

*****ATTACHMENTS*****

CITY OF SHEBOYGAN

REQUEST FOR REDEVELOPMENT AUTHORITY CONSIDERATION

ITEM DESCRIPTION: Discussion and possible action on request from Anglers Avenue to utilize RDA-owned land for special events during the summer.

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

REPORT DATE: June 14, 2019 **MEETING DATE:** June 19, 2019

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 request from Anglers Avenue is to host fish boils on the property east of their facility during the summer. The request also includes the use of the land for wedding rehearsals and family reunions. No dates of these events were provided.

STAFF COMMENTS:

Staff can support the use of RDA owned land for the fish boils since those are open to the public, but wedding rehearsals and family reunions are not public events and would be considered an expansion of the Angler's Avenue business. City staff feels that private events should not utilize RDA owned land where a business is making a profit off the land.

ACTION REQUESTED:

Motion to approve the request for fish boils, but deny the request for family reunions and wedding rehearsals.

ATTACHMENTS:

- I. Letter from Anglers Avenue dated May 21, 2019.

paul@anglersavenue.net

From: <paul@anglersavenue.net>
Date: Tuesday, May 21, 2019 1:52 PM
To: "Chad Pelishek" <Chad.Pelishek@sheboyganwi.gov>
Subject: RDA meeting

Chad,

Could you please schedule an RDA meeting as soon as possible. The purpose is to discuss the use of the lot, east of Anglers Avenue, for special events (ie; fish boils, wedding rehearsals and family reunions). We will be happy to go over all information with the full committee at that time. I will drop off a copy of the information for your review. The information is what we would like to present to the committee at the time of the meeting.

Thank you in advance for your cooperation. Hope to hear from you soon.

Paul and Lisa Roberts, Anglers Avenue

5/21/2019

5-21-19

To: Chad Pelishek.

From: Paul + Lisa Roberts.

RE: FISH Boils.

Anglers Avenue would like to host
FISH Boils on the East Side Lot.
We do not have enough space to seat
patrons for fish boils. Each Fish Boil
From beginning to end + eating is
approximately 2 hours.

Thank you

paul@anglersavenue.net

From: <erin4evr@aol.com>
Date: Wednesday, August 22, 2018 11:10 AM
To: <paul@anglersavenue.net>
Subject: Private Fish Boil Request

Hi Lisa,

It was a pleasure talking to you on August 9th about our 2019 family reunion! My sister and I enjoyed talking to you. We discussed some options and you said you could send me some prices for the boil itself, and alternative options for those who don't like a fish boil.

We DEFINITELY love the idea and want to book with you for Sunday August 4th, 2019, I think you gave us a time of 5pm or 5:30, that is up to you we are flexible with the time.

I think you said that would be the best day for you to accommodate us with a tent on the side of the restaurant and a bar on the patio that we could use as an cash bar for the party.

We will have (IF everyone shows up) 35-37 adults and 11 children (most are under 6yrs old with a couple of 7-10 yr olds).

If you sent me a possible menu I would count exactly how many for each item needed.

If you can offer me a few options to pick from I will take a vote and get back to you.

Thanks again you were great talking to us and offering fun ideas for our family reunion!

Erin Fuller
630-247-9099

8/22/2018

paul@anglersavenue.net

From: "Alexia Hoffmann" <alexiahoffmann@yahoo.com>
Date: Saturday, March 16, 2019 4:37 PM
To: <paul@anglersavenue.net>
Subject: Rehearsal dinner -

Hello!

I talked briefly on the phone with you the other day about possibly having a rehearsal dinner with you on Friday, August 23. There will be 38-40 people attending.

Please let me know if this is possible because we love your establishment!
Thanks!

-Alexia Hoffmann

3/16/2019

CITY OF SHEBOYGAN

REQUEST FOR REDEVELOPMENT AUTHORITY CONSIDERATION

ITEM DESCRIPTION: Discussion and possible action on third amendment to the Contract for Sale of Land for Private Redevelopment by and between the Redevelopment Authority of the City of Sheboygan, Wisconsin and River Park Place of Sheboygan, LLC.

