

*****ATTACHMENTS*****

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: RO 55-16-17, Submitting a Vacant Land Offer to Purchase dated June 2, 2016 on behalf of Ray C Ten Pas offering to purchase City-owned property along County Road EE.

REPORT PREPARED BY: Nancy Buss, Finance Director

REPORT DATE: June 21, 2016

MEETING DATE: June 27, 2016

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 parcel is a small parcel of land adjacent to a parcel owned by Ray C Ten Pas. The original offer to purchase was rejected due to price, survey and zoning.

STAFF COMMENTS:

Department of City Development staff met regarding the offer. The staff agrees with the purchase price of \$2,000. The survey will be completed by Mr. TenPas and zoning is no longer an issue on the offer.

ACTION REQUESTED:

Motion to recommend the Common Council approve RO 55-16-17 submitting a vacant land offer to purchase land along County Road EE to Ray C Ten Pas

ATTACHMENTS:

- I. RO 55-16-17
- II. Vacant Land Offer to Purchase

II

4.3

R. O. No. 55 - 16 - 17. By CITY ATTORNEY. June 20, 2016.

Submitting a Vacant Land Offer to Purchase dated June 2, 2016 on behalf of Ray C. Ten Pas offering to purchase City-owned property along County Road EE.

City Attorney

Finance

WB-13 VACANT LAND OFFER TO PURCHASE

ATTORNEY

1 LICENSEE DRAFTING THIS OFFER ON June 2, 2016 [DATE] IS (AGENT OF BUYER)

2 (~~AGENT OF SELLER LISTING BROKER~~) (~~AGENT OF BUYER AND SELLER~~) ~~STRIKE THOSE NOT APPLICABLE~~

3 ~~GENERAL PROVISIONS~~ The Buyer, Ten Pas Land Holdings, LLC

4 _____, offers to purchase the Property

5 known as [Street Address] vacant land along County Road EE (PIN: 59281-470822); see Addendum A for legal description

6 in the City of Sheboygan, County of Sheboygan, Wisconsin (Insert

7 additional description, if any, at lines 458-464 or 528-534 or attach as an addendum per line 525), on the following terms:

8 ■ PURCHASE PRICE: Two Thousand and 00/100

9 _____ Dollars (\$ 2,000.00).

10 ■ EARNEST MONEY of \$ N/A accompanies this Offer and earnest money of \$ N/A

11 will be mailed, or commercially or personally delivered within _____ days of acceptance to listing broker or

12 _____

13 ■ THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise provided below.

14 ■ INCLUDED IN PURCHASE PRICE: Seller is including in the purchase price the Property, all Fixtures on the Property on the

15 date of this Offer not excluded at lines 18-19, and the following additional items: NONE OTHER

16 _____

17 _____

18 ■ NOT INCLUDED IN PURCHASE PRICE: NONE OTHER

19 _____

20 CAUTION: Identify Fixtures that are on the Property (see lines 290-294) to be excluded by Seller or which are rented

21 and will continue to be owned by the lessor.

22 NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are

23 included/excluded. Annual crops are not part of the purchase price unless otherwise agreed.

24 ■ ZONING: Seller represents that the Property is zoned: Suburban Industrial

25 ~~ACCEPTANCE~~ Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical

26 copies of the Offer.

27 CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines

28 running from acceptance provide adequate time for both binding acceptance and performance.

29 ~~BINDING ACCEPTANCE~~ This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on

30 or before 4:00pm, Friday, July 29, 2016. Seller may keep the Property on the

31 market and accept secondary offers after binding acceptance of this Offer.

32 CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.

33 ~~OPTIONAL PROVISIONS~~ TERMS OF THIS OFFER THAT ARE PRECEDED BY AN OPEN BOX () ARE PART OF THIS

34 OFFER ONLY IF THE BOX IS MARKED SUCH AS WITH AN "X." THEY ARE NOT PART OF THIS OFFER IF MARKED "N/A"

35 OR ARE LEFT BLANK.

36 ~~DELIVERY OF DOCUMENTS AND WRITTEN NOTICES~~ Unless otherwise stated in this Offer, delivery of documents and

37 written notices to a Party shall be effective only when accomplished by one of the methods specified at lines 38-56.

38 (1) Personal Delivery: giving the document or written notice personally to the Party, or the Party's recipient for delivery if

39 named at line 40 or 41.

40 Seller's recipient for delivery (optional): City of Sheboygan Attorney Charles C. Adams

41 Buyer's recipient for delivery (optional): Attorney Michael J. Bauer of Hopp Neumann Humke LLP

42 (2) Fax: fax transmission of the document or written notice to the following telephone number:

43 Seller: (820) 459-3919 Buyer: (820) 457-8411

44 (3) Commercial Delivery: depositing the document or written notice fees prepaid or charged to an account with a

45 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery if named at line 40 or 41, for

46 delivery to the Party's delivery address at line 49 or 50.

47 (4) U.S. Mail: depositing the document or written notice postage prepaid in the U.S. Mail, addressed either to the Party,

48 or to the Party's recipient for delivery if named at line 40 or 41, for delivery to the Party's delivery address at line 49 or 50.

49 Delivery address for Seller: 828 Center Avenue, Suite 304, Sheboygan, WI 53081

50 Delivery address for Buyer: W2312 Wilson Lima Road, Oostburg, WI 53070, with a copy to Attorney Michael J. Bauer, *

51 (5) E-Mail: electronically transmitting the document or written notice to the Party's e-mail address, if given below at line

52 55 or 56. If this is a consumer transaction where the property being purchased or the sale proceeds are used primarily for

53 personal, family or household purposes, each consumer providing an e-mail address below has first consented electronically

54 to the use of electronic documents, e-mail delivery and electronic signatures in the transaction, as required by federal law.

55 E-Mail address for Seller (optional): Charles.Adams@sheboyganwi.gov

56 E-Mail address for Buyer (optional): mike.bauer@hopplaw.com

57 ~~PERSONAL DELIVERY/ACTUAL RECEIPT~~ Personal delivery to, or Actual Receipt by, any named Buyer or Seller

58 constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

* Hopp Neumann Humke LLP, 2124 Kohler Memorial Drive, Suite 310, Sheboygan, WI 53081

69 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this
70 Offer at lines 458-484 or 526-534 or in an addendum attached per line 525. At time of Buyer's occupancy, Property shall be
71 free of all debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left
72 with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

63 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no
74 notice or knowledge of Conditions Affecting the Property or Transaction (see lines 163-187 and 246-278) ~~OTHER THAN THOSE~~
75 ~~RECORDED IN THE PUBLIC RECORDS OF THE COUNTY OF SHEBOYGAN, WISCONSIN, WHICH WAS RECEIVED BY BUYER PRIOR TO~~
76 ~~BUYER'S SIGNING THIS OFFER AND OTHER DOCUMENTS PERTAINING TO THIS OFFER BY OR FOR SELLER. COMPLETELY CHECK ONE OF THE BOXES~~

67 ~~NOTE~~ This transaction is exempt from the real estate transfer fee under Wis. Stat. Sec. 77.25 and exempt from the vacant land disclosure report
78 requirements under Wis. Stat. Sec. 709.01.

INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE REPORT

70 **CLOSING** This transaction is to be closed no later than 4:00pm, Wednesday, August 31, 2016
71 at the place selected by Seller, unless otherwise agreed by the Parties in writing.

72 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values:
73 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners association
74 assessments, fuel and NONE OTHER

75 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**
76 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.
77 Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:

- 78 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
79 taxes are defined as general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE
80 APPLIES IF NO BOX IS CHECKED)
- 81 Current assessment times current mill rate (current means as of the date of closing)
- 82 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
83 year, or current year if known, multiplied by current mill rate (current means as of the date of closing)
- 84 There is no tax proration; property is exempt.

85 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be**
86 **substantially different than the amount used for proration especially in transactions involving new construction,**
87 **extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local assessor**
88 **regarding possible tax changes.**

89 Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
90 the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5
91 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
92 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
93 and is the responsibility of the Parties to complete, not the responsibility of the real estate brokers in this transaction.

94 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights
95 under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the
96 (written) (oral) ~~STRIKE ONE~~ lease(s), if any, are The Property is not leased.

97 Insert additional terms, if any, at lines 458-484 or 526-534 or attach as an addendum per line 525.

98 **GOVERNMENT PROGRAMS:** Seller shall deliver to Buyer, within _____ days of acceptance of this Offer, a list of all
99 federal, state, county, and local conservation, farmland, environmental, or other land use programs, agreements, restrictions,
100 or conservation easements, which apply to any part of the Property (e.g., farmland preservation agreements, farmland
101 preservation or exclusive agricultural zoning, use value assessments, Forest Crop, Managed Forest, Conservation Reserve
102 Program, wetland mitigation, shoreland zoning mitigation plan or comparable programs), along with disclosure of any
103 penalties, fees, withdrawal charges, or payback obligations pending, or currently deferred, if any. This contingency will be
104 deemed satisfied unless Buyer delivers to Seller, within seven (7) days of Buyer's Actual Receipt of said list and disclosure, or
105 the deadline for delivery, whichever is earlier, a notice terminating this Offer based upon the use restrictions, program
106 requirements, and/or amount of any penalty, fee, charge, or payback obligation.

107 **CAUTION: If Buyer does not terminate this Offer, Buyer is hereby agreeing that Buyer will continue in such programs,**
108 **as may apply, and Buyer agrees to reimburse Seller should Buyer fail to continue any such program such that Seller**
109 **incurs any costs, penalties, damages, or fees that are imposed because the program is not continued after sale. The**
110 **Parties agree this provision survives closing.**

111 **MANAGED FOREST LAND:** All, or part, of the Property is managed forest land under the Managed Forest Law (MFL).
112 This designation will continue after closing. Buyer is advised as follows: The MFL is a landowner incentive program that
113 encourages sustainable forestry on private woodlands by reducing and deferring property taxes. Orders designating lands as
114 managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the MFL program changes, the
115 new owner must sign and file a report of the change of ownership on a form provided by the Department of Natural Resources
116 and pay a fee. By filing this form, the new owner agrees to the associated MFL management plan and the MFL program rules.
117 The DNR Division of Forestry monitors forest management plan compliance. Changes you make to property that is subject to
118 an order designating it as managed forest land, or to its use, may jeopardize your benefits under the program or may cause
119 the property to be withdrawn from the program and may result in the assessment of penalties. For more information call the
120 local DNR forester or visit <http://www.dnr.state.wi.us>.

121 **FENCES:** Wis. Stat. § 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares
122 where one or both of the properties is used and occupied for farming or grazing purposes.

123 **CAUTION:** Consider an agreement addressing responsibility for fences if Property or adjoining land is used and
124 occupied for farming or grazing purposes.

125 **USE VALUE ASSESSMENTS:** The use value assessment system values agricultural land based on the income that would be
126 generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a
127 non-agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. To obtain more
128 information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's Equalization
129 Section or visit <http://www.revenue.wi.gov/>.

130 **FARMLAND PRESERVATION:** Rezoning a property zoned farmland preservation to another use or the early termination of a
131 farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to
132 3 times the class 1 "use value" of the land. Contact the Wisconsin Department of Agriculture, Trade and Consumer Protection
133 Division of Agricultural Resource Management or visit <http://www.datcp.state.wi.us/> for more information.

134 **CONSERVATION RESERVE PROGRAM (CRP):** The CRP encourages farmers, through contracts with the U.S. Department
135 of Agriculture, to stop growing crops on highly erodible or environmentally sensitive land and instead to plant a protective
136 cover of grass or trees. CRP contracts run for 10 to 15 years, and owners receive an annual rent plus one-half of the cost of
137 establishing permanent ground cover. Removing lands from the CRP in breach of a contract can be quite costly. For more
138 information call the state Farm Service Agency office or visit <http://www.fsa.usda.gov/>.

139 **SHORELAND ZONING ORDINANCES:** All counties must adopt shoreland zoning ordinances that meet or are more
140 restrictive than Wis. Admin. Code Chapter NR 115. County shoreland zoning ordinances apply to all unincorporated land
141 within 1,000 feet of a navigable lake, pond or flowage or within 300 feet of a navigable river or stream and establish minimum
142 standards for building setbacks and height limits, cutting trees and shrubs, lot sizes, water runoff, impervious surface
143 standards (that may be exceeded only if a mitigation plan is adopted) and repairs to nonconforming structures. Buyers must
144 conform to any existing mitigation plans. For more information call the county zoning office or visit <http://www.dnr.state.wi.us/>.
145 Buyer is advised to check with the applicable city, town or village for additional shoreland zoning restrictions, if any.

146 **BUYER'S PRE-CLOSING WALK-THROUGH:** Within 3 days prior to closing, at a reasonable time pre-approved by Seller or
147 Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no significant change
148 in the condition of the Property, except for ordinary wear and tear and changes approved by Buyer, and that any defects
149 Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

150 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING:** Seller shall maintain the Property until the earlier of
151 closing or occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary
152 wear and tear. If, prior to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price,
153 Seller shall be obligated to repair the Property and restore it to the same condition that it was on the day of this Offer. No later
154 than closing, Seller shall provide Buyer with lien waivers for all lienable repairs and restoration. If the damage shall exceed
155 such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer.
156 Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any,
157 relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on
158 such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall
159 be held in trust for the sole purpose of restoring the Property.

160 **DEFINITIONS**

161 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document or
162 written notice physically in the Party's possession, regardless of the method of delivery.

