

A quorum of the Administration Committee, Board of Public Works, Park Board, and/or Common Council may attend this meeting; (Although it is not expected than any official action of any of those bodies will be taken).

**CITY OF MENASHA  
REDEVELOPMENT AUTHORITY  
Council Chambers, 3<sup>rd</sup> Floor City Hall  
140 Main Street, Menasha**

**September 7, 2016**

**5:30 PM**

**AMENDED AGENDA**

- A. CALL TO ORDER
- B. ROLL CALL/EXCUSED ABSENCES
- C. MINUTES TO APPROVE
  - 1. [Minutes of the July 27, 2016 Redevelopment Authority Meeting](#)
- D. PUBLIC COMMENTS ON ANY MATTER OF CONCERN ON THIS AGENDA  
(five (5) minute time limit for each person)
- E. DISCUSSION
  - 1. None
- F. ACTION ITEMS
  - 1. [460 Ahnaip Street – Northpointe Development](#)
  - 2. [Land Purchase and Development Agreement – Van's Realty and Construction](#)
- G. ADJOURNMENT

**CITY OF MENASHA**  
**Redevelopment Authority**  
**Council Chambers, 3<sup>rd</sup> Floor City Hall – 140 Main Street**  
**July 27, 2016**  
**DRAFT MINUTES**

---

**A. CALL TO ORDER**

The meeting was called to order at 5:32 PM by Chairman Kim Vanderhyden.

**B. ROLL CALL/EXCUSED ABSENCES**

REDEVELOPMENT AUTHORITY MEMBERS PRESENT: Kim Vanderhyden, Bob Stevens, Tim Caudill, Gail Popp and Ald. Becky Nichols.

REDEVELOPMENT AUTHORITY MEMBERS EXCUSED: Linda Kennedy and Kip Golden.

OTHERS PRESENT: AP Englebert, CA Captain, ASD Steeno, Cal Schultz (Northpointe Development), Andy Dumke (Northpointe Development), Mayor Merkes, Dave Buck, Sandra Dabill Taylor (545 Broad Street), Ald. Zelinski, and Ald. Arnie Collier.

**C. MINUTES TO APPROVE**

**1. Minutes of the June 28, 2016 Redevelopment Authority Meeting**

Motion by Tim Caudill, seconded by Ald. Nichols, to approve the June 28, 2016 Redevelopment Authority meeting minutes. The motion carried.

**D. PUBLIC COMMENT ON ANY ITEM OF CONCERN ON THIS AGENDA**

(five (5) minute time limit for each person)

Sandra Dabill Taylor (545 Broad Street) commented on the need to secure a development that creates jobs at the RR Donnelley site. She expressed her assessment that the City of Menasha has been involved with multi-family residential projects in the past and that they haven't brought people downtown. She is also not in favor of any subsidized or low-income housing at the site and encouraged the RDA to solicit commercial development and entertainment ventures. Additionally, she commented on the Lake Park Villas subdivision and stated that she doesn't want a fire sale of properties in the development and wants homes that have high taxable values.

**E. DISCUSSION ITEMS**

**1. 460 Ahnaip Street – Northpointe Development**

AP Englebert and CA Captain briefed the Authority regarding the progress being made in relation to the terms of the Purchase and Sale Agreement between the RDA and RR Donnelley at 460 Ahnaip Street. City staff and outside counsel have been reviewing the Title Commitment and ALTA Survey that was provided by RR Donnelley. City staff has filed an objection to some of the issues that were found in the title commitment. The terms and the timeline as set forth by the Purchase and Sale Agreement have been met to date and progress has been made.

AP Englebert introduced Andy Dumke and Cal Schultz from Northpointe Development and stated that they have an interest in acquiring the RR Donnelley property should the RDA take title to the land. Andy and Cal proceeded to introduce their proposal which includes the following:

- Acquisition of the property from the RDA by Northpointe Development
- Rehabilitation of the facilities present on site to accommodate an 80 unit residential building. This includes underground parking and a fitness area.
- New construction of cottages or townhomes on the northern peninsula.
- Approval of historic preservation tax credits and Section 42 housing tax credits.
- Reservation of area on the shoreline to be used for a public trail and pocket park.

Commissioners discussed the merits of the proposal and inquired further about the tax credit programs. They also discussed potential impacts that the DOT project would have on the proposal. AP Englebert explained that city staff has been in contact with DOT and made them aware of the project, but would need to follow up with them if there is enough interest to advance the project. There was a consensus that staff follow-up with Northpointe Development and bring the item back for further discussion at another meeting.

