chairperson

DATE: _____

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL CONSIDERATION

ITEM DESCRIPTION: Res. No. 136-20-21 by Alderpersons Sorenson and Donohue authorizing the appropriate City officials to execute the First Amendment to Agreement Between the City of Sheboygan, Visit Sheboygan, Inc., and Sheboygan Area Room Tax Commission Regarding Reimbursement of Expenditures Made by the City of Sheboygan related to Blue Harbor Resort and Conference Center.

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

REPORT DATE: December 23, 2020 **MEETING DATE:** December 28, 2020

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:

In 2019, the three entities entered into contract to requiring Visit Sheboygan to reimburse the approximately \$800,000 in revenues that were advanced by the General Fund to make debt service payments for the conference center. Under the agreement, Visit Sheboygan was to make yearly payments to reimburse the City the advances from the General Fund. Visit Sheboygan made the first payment of \$100,000 in 2019. Due to COVID and the less room taxes collected in 2020 and projected to occur in 2021, Visit Sheboygan has made a request to the City to postpone the 2020 and 2021 payments and thus adding two additional payments at the end of the schedule. Sheboygan Area hotels are projecting no increase in the room rentals and rates in 2021. Should Visit Sheboygan meet their revenue projections for 2021, a payment may be made to the City, however this is all dependent on the pandemic and travel warnings being lifted and leisure travel picking up again.

STAFF COMMENTS:

None

ACTION REQUESTED:

Motion to recommend to the Common Council to approve Res. No. 136-20-21 by Alderpersons Sorenson and Donohue authorizing the appropriate City officials to execute the First Amendment to Agreement Between the City of Sheboygan, Visit Sheboygan, Inc., and Sheboygan Area Room Tax Commission Regarding Reimbursement of Expenditures Made by the City of Sheboygan related to Blue Harbor Resort and Conference Center.

ATTACHMENTS:

- I. Res. No. 136-20-21

III

4.4

Res. No. 138 - 20 - 21. By Alderpersons Donohue and Bohren.
December 21, 2020.

A RESOLUTION to authorize a transfer of appropriations in the 2021 Budget.

WHEREAS, staff has reviewed existing 2021 Budget appropriations and determined the need to re-appropriate funds within the 2021 Budget from the General Fund - Senior Services to the Capital Improvements Fund - Capital Project Fund due to the construction of the new Senior Activity Center facility, 1817 North 8th Street.

WHEREAS, the transfer of appropriations within the 2021 Budget will decrease General Fund Expenditures by \$100,000, and conversely increase the Applied Fund Balance within the General Fund and will allow the City to maintain compliance with the 2021 Expenditure Restraint Program, for payment in 2022.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director be and is hereby authorized and directed to make the following transfers of appropriations in the 2021 Budget for the purpose of the construction of the new Senior Activity Center building in the Capital Project Fund 400.

<u>FROM</u>	<u>TO</u>	<u>AMOUNT</u>
General Fund	Capital Improvement Fund	\$100,000.00
Senior Services	Capital Project Fund	
Contracted Services	Buildings	
10156100-521900	40056100-621100	

FAP

By Lynne Bohren

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. 138-20-21 by Alderpersons Donohue and Bohren authorizing an appropriation in the 2021 Budget.

REPORT PREPARED BY: Carrie Arenz, Assistant to the City Administrator

REPORT DATE: December 13, 2020

MEETING DATE: December 28, 2020

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: General Fund
10156100-521900
Capital Project Fund
40056100-621100

STATUTORY REFERENCE:

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

BACKGROUND / ANALYSIS:

During the creation of the 2021 Adopted Budget, the construction of the new Senior Activity Center facility plan was in its infancy. A clerical error occurred in which \$100,000 was allocated within the General Fund – Senior Services expenditure – Contracted Services account 10156100-521900. At the conclusion of the creation of the 2021 Adopted Budget, the construction of the new building was allocated to Capital Improvements Fund – Capital Project Fund expenditure – Buildings account 40056100-621100. However, the clerical error to move the \$100,000 from the General Fund – Senior Services account 10156100-521900 to Capital Improvements Fund – Capital Project Fund did not occur.

STAFF COMMENTS:

This transfer of funds will help support the new building project. In addition, the transfer of appropriations outlined in Res. No.138-20-21 will decrease General Fund Expenditures by \$100,000, and conversely increase the Applied Fund Balance within the General Fund and maintain compliance of the 2021 Adopted Budget with the 2021 Expenditure Restraint Program.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. 138-20-21 authorizing the transfer of appropriation in the 2021 Budget.

ATTACHMENTS:

- I. Res. 183-20-21