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

REPORT DATE: June 14, 2019

MEETING DATE: June 19, 2019

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 December 2003, the Redevelopment Authority (RDA) entered into a redevelopment agreement with River Park Place of Sheboygan. River Park Place is the condominium development on Wisconsin Avenue between North 10th Street and North Water Street. At the time, the RDA agreed to sell in two phases (two parcels) property to construct approximately 27 residential units. Under the original agreement, the RDA agreed to sell the property to the developer for \$80,000 and hold a Note and Mortgage on the property. The redeveloper would be constructing the units and as they sold the units would pay the RDA back \$10,000 to be credited towards the purchase price.

In 2005, the first amendment to the contract was executed. This amendment consolidated the mortgages (two) into one mortgage note for the northern parcel only, and continued the provisions for \$10,000 dollars upon the sale of the unit to be applied towards the purchase price.

In 2007, the second amendment to the contract was executed. This amendment lowered the amount the redeveloper should pay to the RDA to \$1,000 per unit sold and up to fifty percent of the redeveloper's profits, if any, in cash on the individual unit, not to exceed \$10,000 per unit. Since the 2007 amendment, no additional lots were sold.

STAFF COMMENTS:

Since the demand for the property has been significantly lowered since the last amendment in 2007, the Redeveloper has approached city staff whether the RDA would consider an amendment eliminating the sale price per lot at \$1,000 and sharing of 50% of the profits sold on the property. The Redeveloper has five building sites left (three single sites and one duplex site). The Redeveloper has a willing buyer of the remaining lots. If the Redeveloper

sold the lots, he would not be building the new buildings. In order to close the sale, the Redeveloper has modifications to the agreement.

The Redevelopment Authority approved the developer drafting a third amendment to the agreement in November 2018. The approval today is officially approve the amendment in a form substantially similar to the attached.

ACTION REQUESTED:

Motion to approve the Third Amendment to the Contract for Sale of Land for Private Redevelopment by and between the Redevelopment Authority of the City of Sheboygan, Wisconsin and River Park Place of Sheboygan, LLC.

ATTACHMENTS:

- I. Third Amendment to the Contract for Sale of Land for Private Redevelopment.

**THIRD AMENDMENT TO CONTRACT FOR SALE OF LAND FOR
PRIVATE REDEVELOPMENT BY AND BETWEEN REDEVELOPMENT
AUTHORITY OF CITY OF SHEBOYGAN, WISCONSIN AND
RIVER PARK PLACE OF SHEBOYGAN LLC AND THIRD
AMENDMENT TO PROMISSORY NOTE**

This Third Amendment to Contract for Sale of Land for Private Redevelopment (the "Third Amendment") is made this ___ day of _____ 2019, by and between River Park Place of Sheboygan, LLC, a Wisconsin limited liability company, (the "Redeveloper") and the Redevelopment Authority of the City of Sheboygan, Wisconsin, a public body corporate (the "Agency").

RECITALS

A. The Redeveloper and the Agency entered into a Contract for Sale of Land for Private Redevelopment dated December 9, 2003 (the "Original Agreement") and the Redeveloper executed certain Promissory Notes for the purchase price of Phase One Parcel and granted Real Estate Mortgages (the "Mortgages"), securing certain real property identified as the North Parcel and the VFW Parcel (together the "Phase One Parcel") described in the Mortgages and in the Original Agreement as collateral.

B. The Redeveloper recorded a Condominium Declaration and a Condominium Plat establishing the Phase One Parcel as River Park Place of Sheboygan Condominium.

C. The Redeveloper and the Agency subsequently entered into an Amendment to Contract for Sale of Land for Private Development and Amendment to Promissory Notes dated effective March 24, 2005 (the "First Amendment"), which among other things amended the original Promissory Notes into a single Promissory Note (the "Amended Note") and substituted a new Section 103 "Payment Upon Sale of Units" provision.

D. The Redeveloper and the Agency subsequently entered into a Second Amendment to Contract for Sale of Land for Private Development and Amendment to Promissory Note dated effective September 27, 2007 (the "Second Amendment"), which among other things amended the Amended Note into the "Second Amended Note", amended Section 101, and substituted a new Section 103 "Payment Upon Sale of Units" provision.