## **F. ACTION ITEMS**

### **1. Letter of Intent – Van’s Realty and Construction**

AP Englebert provided an overview of the Letter of Intent from Van’s Realty and Construction and went over their proposal to purchase 10 lots in the Lake Park Villas Subdivision. Kim Vanderhyden asked if there was a square footage requirement for the homes and AP Englebert stated that there was not. AP Englebert explained that city staff would ask Van’s to match any third party offer relating to the provision regarding the first right of refusal option instead of cap the match at the purchase price. There was general consensus that this would be desirable. CA Captain suggested that there be inclusion of language that would add 5% interest rate on any promissory note that exceeds one year. Commissioners discussed striking item 6 from the Letter of Intent.

Motion by Ald. Nichols, seconded by Bob Stevens, to direct staff to make changes to the agreement as discussed and return with a Development Agreement between the RDA and Van’s Realty. The motion carried.

### **2. Amended Development Agreement – Community First Credit Union**

AP Englebert introduced the amendment to the Development Agreement between the RDA and Community First Credit Union. Community First requested a timeline extension to build a branch or office on the Lake Park Square Lots they acquired in 2014. However, the language in the original agreement and the language presented at the previous meeting was contradictory and Community First requested that the amendment be rectified. AP Englebert explained that Community First is planning on building a branch on the lots during 2017 and have been busy building the downtown Menasha branch and their headquarters this year.

Motion by Kim Vanderhyden, seconded by Gail Popp, to approve the First Amendment to the Development Agreement with Community First Credit Union. The motion carried.

## **G. ADJOURNMENT**

Motion by Kim Vanderhyden, seconded by Becky Nichols to adjourn at 6:45 PM. The motion carried.

*Minutes respectfully submitted by AP Englebert.*



## MEMORANDUM

Date: September 1, 2016

To: Redevelopment Authority  
From: David Buck, CDD

RE: Update and Discussion on 460 Ahnaip Street (RR Donnelley) – Northpointe Development Proposal

---

At the RDA meeting on July 27, 2017, representatives of Northpointe Development introduced their interest in acquiring the RR Donnelley property and presented a conceptual two-phase development proposal:

Phase I – Adaptive reuse and redevelopment of the Banta Building into an 80-unit residential apartment project including 50 covered and 123 surface parking stalls.

Phase II - Construction of two 6-unit single-story apartment buildings including 12 covered and 12 surface parking stalls.

The RDA requested that staff follow-up with Northpointe Development and bring the item back for further discussion. The city has been in contact with the developers and Mayor Merkes, RDA Chairperson Vanderhyden, and Community Development staff met with Northpointe Development at the Oconomowoc School Apartments (a similar redevelopment/adaptive reuse project) on August 17, 2016 to see a historic building conversion project first hand and discuss their proposal in more detail.

Following the meeting, Northpointe revised the Phase II portion of their project plan to change the two 6-unit single-story apartment buildings to a single 60-unit three story apartment building with 60 underground parking stalls and waterfront patio areas. It is important to note that this proposal is conceptual only and requires extensive financial analysis and market studies on the developers end.



The discussion item is being brought back to the RDA at this time primarily because the information provided from Northpointe Development was given at the meeting itself not providing sufficient time for the RDA to review it and/or conduct meaningful dialogue. The goal of the discussion is to provide feedback to Northpointe Development about the merits of their proposal and the desire for the RDA to support the project.



Original



SITE	
0.9 ACRES	CITY PARK
6.3 ACRES	REMAINING SITE
7.2 ACRES	TOTAL APPROXIMATE ACREAGE
UNITS	
(12)	SINGLE STORY COTTAGE UNITS
(80)	APARTMENT UNITS
(92)	TOTAL UNITS
PARKING	
(123)	APARTMENT SURFACE PARKING
(50)	APARTMENT INDOOR PARKING
(44)	APARTMENT FLEX PARKING
(13)	PARK PARKING
(12)	COTTAGE GARAGE PARKING
(12)	COTTAGE DRIVEWAY PARKING
(254)	TOTAL PARKING

 **PRELIMINARY  
SITE PLAN**  
SCALE: 1" = 60'-0"  




PROJECT INFORMATION	
PROJECT NUMBER	1622520

NORTHPOINTE  
**BANTA BUILDING**  
460 AHNAP STREET • MENASHA, WI 54952

PROFESSIONAL SEAL

PRELIMINARY DATES	
MAY 27, 2016	

NOT FOR CONSTRUCTION

SHEET INFORMATION	
PRELIMINARY SITE PLAN	

SHEET NUMBER

**A1.1**

© 2016 EXCEL ENGINEERING, INC.