163 ■ **CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION:** "Conditions Affecting the Property or Transaction" are
164 defined to include:

- 165 a. Proposed, planned or commenced public improvements or public construction projects which may result in special
166 assessments or otherwise materially affect the Property or the present use of the Property.
- 167 b. Government agency or court order requiring repair, alteration or correction of any existing condition.
- 168 c. Land division or subdivision for which required state or local approvals were not obtained.
- 169 d. A portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal regulations.
- 170 e. A portion of the Property being subject to, or in violation of, a farmland preservation agreement or in a certified farmland
171 preservation zoning district (see lines 130-133), or enrolled in, or in violation of, a Forest Crop, Managed Forest (see lines
172 111-120), Conservation Reserve (see lines 134-138), or comparable program.
- 173 f. Boundary or lot disputes, encroachments or encumbrances, a joint driveway or violation of fence laws (Wis. Stat. ch. 90)
174 (where one or both of the properties is used and occupied for farming or grazing).
- 175 g. Material violations of environmental rules or other rules or agreements regulating the use of the Property.
- 176 h. Conditions constituting a significant health risk or safety hazard for occupants of the Property.
- 177 i. Underground storage tanks presently or previously on the Property for storage of flammable or combustible liquids,
178 including, but not limited to, gasoline and heating oil.
- 179 j. A Defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, pesticides, herbicides,
180 fertilizer, radon, radium in water supplies, lead or arsenic in soil, or other potentially hazardous or toxic substances on the
181 premises.
- 182 k. Production of methamphetamine (meth) or other hazardous or toxic substances on the Property.
- 183 l. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the
184 Property.
- 185 m. Defects in any well, including unsafe well water due to contaminants such as coliform, nitrates and atrazine, and out-of-
186 service wells and cisterns required to be abandoned (Wis. Admin. Code § NR 812.26) but that are not closed/abandoned
187 according to applicable regulations.

188 (Definitions Continued on page 5)

189

IF LINE 190 IS NOT MARKED OR IS MARKED N/A, LINES 230-236 APPLY.

190

FINANCING CONTINGENCY: This Offer is contingent upon Buyer being able to obtain a written _____
[INSERT LOAN PROGRAM OR SOURCE] first mortgage

191

loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an
amount of not less than \$ _____ for a term of not less than _____ years, amortized over not less than _____ years.

192

Initial monthly payments of principal and interest shall not exceed \$ _____. Monthly payments may

193

also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance

194

premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination

195

fee in an amount not to exceed _____ % of the loan. If the purchase price under this Offer is modified, the financed amount,

196

unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the

197

monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

198

CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 201 or 202.

200

FIXED RATE FINANCING: The annual rate of interest shall not exceed _____ %.

201

ADJUSTABLE RATE FINANCING: The initial annual interest rate shall not exceed _____ %. The initial interest

202

rate shall be fixed for _____ months, at which time the interest rate may be increased not more than _____ % per

203

year. The maximum interest rate during the mortgage term shall not exceed _____ %. Monthly payments of principal

204

and interest may be adjusted to reflect interest changes.

205

If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines 458-464 or

206

526-534 or in an addendum attached per line 525.

207

■ **BUYER'S LOAN COMMITMENT:** Buyer agrees to pay all customary loan and closing costs, to promptly apply for a

208

mortgage loan, and to provide evidence of application promptly upon request of Seller. If Buyer qualifies for the loan described

209

in this Offer or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no

210

later than the deadline at line 192. Buyer and Seller agree that delivery of a copy of any written loan commitment to

211

Seller (even if subject to conditions) shall satisfy the Buyer's financing contingency if, after review of the loan

212

commitment, Buyer has directed, in writing, delivery of the loan commitment. Buyer's written direction shall

213

accompany the loan commitment. Delivery shall not satisfy this contingency if accompanied by a notice of

214

unacceptability.

215

CAUTION: The delivered commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide

216

the loan. **BUYER, BUYER'S LENDER AND AGENTS OF BUYER OR SELLER SHALL NOT DELIVER A LOAN**

217

COMMITMENT TO SELLER OR SELLER'S AGENT WITHOUT BUYER'S PRIOR WRITTEN APPROVAL OR UNLESS

218

ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.

219

■ **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this

220

Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written loan

221

commitment.

222

■ **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already

223

delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of

224

same including copies of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is

DEFINITIONS CONTINUED FROM PAGE 3

- 246 n. Defects in any septic system or other sanitary disposal system on the Property or out-of-service septic systems not
247 closed/abandoned according to applicable regulations.
- 248 o. Subsoil conditions which would significantly increase the cost of development including, but not limited to, subsurface
249 foundations or waste material; organic or non-organic fill; dumpsites where pesticides, herbicides, fertilizer or other toxic
250 or hazardous materials or containers for these materials were disposed of in violation of manufacturer's or government
251 guidelines or other laws regulating said disposal; high groundwater; adverse soil conditions (e.g. low load bearing
252 capacity, earth or soil movement, slides) or excessive rocks or rock formations.
- 253 p. Brownfields (abandoned, idled or under-used land which may be subject to environmental contamination) or other
254 contaminated land, or soils contamination remediated under PECFA, the Department of Natural Resources (DNR)
255 Remediation and Redevelopment Program, the Agricultural Chemical Cleanup Program or other similar program.
- 256 q. Lack of legal vehicular access to the Property from public roads.
- 257 r. Homeowners' associations, common areas shared or co-owned with others, zoning violations or nonconforming uses,
258 conservation easements, restrictive covenants, rights-of-way, easements, easement maintenance agreements, or use of
259 a part of Property by non-owners, other than recorded utility easements.
- 260 s. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority to
261 impose assessments against the real property located within the district.
- 262 t. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.
- 263 u. Property tax increases, other than normal annual increases; completed or pending property tax reassessment of the
264 Property, or proposed or pending special assessments.
- 265 v. Burial sites, archeological artifacts, mineral rights, orchards or endangered species.
- 266 w. Flooding, standing water, drainage problems or other water problems on or affecting the Property.
- 267 x. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.
- 268 y. Significant odor, noise, water intrusion or other irritants emanating from neighboring property.
- 269 z. Substantial crop damage from disease, insects, soil contamination, wildlife or other causes; diseased trees; or substantial
270 injuries or disease in livestock on the Property or neighboring properties.
- 271 aa. Existing or abandoned manure storage facilities on the Property.
- 272 bb. Impact fees, or other conditions or occurrences that would significantly increase development costs or reduce the value of
273 the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.
- 274 cc. The Property is subject to a mitigation plan required by DNR rules related to county shoreland zoning ordinances that
275 obligates the owner to establish or maintain certain measures related to shoreland conditions, enforceable by the county
276 (see lines 139-145).
- 277 dd. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion
278 charge or the payment of a use-value conversion charge has been deferred.
- 279 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by excluding
280 the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day.
281 Deadlines expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under
282 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive
283 registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours" from the
284 occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours
285 per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as
286 closing, expire at midnight of that day.
- 287 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would
288 significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would
289 significantly shorten or adversely affect the expected normal life of the premises.
- 290 ■ **FIXTURE:** A "Fixture" is an item of property which is physically attached to or so closely associated with land so as to be
291 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage
292 to the premises, items specifically adapted to the premises, and items customarily treated as fixtures, including, but not limited
293 to, all: perennial crops; garden bulbs; plants; shrubs and trees and fences; storage buildings on permanent foundations and
294 docks/piers on permanent foundations.
- 295 **CAUTION:** Exclude any Fixtures to be retained by Seller or which are rented on lines 18-19.
- 296 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-7.
- 297 **PROPERTY DEVELOPMENT WARNING:** If Buyer contemplates developing Property for a use other than the current use,
298 there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and
299 zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or
300 uses and therefore should be reviewed. Building permits, zoning variances, Architectural Control Committee approvals,
301 estimates for utility hook-up expenses, special assessments, changes for installation of roads or utilities, environmental audits,
302 subsoil tests, or other development related fees may need to be obtained or verified in order to determine the feasibility of
303 development of, or a particular use for, a property. Optional contingencies which allow Buyer to investigate certain of these
304 issues can be found at lines 306-350 and Buyer may add contingencies as needed in addenda (see line 525). Buyer should
305 review any plans for development or use changes to determine what issues should be addressed in these contingencies.

