

**\*\*\*ATTACHMENTS\*\*\***

**CITY OF SHEBOYGAN**

**REQUEST FOR REDEVELOPMENT AUTHORITY CONSIDERATION**

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**ITEM DESCRIPTION:** Discussion and possible action on request from Wisconsin Bank and Trust regarding releasing a reversionary interest in a parcel of land at 632 North 8<sup>th</sup> Street.

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

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**REPORT DATE:** January 5, 2018

**MEETING DATE:** January 11, 2017

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**FISCAL SUMMARY:**

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

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**STATUTORY REFERENCE:**

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

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**BACKGROUND / ANALYSIS:**

At one time the Redevelopment Authority owned the property between the current Wisconsin Bank and Trust building and the 813 New York/632 North 8<sup>th</sup> Street (parking lot) as part of a conveyance of the parking lot there was a clause added that "In the event any transfer or conveyance is made of the property hereby conveyed separately from the "Historic Property", the property hereby conveyed shall revert back to the Grantor (RDA). Wisconsin Bank and Trust is now trying to sell the building at 8<sup>th</sup> and New York and include approximately nine stalls in the sale of this building which would not be consistent with the original warranty deed.

**STAFF COMMENTS:**

Staff does not see an issue releasing the reversionary clause.

**ACTION REQUESTED:**

Motion to approve releasing a reversionary interest in a parcel of land at 632 North 8<sup>th</sup> Street.

**ATTACHMENTS:**

- I. Letter dated January 3, 2018 from Wisconsin Bank and Trust



January 3, 2018

Chad Pelishek  
Planning & Development  
City of Sheboygan  
828 Center Avenue, Suite 104  
Sheboygan, WI 53081

RE: Heartland Financial USA, Inc. – Eighth Street Investments, LLC

Dear Mr. Pelishek:

As you may know, I work for Wisconsin Bank & Trust. Wisconsin Bank & Trust was formerly known as Community Bank & Trust and is now owned by Heartland Financial USA, Inc. (Heartland Financial). Heartland Financial has entered into an Offer to Purchase with Eighth Street Investments, LLC (Offer) for real estate owned by Heartland Financial at 813 New York Avenue and 632 North Eighth Street, both in the City of Sheboygan.

In order to provide off street parking, the Offer includes a limited area to the south of the building located at 632 North Eighth Street (Parking Area), which is depicted on the enclosed survey recently obtained by Heartland Financial. Recent title work obtained by the parties to this transaction disclosed a special warranty deed between the Redevelopment Authority of Sheboygan (RDA) and a previous owner of the property, Heritage Investments, that created a reversionary interest in the land subject to the Parking Area (and more). I direct your attention to the bottom of page 1 and the top of page 2 of the special warranty deed, which specifically refers to this reversionary interest back to the RDA unless the same is released by the RDA.

Without this reversionary interest being released by the RDA, Heartland Financial and Eighth Street Investments cannot move forward on the proposed transaction for the transfer of the properties subject to the Offer. On behalf of Heartland Financial, I am requesting that the RDA release the reversionary interest referenced in this warranty deed so as to permit the conveyance of property as set for in the Offer. I am aware that the next regular meeting of the RDA is January 17, 2018 and would request consideration for an earlier meeting if possible.

I do sincerely appreciate your attention to this issue, and if you have any questions or concerns, do not hesitate to give me a call.

Very truly yours,

David Kolár  
Vice President  
Deposit Operations Director

Enc.

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Re-Record

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Vol 1356 Part 460

Vol 1322 Page 121

RECORDED  
SHEBOYGAN COUNTY, WI

Darius J. Haisel Registrar  
In Vol 1322 of  
Records on page 121/2

SPECIAL WARRANTY DEED

KNOW ALL MEN BY THESE PRESENTS, THAT

(1) WHEREAS, an Urban Renewal Plan (which, together with all modifications thereof made after the date of this Deed in accordance with applicable law, is hereinafter referred to as the "Urban Renewal Plan") has been adopted by the Redevelopment Authority of Sheboygan, Wisconsin, which Urban Renewal Plan, as it exists on the date herein, is recorded in the Office of the Register of Deeds of Sheboygan County, Wisconsin; and

(2) Whereas, Redevelopment Authority of Sheboygan, Wisconsin is owner and holder of record of fee simple title to certain real property located in the Project area; and  
001E#4957 0005 JFE: \$6.00

(3) WHEREAS, pursuant to the Urban Renewal Plan and Sec. 66.431, Wis. Stats., the Redevelopment Authority of Sheboygan, Wisconsin is authorized to sell individual portions of land in the Project Area:  
001E#0777 0016 JFE: \$2.00

NOW THEREFORE, THIS DEED, made this 19th day of January, 1993, by and between Redevelopment Authority of Sheboygan, Wisconsin (hereinafter referred to as the "Grantor"), acting herein pursuant to the above-mentioned Act, and Heritage Investments, a Wisconsin partnership, consisting of Virginia V. Garton, Joseph E. Richardson II and Richard A. Bemis, (hereinafter referred to as the "Grantee");  
001E#0777 0005 CO LRM: 14.00  
FEE # 77.25(2)

EXEMPT

WITNESSETH, that for and in consideration of the sum of Five Hundred and 00/100 Dollars (\$500.00) and the additional investment in the property subject to the Contract for Sale of Land for Private Redevelopment dated July 4, 1991, receipt of which is hereby acknowledged, paid by Heritage Investments, a Wisconsin partnership consisting of Virginia V. Garton, Joseph E. Richardson II and Richard A. Bemis, the Grantor does, by this special Warranty Deed, grant and convey unto the Grantee to have and to hold fee simple title, together with all and singular, the hereditaments and appurtenances thereunto belonging or in any wise appertaining, in and to the following described land and premises, situated in the City of Sheboygan and known and distinguished as:

The South 74 feet of the North 97.5 feet of Lots 1 and 2, Block 151, Original Plat of the City of Sheboygan, Sheboygan County, Wisconsin, excluding the West 10 feet thereof for a public alley

001E#4957 0005 JFE: \$6.00  
001E#4957 0005 LRTB \$2.00  
001E#4957 0005 CO LRM \$4.00

Subject to the following provisions:

The Grantee is holder of fee title to the following described property: The North Twenty-three and one-half (23½) feet of Lots 1 and 2, Block 151 of the Original Plat of the City of Sheboygan, Sheboygan County, Wisconsin. ("The Historic Property")

The property conveyed hereby shall not be subject to conveyance or transfer except by transfer or conveyance including "The Historic

FEE # 77.25(3)  
EXEMPT

RET: ATTY ROBERT T. MELZER

RECORDED  
SHEBOYGAN COUNTY, WI

Darius J. Haisel Registrar  
In Vol 1356 of  
Records on page 460/1

94 NOV-8 P2:14