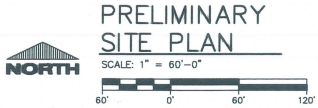


Revised



SITE	
0.9 ACRES	CITY PARK
6.3 ACRES	REMAINING SITE
7.2 ACRES	TOTAL APPROXIMATE ACREAGE
UNITS	
(60)	NEW BUILDING APARTMENT UNITS
(80)	ADAPTIVE RE-USE APARTMENT UNITS
(140)	TOTAL UNITS
PARKING	
(138)	APARTMENT SURFACE PARKING
(50)	EXISTING APARTMENT INDOOR PARKING
(60)	NEW BUILDING UNDERGROUND PARKING
(248)	TOTAL PARKING
1.8 STALLS/UNIT	
(8) ADDITIONAL PARK PARKING STALLS	

PRELIMINARY ADAPTIVE RE-USE UNIT MIX	
(24)	ONE BEDROOM
(24)	TWO BEDROOM
(32)	THREE BEDROOM
(80)	TOTAL
PRELIMINARY NEW BUILDING UNIT MIX	
(12)	ONE BEDROOM
(48)	TWO BEDROOM
(60)	TOTAL
PRELIMINARY PROJECT WIDE UNIT MIX	
(36)	ONE BEDROOM
(72)	TWO BEDROOM
(32)	THREE BEDROOM
(140)	TOTAL



PROJECT INFORMATION	
PROJECT NUMBER	1622520

NORTHPOINTE  
**BANTA BUILDING**  
460 AHNAP STREET • MENASHA, WI 54952

PROFESSIONAL SEAL

PRELIMINARY DATES	
MAY 27, 2016	
AUG. 26, 2016	

NOT FOR CONSTRUCTION

SHEET INFORMATION	
PRELIMINARY SITE PLAN	

SHEET NUMBER	<b>A1.1</b>
--------------	-------------





### Memorandum

To: Redevelopment Authority  
From: Kevin Englebert, Associate Planner *KPE*  
Date: September 1, 2016  
RE: Land Purchase and Development Agreement – Van's Realty and Construction

As discussed at the July 27, 2016 Redevelopment Authority meeting, City of Menasha staff has worked with Van's Realty and Construction to draft a Land Purchase and Development Agreement for certain lots in the subdivision at Lake Park Villas. According to the terms of the agreement, the following obligations are to be met by each respective party:

- Van's is to purchase five lots from the RDA by December 31, 2016. The lots are identified as follows: 91, 108, 19R, 124, and 21R. The purchase price for the lots will be \$35,000 each. Van's will either pay cash at closing or issue a Promissory Note to the RDA that will mature after one year.
- Van's will retain an option to purchase and first right of refusal for five additional lots until December 31, 2018 that are identified as follows: 70, 81, 4CSM3511, 123 and 125. The same terms will apply to these five lots as the first five if acted upon. Should the RDA receive an offer to purchase from a third party for one of the five identified lots, Van's will have to meet or exceed their offer. If a third party is to purchase one of the lots that Van's has an interest in, Van's has the ability to substitute another lot from the Lake Park Villas subdivision.
- Van's will build homes on each lot purchased within one year of closing with the RDA. This is to be verified by occupancy permits being granted.
- Each home purchased by Van's shall be at least 1,400ft<sup>2</sup>. At least two of the first five homes must be 1,600ft<sup>2</sup>.
- Upon completion of each home and sale to a third party buyer, Van's will be credited with a \$10,500 "builder's credit" for each lot. In order to qualify for the credit, the sale price for each home must exceed \$200,000.

The agreement between Van's and the RDA is similar to the agreements reached between Cypress Homes and the RDA. The primary differences are the credit breakdown and square footage requirement. Cypress is required to build homes that are at least 1700ft<sup>2</sup> and subsequently receive "builder's credits" as follows for their carrying costs for construction:

- Real estate taxes for a period of three years incurred not to exceed \$11,000.
- Interest on construction loans for a period of three years not to exceed \$19,000.
- Property insurance for a period of three years not to exceed \$2,100.