308 **PROPOSED USE CONTINGENCIES:** Buyer is purchasing the Property for the purpose of: to provide direct ingress and
 307 egress to Weeden Creek Road for Buyer's adjacent parcel

308

309 [Insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. The optional
 310 provisions checked on lines 314-345 shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers
 311 written notice to Seller specifying those items which cannot be satisfied and written evidence substantiating why each specific
 312 item included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller
 313 agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines 314-350.

314 **ZONING CLASSIFICATION CONFIRMATION:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's)
 315 **STRIKE ONE** ("Buyer's" if neither is stricken) expense, verification that the Property is zoned _____
 316 _____ and that the Property's zoning allows the Buyer's proposed use described at lines 306-308.

317 **SUBSOILS:** This offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither
 318 is stricken) expense, written evidence from a qualified soils expert that the Property is free of any subsoil condition which
 319 would make the proposed use described at lines 306-308 impossible or significantly increase the costs of such
 320 development.

321 **PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY:** This Offer is contingent
 322 upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither is stricken) expense, written evidence from
 323 a certified soils tester that (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must
 324 be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of the
 325 Property as stated on lines 306-308. The POWTS (septic system) allowed by the written evidence must be one of
 326 the following POWTS that is approved by the State for use with the type of property identified at lines 306-308 **CHECK**
 327 **ALL THAT APPLY:** conventional in-ground; mound; at grade; in-ground pressure distribution; holding tank;
 328 other.

329 **EASEMENTS AND RESTRICTIONS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE**
 330 **ONE** ("Buyer's" if neither is stricken) expense, copies of all public and private easements, covenants and restrictions
 331 affecting the Property and a written determination by a qualified independent third party that none of these prohibit or
 332 significantly delay or increase the costs of the proposed use or development identified at lines 306-308.

333 **APPROVALS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if
 334 neither is stricken) expense, permits, approvals and licenses, as appropriate, or the final discretionary action by the
 335 granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's
 336 proposed use: _____

337

338 **UTILITIES:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither
 339 is stricken) expense, written verification of the following utility connections at the listed locations (e.g., on the Property, at
 340 the lot line, across the street, etc.) **CHECK AND COMPLETE AS APPLICABLE:** electricity _____;
 341 gas _____; sewer _____; water _____;
 342 telephone _____; cable _____; other _____

343 **ACCESS TO PROPERTY:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE**
 344 ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from public
 345 roads.

346 **LAND USE APPROVAL:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if
 347 neither is stricken) expense, a rezoning; conditional use permit; license; variance; building permit;
 348 occupancy permit; other _____ **CHECK ALL THAT APPLY**, and delivering
 349 written notice to Seller if the item cannot be obtained, all within _____ days of acceptance for the Property for its proposed
 350 use described at lines 306-308.

351 **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) **STRIKE ONE** ("Seller
 352 providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared by a
 353 registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) **STRIKE ONE** ("Seller's" if neither is stricken)
 354 expense. The map shall show minimum of _____ acres, maximum of _____ acres, the legal description of the
 355 Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements,
 356 if any, and:

357 **[STRIKE AND COMPLETE AS APPLICABLE]** Additional map features which may be added include, but are not limited to:
 358 staking of all corners of the Property; identifying dedicated and apparent streets; lot dimensions; total acreage or square
 359 footage; easements or rights-of-way. **CAUTION:** Consider the cost and the need for map features before selecting them.
 360 Also consider the time required to obtain the map when setting the deadline. This contingency shall be deemed satisfied
 361 unless Buyer, within five days of the earlier of: (1) Buyer's receipt of the map; or (2) the deadline for delivery of said map,
 362 delivers to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information
 363 materially inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency.

364 Upon delivery of Buyer's notice, this Offer shall be null and void.

365 **PROPERTY DIMENSIONS AND SURVEYS:** Buyer acknowledges that any land dimensions, total square footage, acreage
366 figures, or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of
367 rounding, formulas used or other reasons, unless verified by survey or other means.

368 **CAUTION:** Buyer should verify land dimensions, total square footage/acreage figures and allocation of acreage
369 information if material to Buyer's decision to purchase.

370 **EARNEST MONEY**

371 ■ **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker
372 (Buyer's agent if Property is not listed or Seller's account if no broker is involved), until applied to the purchase price or
373 otherwise disbursed as provided in the Offer.

374 **CAUTION:** Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the
375 Parties or an attorney. If someone other than Buyer makes payment of earnest money, consider a special
376 disbursement agreement.

377 ■ **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after
378 clearance from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money.
379 At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest
380 money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer. If said
381 disbursement agreement has not been delivered to broker within 60 days after the date set for closing, broker may disburse
382 the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
383 (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; or (4)
384 any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an
385 interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to
386 exceed \$250, prior to disbursement.

387 ■ **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in
388 relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to
389 disbursement per (1) or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or
390 Seller disagree with broker's proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement.
391 Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with 1-4
392 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their
393 legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good faith
394 disbursement of earnest money in accordance with this Offer or applicable Department of Regulation and Licensing
395 regulations concerning earnest money. See Wis. Admin. Code Ch. RL 18.

396 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of the
397 Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as
398 defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession data to multiple
399 listing service sold databases; and (iii) provide active listing, pending sale, closed sale and financing concession information
400 and data, and related information regarding seller contributions, incentives or assistance, and third party gifts, to appraisers
401 researching comparable sales, market conditions and listings, upon inquiry.

402 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
403 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
404 <http://www.widocoffenders.org> or by telephone at (608) 240-5830.

465 **DEFAULT** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and
466 conditions of this Offer. A material failure to perform any obligation under this Offer is a default which may subject the
467 defaulting party to liability for damages or other legal remedies.

468 If **Buyer defaults**, Seller may:

469 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
470 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for
471 actual damages.

472 If **Seller defaults**, Buyer may:

473 (1) sue for specific performance; or
474 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

475 In addition, the Parties may seek any other remedies available in law or equity.

476 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the
477 discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution
478 instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of
479 law those disputes covered by the arbitration agreement.