E. The Redeveloper has requested that the Agency permit certain modifications to the Original Agreement as amended by the First Amendment and Second Amendment, and described below.

F. The Agency has agreed to such modifications upon the terms and conditions set forth in this Third Amendment.

TERMS OF AGREEMENT

In consideration of the mutual covenants contained herein, and for other good and valuable consideration, the Redeveloper and Agency agree as the following:

1. The Second Amended Note and any personal guarantees related to same shall be nullified by the Agency, and any mortgages relating to the Second Amended Note, or any previous Note(s) shall be satisfied forthwith by the Agency.
2. That Sec. 101 as stated in the Second Amendment is deleted,
3. That Sec. 103 as stated in the Second Amendment is deleted.
4. The Original Agreement as amended by the First Amendment and Second Amendment shall otherwise remain in full force and effect in accordance with its terms. All warranties and representations contained in the Original Agreement, First Amendment, and Second Amendment are hereby reconfirmed as of the date hereof.
5. Precondition to Effectiveness. This Third Amendment shall only become effective upon execution by the Redeveloper and the Agency, and approval by any other third party required by the Agency.
6. Counterparts. This Third Amendment may be signed in any number of counterparts, each of which shall be considered an original, but when taken together shall constitute one document.
7. Authorization. The Redeveloper and the Agency represent and warrant to the other that the execution, delivery and performance of this Third Amendment are within the authority of the party and upon execution have been duly authorized by all necessary action.

Dated this ___ day of _____ 2019.

Redeveloper: River Park Place of Sheboygan LLC
By:

Erik Jensen, Member

Patrick Cadman, Member

ACKNOWLEDGEMENT OF REDEVELOPER

STATE OF WISCONSIN)

) SS.

COUNTY OF SHEBOYGAN)

Personally came before me this ____ day of _____, 2019, Erik Jensen and Patrick Cadman, Members of River Park Place of Sheboygan, LLC, to me known to be the persons who executed the foregoing instrument, and to me known to be such Members of such limited liability company, and acknowledged that they executed the foregoing instrument as such members of said company, by its authority.

Notary Public, State of Wisconsin

My commission expires: _____.

Agency: Redevelopment Authority of the City of Sheboygan, Wisconsin

By: _____

Attest: _____

ACKNOWLEDGEMENT OF AGENCY

STATE OF WISCONSIN)

) SS.

COUNTY OF SHEBOYGAN)

On this ____ day of _____, 2019, before me personally appeared _____ and _____, to me personally known, who being by me duly sworn, did each for himself/herself say that they are, respectively, the Chairperson and Executive Director of the Redevelopment Authority of the City of Sheboygan, Wisconsin, the public body corporate named in and which executed the foregoing Agreement and that the seal affixed to the Agreement is the corporate seal of said corporation, and that the Agreement was signed and sealed on behalf of said corporation by authority of its board of directors; and said _____ acknowledged before me the Agreement to be the free act and deed of said corporation.

Notary Public, State of Wisconsin

My commission expires: _____.

This document drafted by:

Attorney Andrew H. Morgan

529 Ontario Ave.

Sheboygan, WI 53081

(920) 458-4566

CITY OF SHEBOYGAN

REQUEST FOR REDEVELOPMENT AUTHORITY CONSIDERATION

ITEM DESCRIPTION: Discussion and possible action on potential acquisition of 1011 South 10th Street and 935 Illinois Avenue.

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

REPORT DATE: June 14, 2019

MEETING DATE: June 19, 2019

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:

City staff has been working some time to purchase the above referenced properties. These properties are located directly north of the Craft30 location. City staff has received an offer to purchase these properties for \$140,000. The properties will be vacant when the Redevelopment Authority purchases them. They will be demolished for a new building along South 10th Street as a part of the Innovation District plan. In the 2019, City borrowings funds have been borrowed to cover these costs as part of the TID 17.

STAFF COMMENTS:

Staff recommends approval.

ACTION REQUESTED:

Motion to approve the purchase of the 1011 South 10th Street and 935 Illinois Avenue for \$140,000 and direct the City Attorney to draft paperwork for the purchase by the Redevelopment Authority.

ATTACHMENTS:

- I. None