To date Cypress has received credits of \$6,931 and \$11,942 for the first two lots they have completed.

Staff Recommendation

Community Development staff is recommending approval of the Land Purchase and Development Agreement with Van's Realty and Construction in order to expedite the development of the Lake Park Villas subdivision and build new homes for residents in the City of Menasha.

## **LAND PURCHASE AND DEVELOPMENT AGREEMENT**

This Land Purchase and Development Agreement (hereinafter AGREEMENT) is made and entered into as of the \_\_\_\_ day of September, 2016, by and between the Redevelopment Authority of the City of Menasha, Wisconsin, a Wisconsin municipal corporation with its principal offices located at 140 Main St., Menasha, Wisconsin 54952 (hereinafter "RDA"), and Van's Realty and Construction of Appleton, Inc., a Wisconsin corporation with its principal offices located 2525 Oneida St., Appleton, WI 54915 (hereinafter "Vans").

### **RECITALS**

Whereas: Vans submitted a Letter of Intent to the RDA for the acquisition of certain rights in and to 10 lots within the Lake Park Villas Phase II Subdivision (LPVP II) listed as follows: 81, 70, 4CSM3511, 19R, 108, 124, 125, 91, 21R, 123, hereinafter referred to individually "Lot" or collectively "Lots"; and

Whereas: Vans has requested certain incentives from the Redevelopment Authority of the City of Menasha (RDA) to facilitate the purchase of said Lots, development of homes and to market the developed properties within LPVP II; and

Whereas: The RDA has obligations under its development agreement with the City of Menasha to promote the development of the LPVP II and to market and sell properties contributed from the city to the RDA; and

Whereas: The RDA has determined that the provision of incentives to Vans is necessary to stimulate the sale of Lots and construction of homes in LPVP II.

### **ARTICLE I PURPOSE**

SECTION 1.01. PURPOSE OF AGREEMENT. The purpose of this Agreement is to facilitate the sale, development and marketing of certain properties within LPVP II by Vans. The recitals are incorporated herein by reference.

### **ARTICLE II OBLIGATIONS**

#### **SECTION 2.01. PURCHASE RIGHTS AND OBLIGATIONS.**

SECTION 2.01.1. Purchase. On or before December 31, 2016, Vans agrees to purchase five of the Lots, specifically: 91, 108, 19R, 124, and 21R from the RDA for the purchase price of \$35,000 for each Lot (less the Builder Credit).

SECTION 2.01.2. Option to Purchase. Vans shall have the Option to Purchase the additional five Lots, specifically: 70, 81, 4CSM3511, 123 and 125 (hereinafter referred to individually an "Option Lot" and collectively the "Option Lots") until December 31, 2018 for the purchase price of \$35,000 for each lot. Vans' Option to Purchase shall be



exercisable by written communication and delivered by mail, personally, or electronic means to RDA.

SECTION 2.01.3. Right of First Refusal. If RDA receives an offer to purchase any of the Option Lots from a third party prior to Vans having exercised its Option to Purchase, Vans shall have a Right of First Refusal to purchase any such Option Lot, provided that the conveyance shall be subject to the terms of the third party offer and at the purchase price offered by the third party. Vans Right of First Refusal shall be exercisable by written communication within 72 hours after Vans receives written notice of the third party offer from RDA and shall be delivered by mail, personally, or electronic means to RDA or the Right of First Refusal shall be deemed waived with respect to the third party offer. If the third party offer does not close, then Vans shall retain its Option to Purchase and Right of First Refusal on the Option Lot.

SECTION 2.01.4. Substitute Option Lot. If Vans elects not to exercise its Option to Purchase or Right of First Purchase and the RDA transfers an Option Lot to a third party, then Vans shall have the right to identify and substitute a replacement Option Lot within the LPVPPII which shall then be subject to the terms and conditions of this Agreement, including Vans' Option to Purchase and Right of First Purchase as if it was specifically identified herein.

SECTION 2.01.5. Conveyance. All transfers to Vans hereunder shall be by Warranty Deed from RDA conveying title free of all liens and encumbrances (except easements and restrictions of record, including but not limited to the Lake Park Villas Home Owners Association covenants and restrictions), and RDA and Vans shall assume customary rights and obligations of buyers and sellers up to and including closing.