480 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD**
481 **READ THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS**
482 **OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL**
483 **RIGHTS. UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE**
484 **CONSULTED IF LEGAL ADVICE IS NEEDED.**

485 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller
486 regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and
487 inures to the benefit of the Parties to this Offer and their successors in interest.

488 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a part of
489 this Offer. An "inspection" is defined as an observation of the Property which does not include an appraisal or testing of the
490 Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel source,
491 which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or building
492 materials from the Property and the laboratory or other analysis of these materials. Seller agrees to allow Buyer's inspectors,
493 testers and appraisers reasonable access to the Property upon advance notice, if necessary to satisfy the contingencies in
494 this Offer. Buyer and licensees may be present at all inspections and testing. Except as otherwise provided, Seller's
495 authorization for inspections does not authorize Buyer to conduct testing of the Property.

496 **NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the**
497 **test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other**
498 **material terms of the contingency.**

499 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed
500 unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to Seller.
501 Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported
502 to the Wisconsin Department of Natural Resources.

503 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 488-502). This Offer
504 is contingent upon a qualified independent inspector(s) conducting an inspection(s), of the Property which discloses no
505 Defects. This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing
506 an inspection of _____

507 (list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.) which discloses no Defects. Buyer shall order the
508 inspection(s) and be responsible for all costs of inspection(s). Buyer may have follow-up inspections recommended in a
509 written report resulting from an authorized inspection performed provided they occur prior to the deadline specified at line 513.
510 Inspection(s) shall be performed by a qualified independent inspector or independent qualified third party.

511 **CAUTION:** Buyer should provide sufficient time for the primary inspection and/or any specialized inspection(s), as
512 well as any follow-up inspection(s).

513 This contingency shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers to Seller a copy of the written
514 inspection report(s) and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

515 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

516 For the purposes of this contingency, Defects (see lines 287-289) do not include conditions the nature and extent of which the
517 Buyer had actual knowledge or written notice before signing this Offer.

518 **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have a right to cure the Defects. If
519 Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of
520 Buyer's delivery of the Notice of Defects stating Seller's election to cure Defects; (2) curing the Defects in a good and
521 workmanlike manner; and (3) delivering to Buyer a written report detailing the work done within 3 days prior to closing. This
522 Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and: (1)
523 Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written notice that Seller will not cure
524 or (b) Seller does not timely deliver the written notice of election to cure.

525 **ADDENDA:** The attached Addendum A _____ is/are made part of this Offer.

526 **ADDITIONAL PROVISIONS/CONTINGENCIES**
527 _____
528 _____
529 _____
530 _____
531 _____
532 _____
533 _____
534 _____

535 This Offer was drafted by [Licensee and Firm] Attorney Michael J. Bauer of Hopp Neumann Humke LLP

536 _____ on June 2, 2016

537 (x) Ray Ten Pas Ray Ten Pas 6-9-16
538 Buyer's Signature ▲ Print Name Here ► By: Ray Ten Pas, Member Date ▲

539 (x) Genevieve Ten Pas Genevieve Ten Pas 6-9-16
540 Buyer's Signature ▲ Print Name Here ► By: Genevieve Ten Pas, Member Date ▲

541 **EARNEST MONEY RECEIPT** Broker acknowledges receipt of earnest money as per line 10 of the above Offer.

542 _____ Broker (by) _____

543 **SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER**
544 **SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON**
545 **THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.**
CITY OF SHEBOYGAN

546 (x) _____
547 Seller's Signature ▲ Print Name Here ► By: _____ Date ▲

548 (x) _____
549 Seller's Signature ▲ Print Name Here ► _____ Date ▲

550 This Offer was presented to Seller by [Licensee and Firm] _____

551 _____ on _____ at _____ a.m./p.m.

552 This Offer is rejected _____ This Offer is countered [See attached counter] _____
553 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

ADDENDUM A
to Vacant Land Offer to Purchase
(City of Sheboygan / Ten Pas Land Holdings, LLC)

1. ***Legal Description of Property.*** Part of the Southwest Quarter (SW1/4) of the Southwest Quarter (SW1/4) of Section 4, Town 14 North, Range 23 East in the City of Sheboygan, Sheboygan County, Wisconsin, described as commencing at the Southwest corner of Lot 7A of the Certified Survey Map recorded in Volume 13 of Certified Survey Maps on Pages 51-52 as Document Number 1445950, said point being in the North right of way line of Weeden Creek Road (formerly CTH "EE"); thence S89°31'50"W 100 (100.16 on said CSM) feet along said North right of way line to a point in the East right of way line of Interstate Highway "43"; thence N03°39'54"W, 56.19 feet along said East right of way line to a point in the South line of Tract 2 of the Certified Survey Map recorded in Volume 7 of Certified Survey Maps on Page 108 as Document Number 1112684; thence N89°40'49"E (S88°46'57"E on said CSM) 100.01 feet to a point in the West line of said Lot 7A; thence S03°39'48"E (S03°39'54"E on the Certified Survey Map recorded in Volume 13 of Certified Survey Maps on Pages 51-52 as Document Number 1445950) 55.93 feet to the point of beginning.

Tax Parcel Number 59281-470622

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CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Gen Ord. XX-16-17 authorizing a required property record maintenance fee

REPORT PREPARED BY: Nancy Buss, Finance Director

REPORT DATE: June 21, 2016

MEETING DATE: June 27, 2016

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:

Certain municipalities in Southeastern Wisconsin have adopted an ordinance designed to offset the costs of record maintenance for municipal property assessment contracts. The City of Sheboygan currently contracts with Grota Appraisals for assessment services. The 2016 fee for assessment services is \$228,500. In addition, the City is required to perform a City wide revaluation of properties to achieve uniform and equitable assessments and compliance with 70.05 Wis. Statutes. Grota Appraisal's 2016-2018 estimate of services for a City wide revaluation is \$280,000.

STAFF COMMENTS:

Implementation of a property record maintenance fee would partially cover the cost of the property revaluation contract. The estimated annual fee on new construction and renovation projects would be \$46,200. Fees will be accumulated until needed for the contract.

ACTION REQUESTED:

Motion to recommend the Common Council approve the required property record maintenance fee effective September 1, 2016.

ATTACHMENTS:

- I. Gen Ord XX-16-17
- II. Definitions
- III. Schedule of Fees

Ord. No. 16 - 17.

By Alderperson Wolf. July 5, 2016.

A ORDINANCE authorizing a required property record maintenance fee.

WHEREAS: Wisconsin Statute 70.32 (1) requires that all properties that are issued building permits within the City are field reviewed, described, and valued by "actual view"; and

WHEREAS: each building permit requires assessment personnel to initially process existing records or create new records, physically review onsite, the purpose of each building permit to document all property description additions and/or alterations, and process the information gathered in the field to determine an assessed value; and

WHEREAS: the City desires to implement a required property record maintenance fee;

WHEREAS: each person receiving an approved building permit from the City of Sheboygan in which said permit requires the City Assessor to physically view onsite any descriptive property change in an effort to maintain the property record shall pay a property maintenance fee in accord with the attached schedule of fees.

NOW, THEREFORE, BE IT RESOLVED: That the Building Inspection Department will include the property maintenance fee as building permits are issued effective September 1, 2016 and the funds accumulated for future City wide revaluations.

Definitions: For the purpose of the required property record maintenance fee, the following terms and words shall be interpreted as having the following meanings:

- A. Residential means used by occupants as a home, abode, domicile, or dwelling that has housekeeping and cooking facilities for the occupant only. A residential property may have multiple dwelling units.
- B. Dwelling unit means a single unit providing complete, independent living facilities for one or more persons, including permanent provisions for living, sleeping, cooking, and sanitation.
- C. Residential Condominium means a multiple dwelling or development containing individually owned dwelling units and jointly owned and shared areas and facilities.
- D. Multi-Family Residential Building means a single building or structure containing more than one dwelling unit under single ownership and in which the owner rents or leases the right to occupy any of the dwelling units to a tenant.
- E. Commercial or Industrial Building means a building or structure that houses a business or industrial use, enterprise, or activity at a greater scale than home occupation or involving the manufacturing of, distribution of, retail or wholesale marketing of, goods or services.

Property Record Maintenance Fee

Schedule of Fees

Residential:

Residential (one and two family)

New	\$ 290.00
Residential additions	\$ 90.00
Residential alterations	\$ 15.00
Accessory structures	\$ 15.00
Swimming pools, decks, fireplaces, other	\$ 15.00
Demolition	\$ 15.00

Condominiums: (three or more units)

New - first three units	\$ 450.00
each additional unit	\$ 85.00
Residential additions per unit	\$ 90.00
Residential alterations per unit	\$ 35.00
Accessory structures	\$ 35.00
Swimming pools, fireplace	\$ 15.00
Other	\$ 35.00
Demolition	\$ 15.00

Multi-Family: (three or more units)

New - first three units	\$ 525.00
each additional unit	\$ 85.00
Residential additions per unit	\$ 90.00
Residential alterations per unit	\$ 15.00
Accessory structures	\$ 35.00
Swimming pools, fireplaces	\$ 15.00
Other	\$ 35.00
Demolition	\$ 15.00

Commercial/Industrial

New - Base fee (up to 5,000 sf,	\$ 580.00
gross over 5,000 sf, gross - Max \$5,000)	\$ 0.06
Additions - Base fee (up to 2,500 sf,	\$ 290.00
gross over 2,500 sf, gross - Max \$2,500)	\$ 0.03
Alterations	\$ 175.00
Accessory structures	\$ 60.00
Swimming Pools, Fireplaces	\$ 25.00
Other	\$ 35.00
Demolition	\$ 15.00

Exceptions: Permits for the replacement of siding, roofing, hvac, electrical and plumbing

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2017 – 2021 Capital Improvement Request – City wide revaluation

REPORT PREPARED BY: Nancy Buss, Finance Director

REPORT DATE: June 21, 2016

MEETING DATE: June 27, 2016

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 City of Sheboygan may be required to/or choose to perform a City wide revaluation of properties to achieve uniform and equitable assessments and compliance with 70.05 Wis. Statutes. A revaluation was completed by City staff in 2014 as the City's 2013 property values were no longer within the 10% of fair market value as directed by the WI Dept of Revenue. The assessment ratio was 1.1067 in 2013; .9691 in 2014; and .9956 in 2015. Grotta Appraisals estimated the 2016 assessment ratio to be .99.

STAFF COMMENTS:

The estimate received from Grotta Appraisal's for a City wide revaluation is \$280,000.

On a related matter, it is recommended to implement a property record maintenance fee to partially cover the cost of the property valuation contract. The estimated annual fee on new construction and renovation projects would be \$46,200. Fees will be accumulated until needed for the contract.

ACTION REQUESTED:

Motion for the Finance Committee to recommend the Capital Improvement Commission approve the 2017 – 2021 Capital Improvement Request for City wide revaluation.

ATTACHMENTS:

- I. Capital Plan Summary Spreadsheet

		<u>2017</u> <u>Requested</u>	<u>2018</u> <u>Requested</u>	<u>2019</u> <u>Requested</u>	<u>2020</u> <u>Requested</u>	<u>2021</u> <u>Requested</u>	<u>Total</u> <u>Requested</u>
<u>REVENUES</u>							
Property Tax Levy:							
General Projects	(1)	\$0	\$0	\$0	\$0	\$0	\$0
Street Improvement Fund / Sidewalks	(2)	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Fund	(3)	\$0	\$0	\$0	\$0	\$0	\$0
Fire Equipment Fund	(4)	\$0	\$0	\$0	\$0	\$0	\$0
Park and Open Space Fund	(5)	\$0	\$0	\$0	\$0	\$0	\$0
Impact Fees	(6)	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle Sales	(7)	\$0	\$0	\$0	\$0	\$0	\$0
State / Federal Grants	(8)	\$0	\$0	\$0	\$0	\$0	\$0
Other Municipality Contributions	(9)	\$0	\$0	\$0	\$0	\$0	\$0
G. O. Borrowed Funds	(10)	\$0	\$0	\$0	\$0	\$0	\$0
Other Borrowed Funds (TIF)	(11)	\$0	\$0	\$0	\$0	\$0	\$0
Donations	(12)	\$0	\$0	\$0	\$0	\$0	\$0
User Fees	(13)	\$0	\$0	\$60,000	\$60,000	\$60,000	\$180,000
Special Assessment	(14)	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	(15)	\$0	\$0	\$0	\$0	\$0	\$0
Other	(16)	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance	(17)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE		<u>\$0</u>	<u>\$0</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$180,000</u>
<u>EXPENDITURES</u>							
Finance							
City Wide Revaluation				13 \$60,000	13 \$60,000	13 \$60,000	\$180,000
Total - Finance		<u>\$0</u>	<u>\$0</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$60,000</u>	<u>\$180,000</u>

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2017-2021 Capital Improvement Request – Senior Activity Center Roof

REPORT PREPARED BY: Wendy Schmitz, Senior Activity Center Director

REPORT DATE: June 21, 2016

MEETING DATE: June 27, 2016

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 City of Sheboygan Senior Activity Center has occupied the current location for 20 years. The building was constructed in 1969. The roof was not replaced since the City assumed ownership.

STAFF COMMENTS:

The Department of Public Works has entered into a contract to develop a roof/exterior building maintenance program for several facilities, including the Senior Activity Center. The Capital Improvement request is made regarding a potential need.

ACTION REQUESTED:

Motion for the Finance Committee to recommend the Capital Improvement Commission approve the 2017 – 2021 Capital Improvement Request for a Senior Activity Center roof dependent on the recommendation from the consultant.