SECTION 2.02. PAYMENT; SECURITY. For each Lot purchased, Vans shall either pay cash at closing or Vans shall execute a Promissory Note in favor of the RDA in the amount of the Purchase Price. The terms of the Promissory Note shall be 0% interest per annum until paid in full except in the case of a default, then interest shall be 5% per annum from the date of execution until paid in full. Vans shall be required to pay the outstanding balance of each Promissory Note in full for each lot sold or transferred, prior to or at the time of each closing between Vans and its immediate successor in interest to the Lot using first proceeds for said payment or 1 year from the date of execution of the Promissory Note, whichever comes first. As security for said Promissory Note(s), Vans shall give RDA a first mortgage position.

SECTION 2.03. CONSTRUCTION. Vans agrees to construct homes on each Lot purchased within the LPVPPII from the RDA within one year of closing:

SECTION 2.03.1. Construction of homes on each of the first five lots purchased shall be completed no later than December 31, 2017, and shall be demonstrated by receipt of a certificate of occupancy for each home.

SECTION 2.03.2. Each home shall be at least 1,400 square feet exclusive of garage and basement floor space. Two of the homes shall meet or exceed 1600 square feet exclusive of garage and basement floor space.

SECTION 2.03.3. Each home shall be constructed in accordance with the LPVP II Home Construction Standards.

SECTION 2.04. TAXES. It is understood that the land and improvements resulting from the acquisition and subsequent construction of homes on the Lots shall be subject to property taxes. Vans shall pay when due all federal, state and local taxes in connection with the Lots and homes thereon constructed.

SECTION 2.05. CONDITION. Except as provided herein, the Lots shall be conveyed in "as is" physical condition. The RDA is not responsible for any subsequent remediation, demolition, underground debris, or other clean-up costs after conveyance.

SECTION 2.06. RECORDING. This Agreement may not be recorded with the register of deeds. A memorandum of this Agreement shall be executed by both parties and recorded with the register of deeds to provide record notice of Vans' interest in the Lots in the form attached hereto; Van's shall bear the recording fee.

### ARTICLE III BUILDER CREDIT

SECTION 3.01. BUILDER CREDIT. As long as Vans is not in default of its obligations under this Agreement or any terms of the Promissory Note(s), RDA agrees to provide Vans a "Builder Credit" against any amount owed to RDA under a Promissory Note which applies to a respective Lot based on the sale price of such respective Lot and improvements thereon from Vans to a third party. The Builder Credit shall be calculated as follows:

- \$10,500 credit if the sale price meets or exceeds \$200,000.
- There shall be no credit applied if the sale price is below \$200,000.

SECTION 3.02. CONDITIONS TO CREDIT. There is no cash value of the Builders Credit. It is only available to Vans, and it is only available as a credit against the amounts due on the Promissory Note which applies to the respective Lot improved and for which a credit is due under Section 3.01, above. The credit available to Vans under this section shall terminate upon the sale and transfer of the last Lot from Vans to a third party or on December 31, 2020, whichever occurs first.

### ARTICLE IV MISCELLANEOUS PROVISIONS

SECTION 4.01. NO ASSIGNMENT. The rights, duties and obligations of the any of the parties hereunder may not be assigned without the written consent of both parties to the assignment.

SECTION 4.02. SURVIVAL. The terms of this Agreement shall survive closing on the Lots. Any provision of this Agreement which has not been fully performed prior to transfer of possession shall not be deemed to have been terminate, but shall survive unless expressly waived in writing, and shall be in full force and effect until performed.

SECTION 4.03. NO SUBORDINATION. The RDA shall not subordinate any interest it has in this Agreement for any reasons, unless it is determined to be in the best interests of the RDA.

SECTION 4.04. SEVERABILITY. If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

SECTION 4.05. CERTIFICATE OF COMPLETION. Upon completion of the improvements by Vans and review of the improvements by RDA, the RDA will provide Vans with an appropriate instrument certifying that the improvements have been made in accordance with this Agreement.

SECTION 4.06. TERMINATION. This agreement shall terminate upon the sale and transfer of last Lot from Vans to a third party or on December 31, 2020, whichever comes first.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the \_\_\_\_ day of September, 2016.

THE REDEVELOPMENT AUTHORITY OF THE CITY OF MENASHA

---

By: Phillip K. Vanderhyden, Chairman

VAN'S REALTY AND CONSTRUCTION OF APPLETON, INC.

---

By: Jerome Haen, Authorized Agent