ATTACHMENTS:

- I. Capital Plan Summary Spreadsheet

		<u>2017</u> <u>Requested</u>	<u>2018</u> <u>Requested</u>	<u>2019</u> <u>Requested</u>	<u>2020</u> <u>Requested</u>	<u>2021</u> <u>Requested</u>	<u>Total</u> <u>Requested</u>
<u>REVENUES</u>							
Property Tax Levy:							
General Projects	(1)	\$0	\$0	\$0	\$0	\$0	\$0
Street Improvement Fund / Sidewalks	(2)	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Fund	(3)	\$0	\$0	\$0	\$0	\$0	\$0
Fire Equipment Fund	(4)	\$0	\$0	\$0	\$0	\$0	\$0
Park and Open Space Fund	(5)	\$0	\$0	\$0	\$0	\$0	\$0
Impact Fees	(6)	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle Sales	(7)	\$0	\$0	\$0	\$0	\$0	\$0
State / Federal Grants	(8)	\$0	\$0	\$0	\$0	\$0	\$0
Other Municipality Contributions	(9)	\$0	\$0	\$0	\$0	\$0	\$0
G. O. Borrowed Funds	(10)	\$53,250	\$0	\$0	\$0	\$0	\$53,250
Other Borrowed Funds (TIF)	(11)	\$0	\$0	\$0	\$0	\$0	\$0
Donations	(12)	\$0	\$0	\$0	\$0	\$0	\$0
User Fees	(13)	\$0	\$0	\$0	\$0	\$0	\$0
Special Assessment	(14)	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	(15)	\$0	\$0	\$0	\$0	\$0	\$0
Other	(16)	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance	(17)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE		<u>\$53,250</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$53,250</u>
<u>EXPENDITURES</u>							
City Buildings							
Senior Center Roof Replacement	10	\$53,250					\$53,250
Total Senior Center		<u>\$53,250</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$53,250</u>

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2017 – 2021 Capital Improvement Plan Request – WSCS Cable TV

REPORT PREPARED BY: David Augustin, Information Technology Director

REPORT DATE: June 22, 2016

MEETING DATE: June 27, 2016

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: \$90,480
Budgeted Revenue: \$90,480

STATUTORY REFERENCE:

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

BACKGROUND / ANALYSIS:

The proposed five year capital plan regarding equipment replacements/upgrades for WSCS Cable TV is as follows by year and priority:

2017 – Mobile Equipment Upgrade (Bus)	\$36,480
2018 – Studio Lighting Replacement	\$54,000

WSCS has a mobile vehicle (bus) used to cover events (taped or live) where more than a single camera is needed. It is used to cover sports events, parades, and was used to cover live the five hour event in Green Bay: Heroin in Wisconsin. This equipment upgrade will allow for additional capabilities (as in the studio equipment upgrade) like interfacing with scoreboards at sports events, instant replays, features for embedding graphics and videos. Also included in this request is a fiber connection kit for the 3rd camera in the bus.

The existing lighting in the WSCS studio is from the 1980s. Bulbs burn out quite often. Lighting configurations require to be set up manually and are hard to reach. The lights also use a high amount of electricity and generate a high amount of heat. The replacement lighting will be energy efficient and make it easier to set up lighting configurations in the studio.

STAFF COMMENTS:

The equipment used by WSCS for production programming is 20+ years old. Some of the equipment dates back to the start of the station which was in 1982. The age of the equipment makes it hard to find replacement parts and/or general support. When equipment fails a "creative" solution many times needs to be done that can ultimately affect the quality of the broadcast.

ACTION REQUESTED:

Motion for the Finance Committee to recommend the Capital Improvement Commission approve the 2017- 2021 Capital Improvement Requests for WSCS Cable TV.

ATTACHMENTS:

- I. Capital Plan Summary Spreadsheet

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2017 – 2021 Capital Improvement Plan Request
Information Technology

REPORT PREPARED BY: David Augustin, Information Technology Director

REPORT DATE: June 22, 2016

MEETING DATE: June 27, 2016

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: \$340,092
Budgeted Revenue: \$340,092

STATUTORY REFERENCE:

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

BACKGROUND / ANALYSIS:

The proposed five year capital plan regarding equipment replacements/upgrades for Information Technology is as follows by year and priority:

2017 – Backup Device Replacements	\$47,592	(1)
2017 – Network Switch Replacements	\$22,500	(2)
2019 – Virtual Host Server Replacements	\$45,000	
2020 – Network SAN Replacement	\$200,000	
2010 – Core Network Switch Replacement	<u>\$25,000</u>	
Total	\$340,092	

STAFF COMMENTS:

Backup Device Replacements – Replace the existing devices used to backup application data and replicate to an offsite facility to ensure data protection. Existing devices are reaching end of life.

Network Switch Replacements – Replace two switches at City Hall, six switches across the Fire Stations, one switch at Maywood, one switch at Public Works Building, one switch at the Senior Center, and one switch at the Shoreline Metro office. The current switches vary in model types.

Virtual Host Server Replacements – The City of Sheboygan's primary computing platform for the hosted applications is Microsoft Windows Server based. All of the Windows servers

are hosted in a virtual server environment utilizing a bank of four servers and VM Ware. There are currently 27 windows servers being hosted in this environment. The virtual environment allows for hardware failure recovery where in the case of physical servers that is not easily done.

Network SAN Replacement – The network data storage for the City is housed on a device called a SAN (Storage Area Network). It is an appliance that talks with the servers in managing the storage. The SAN handles the information much like the VM Servers run the applications. The SAN houses the data without the need for individual servers. A SAN will provide better performance for data access as well as allow for more efficient disk utilization. Like the VM servers, it is important to keep the storage infrastructure current.

Core Network Switch Replacement – With the installation of the fiber network to all of the City locations along with the migration from AS/400 green screen based applications to Windows and Web based applications, the speed and capacity of the network becomes increasingly important. If the network is not functioning properly, programs can run slowly or fail. This project is requesting to replace network switches that are older than five years. The new switches will also have ten gigabyte speed capability that will be ten times faster than the existing switches.

ACTION REQUESTED:

Motion for the Finance Committee to recommend the Capital Improvement Commission approve the 2017 – 2012 Capital Improvement Requests for Information Technology

ATTACHMENTS:

- I. Capital Plan Summary Spreadsheet

		2017 <u>Requested</u>	2018 <u>Requested</u>	2019 <u>Requested</u>	2020 <u>Requested</u>	2021 <u>Requested</u>	Total <u>Requested</u>
REVENUES							
Property Tax Levy:							
General Projects	1)	\$0	\$0	\$0	\$0	\$0	\$0
Street Improvement Fund / Sidewalks	2)	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Fund	3)	\$0	\$0	\$0	\$0	\$0	\$0
Fire Equipment Fund	4)	\$0	\$0	\$0	\$0	\$0	\$0
Park and Open Space Fund	5)	\$0	\$0	\$0	\$0	\$0	\$0
Impact Fees	6)	\$0	\$0	\$0	\$0	\$0	\$0
Sales/Trade	7)	\$3,058	\$0	\$0	\$0	\$0	\$3,058
State / Federal Grants	8)	\$0	\$0	\$0	\$0	\$0	\$0
Other Municipality Contributions	9)	\$0	\$0	\$0	\$0	\$0	\$0
G. O. Borrowed Funds	0)	\$0	\$0	\$0	\$0	\$0	\$0
Other Borrowed Funds (TIF)	1)	\$0	\$0	\$0	\$0	\$0	\$0
Donations	2)	\$0	\$0	\$0	\$0	\$0	\$0
User Fees	3)	\$103,514	\$54,000	\$45,000	\$200,000	\$25,000	\$427,514
Special Assessment	4)	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	5)	\$0	\$0	\$0	\$0	\$0	\$0
Other	6)	\$0	\$0	\$0	\$0	\$0	\$0
Fund Balance	7)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE		\$106,572	\$54,000	\$45,000	\$200,000	\$25,000	\$430,572
EXPENDITURES							
Cable TV							
Mobile Equipment Update - Bus	13	\$36,480					\$36,480
LED Studio Lights			13	\$54,000			\$54,000
Total - Cable TV		\$36,480	\$54,000	\$0	\$0	#REF!	\$90,480
Information Technology							
Backup Device Replacements	7,13	\$47,592					\$47,592
Network Switch Replacements	13	\$22,500					\$22,500
VM Host Server Replacements				13	\$45,000		\$45,000
Network SAN Replacement					13	\$200,000	\$200,000
Network Switch Replacement						13	\$25,000
Total - Information Technology		\$70,092	\$0	\$45,000	\$200,000	\$25,000	\$340,092
TOTAL EXPENDITURES		\$106,572	\$54,000	\$45,000	\$200,000	#REF!	\$430,572

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: 2017 – 2021 Capital Improvement Requests
Department of Planning and Development

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

REPORT DATE: June 22, 2016

MEETING DATE: June 27, 2016

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 Department of Planning and Development has prepared five capital improvements for the 2017-2021 Capital Improvement Plan. Ranking in order of the priority are the following projects:

Priority No. 1: Lot 14 Parking Lot Modifications: These modifications are required per the Developers Agreement between the City of Sheboygan and Eighth Street Sheboygan Housing Corporation. Estimated costs are \$150,000 and would be paid from TID 12. Year completed: 2017.

Priority No. 2: Entrance Signage: This signage would be on STH 42, Hwy 23, and Washington Ave. The signage would be illuminated and say “Welcome to Sheboygan” and is the final phase of the wayfinding signage plan. Estimated costs are \$97,500. Funding could come from room tax and GO debt. Year completed: 2017.

Priority No. 3: Downtown Parking Study: With the new investment downtown and the reorganization of the existing parking lots, Staff has determined it would be beneficial to have an outside contractor analyze our current on-street parking and off-street lots and provide recommendations to maximize parking in the future. The last parking study was completed in 1997. Estimated costs for the study are \$40,000. Funding would come from TID 16 for \$30,000 and potentially \$10,000 from the Business Improvement District. Year completed: 2017.

Priority No. 4: Downtown Parking Structure: With possible expansion of major employers downtown, the new housing and additional retail surface lots parking will be limited. The TID 16 plan included the development of a parking structure in 2019. There are a few possible locations for the structure. The hope would be for the Parking Study to help determine the

best location of the structure. Estimated costs for the structure are estimated at \$8,000,000 which would build up to 250-300 stall structure and be funded with TID 16. Year completed: 2018-19.

Priority No. 5: Armory Demolition: Should the D-League proposal not be accepted, Staff has exhausted all possible avenues for preserving the building and will be recommending demolition of the building to make way for new development. Estimated costs of demolition are \$500,000 and would be funded from GO debt. Year completed: 2018.

Priority No. 6: Evergreen Park Bridge Replacement: The bridge over the Pigeon River in Evergreen Park is failing. Staff has submitted the bridge replacement as a project through the Natural Resource Damage Assessment (NRDA). Estimated costs of the bridge replacement are \$400,000 of which \$350,000 would come from NRDA and \$50,000 from GO debt. Year completed: 2017.

STAFF COMMENTS:

Most of these projects are based around economic development projects and necessary to success of the recent investment in our downtown and surrounding areas. Staff recommends the committee support and approve these projects through the budget process.

ACTION REQUESTED:

Motion for the Finance Committee to recommend the Capital Improvement Commission approve the 2017 – 2021 Capital Improvement Requests for the Department of Planning and Development.

ATTACHMENTS:

- I. Spreadsheet showing the cost allocation

		<u>2017</u> <u>Requested</u>	<u>2018</u> <u>Requested</u>	<u>2019</u> <u>Requested</u>	<u>2020</u> <u>Requested</u>	<u>2021</u> <u>Requested</u>	<u>Total</u> <u>Requested</u>
<u>REVENUES</u>							
Property Tax Levy:							
General Projects	(1)	\$0	\$0	\$0	\$0	\$0	\$0
Street Improvement Fund / Sidewalks	(2)	\$0	\$0	\$0	\$0	\$0	\$0
Equipment Fund	(3)	\$0	\$0	\$0	\$0	\$0	\$0
Fire Equipment Fund	(4)	\$0	\$0	\$0	\$0	\$0	\$0
Park and Open Space Fund	(5)	\$0	\$0	\$0	\$0	\$0	\$0
Impact Fees	(6)	\$0	\$0	\$0	\$0	\$0	\$0
Vehicle Sales	(7)	\$0	\$0	\$0	\$0	\$0	\$0
State / Federal Grants	(8)	\$425,000	\$0	\$0	\$0	\$0	\$425,000
Other Municipality Contributions	(9)	\$0	\$0	\$0	\$0	\$0	\$0
G. O. Borrowed Funds	(10)	\$623,125	\$0	\$0	\$0	\$0	\$623,125
Other Borrowed Funds (TIF)	(11)	\$105,000	\$1,400,000	\$6,600,000	\$0	\$0	\$8,105,000
Donations	(12)	\$0	\$0	\$0	\$0	\$0	\$0
User Fees	(13)	\$24,375	\$0	\$0	\$0	\$0	\$24,375
Special Assessment	(14)	\$0	\$0	\$0	\$0	\$0	\$0
Interest Income	(15)	\$0	\$0	\$0	\$0	\$0	\$0
Other	(16)	\$10,000	\$0	\$0	\$0	\$0	\$10,000
Fund Balance	(17)	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUE		<u>\$1,187,500</u>	<u>\$1,400,000</u>	<u>\$6,600,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,187,500</u>
<u>EXPENDITURES</u>							
City Development							
Lot 14 Parking Lot Modifications	8,11	\$150,000					\$150,000
Entrance Signage	10,13	\$97,500					\$97,500
Downtown Parking Study	11,16	\$40,000					\$40,000
Downtown Parking Structure		\$0	11 \$1,400,000	11 \$6,600,000			\$8,000,000
Municipal Armory Demolition	8	\$500,000					\$500,000
Evergreen Park Bridge	8,10	\$400,000					\$400,000
Total - City Development		<u>\$1,187,500</u>	<u>\$1,400,000</u>	<u>\$6,600,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$9,187,500</u>