

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**

**Menasha City Center
100 Main Street, Menasha
Room 133**

April 25, 2018

4:30 PM

AGENDA

- A. CALL TO ORDER
- B. ROLL CALL/EXCUSED ABSENCES
- C. MINUTES TO APPROVE
 - 1. Minutes of the January 23, 2018 Redevelopment Authority Meeting
- D. PUBLIC COMMENTS ON ANY MATTER OF CONCERN ON THIS AGENDA
(five (5) minute time limit for each person)
- E. DISCUSSION / ACTION ITEMS
 - 1. Financial Report
 - 2. Banta/RR Donnelley Property at 460 Anhaip Street
 - 3. Set Next Meeting
- F. ADJOURNMENT

If you have questions, please call the Community Development Department at
(920) 967-3650 between 8:00 AM – 4:00 PM, Monday through Friday.

**CITY OF MENASHA
Redevelopment Authority
100 Main Street – Room 207
January 23, 2018
DRAFT MINUTES**

A. CALL TO ORDER

The meeting was called to order at 5:04 pm by Chairmen Kim Vanderhyden.

B. ROLL CALL/EXCUSED ABSENCES

REDEVELOPMENT AUTHORITY MEMBERS PRESENT: Kim Vanderhyden, Ald. Rebecca Nichols, Matt Vanderlinden, Linda Kennedy and Bob Stevens.

REDEVELOPMENT AUTHORITY MEMBERS EXCUSED: Gail Popp and Kip Golden.

OTHERS PRESENT: PP Schroeder, Thomas J. Wroblewski (Van's Realty and Construction), Jerry Haen (Van's Realty and Construction - Phone), Mayor Merkes, and ASD Jacobs.

C. MINUTES TO APPROVE

1. Minutes of the December 18, 2017 Redevelopment Authority Meeting

Motion to approve the December 18, 2017 Redevelopment Authority meeting minutes as presented made by Kennedy, seconded by Ald. Nichols. Motion carried.

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

No Public Comment Made

E. DISCUSSION/ACTION ITEMS

1. Reconsideration of the Second Amendment to the Development Agreement Between the Redevelopment Authority of the City of Menasha and Van's Realty and Construction

Chairman Vanderhyden gave a brief background of the requested second amendment including previous meeting discussions revolved around the original agreement, the first amendment extending the construction timeline of the first five lots, and letter of intent to consolidate Lot 90 (873 Eden Ct).

With the intent to purchase and consolidate Lot 90 with the neighboring two properties off the table, the general consensus by the RDA was there were no concerns with the proposed Second Amendment request. In hopes to continue future development with Van's Realty and Construction, the RDA moved to approve the request.

Motion by Kennedy, second by Vanderlinden to approve the reconsideration of the Second Amendment to the Development Agreement between the RDA of the City of Menasha and Van's Realty and Construction. Motion carried unanimously.

F. Adjournment

Ald. Nichols motioned to adjourn the meeting at 5:12 pm. Motion was seconded by Vanderhyden. Motion carried unanimously.

Minutes respectfully submitted by PP Schroeder.

CITY OF MENASHA
Redevelopment Authority - Component Unit
Statement of Net Position
December 31, 2016
(audited)

ASSETS

Cash and Investments	\$ 675,217
Receivables:	
Accounts receivable - Due from developer	245,000
Land contracts receivable	171,899
Property held for sale	2,464,800
TOTAL ASSETS	<u>\$ 3,556,916</u>

LIABILITIES

Accounts payable	\$ 11,286
Loan payable to City of Menasha	3,900,000
TOTAL LIABILITIES	<u>\$ 3,911,286</u>

NET POSITION (DEFICIT)

Unrestricted (deficit)	\$ (354,370)
TOTAL NET POSITION (DEFICIT)	<u>\$ (354,370)</u>

CITY OF MENASHA
Redevelopment Authority - Component Unit
Statement of Revenues, Expenses and Changes in Net Position
For year ending December 31, 2016
(audited)

REVENUES

Intergovernmental Charges:	
Local Government - Economic Development (from TIF #12 District)	\$ 270,000
Miscellaneous General Revenue	120
TOTAL REVENUES	\$ 270,120

EXPENSES

Urban Redevelopment:	
Legal Expenses	\$ 4,808
Recording Fees	2,205
Marketing	54
Development Assistance	13,916
Utilities - Electricity/Stormwater	4,241
Supplies - Postage	23
Dues/Memberships/Licenses	31,500
Debt Service:	
Interest expense	214,500
TOTAL EXPENSES	\$ 271,247

Excess of Revenues Over (Under) Expenditures	<u>(1,127)</u>
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OTHER FINANCING SOURCES (USES)

Loss on sale of city properties	\$ (9,700)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (9,700)

Change in Net Position	(10,827)
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Net position (deficit) - January 1	<u>(343,543)</u>
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Net position (deficit) - December 31	<u><u>\$ (354,370)</u></u>
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CITY OF MENASHA
Redevelopment Authority - Component Unit
Statement of Net Position
December 31, 2017
(preliminary/unaudited)

ASSETS

Cash and Investments	\$ 769,008
Receivables:	
Accounts receivable - Due from developer	245,000
Land contracts receivable	92,099
Property held for sale	2,285,400
TOTAL ASSETS	<u>\$ 3,391,507</u>

LIABILITIES

Accounts payable	\$ 342
Loan payable to City of Menasha (net of \$174,040 principal payment in 2017)	3,725,960
TOTAL LIABILITIES	<u>\$ 3,726,302</u>

NET POSITION (DEFICIT)

Unrestricted (deficit)	\$ (334,795)
TOTAL NET POSITION (DEFICIT)	<u>\$ (334,795)</u>

CITY OF MENASHA
Redevelopment Authority - Component Unit
Statement of Revenues, Expenses and Changes in Net Position
For year ending December 31, 2017
(preliminary/unaudited)

REVENUES

Intergovernmental Charges:	
Local Government - Economic Development (from TIF #12 District)	\$ 270,000
Miscellaneous General Revenue	-
TOTAL REVENUES	\$ 270,000

EXPENSES

Urban Redevelopment:	
Legal Expenses	\$ 3,474
Recording Fees	448
Marketing	167
Development Assistance	3,192
Utilities - Electricity/Stormwater	4,141
Supplies - Postage	48
Dues/Memberships/Licenses	21,062
Debt Service:	
Interest expense	214,500
TOTAL EXPENSES	\$ 247,032
Excess of Revenues Over (Under) Expenditures	22,968

OTHER FINANCING SOURCES (USES)

Loss on sale of city properties	\$ (3,393)
TOTAL OTHER FINANCING SOURCES (USES)	\$ (3,393)
Change in Net Position	19,575
Net position (deficit) - January 1	(354,370)
Net position (deficit) - December 31	\$ (334,795)

RDA PAYMENT SCHEDULE

EXHIBIT A

		\$ 3,900,000	5.50%		
		<u>Payment</u>	<u>Principal</u>	<u>Interest</u>	<u>Balance</u>
\$388,539.83	1	\$214,500.00	\$ -	\$ 214,500.00	\$ 3,900,000.00
	2	214,500.00	-	214,500.00	3,900,000.00
	3	214,500.00	-	214,500.00	3,900,000.00
	4	214,500.00	-	214,500.00	3,900,000.00
	5	214,500.00	-	214,500.00	3,900,000.00
	6	388,539.83	174,039.83	214,500.00	3,725,960.17
	7	388,539.83	183,612.02	204,927.81	3,542,348.15
	8	388,539.83	193,710.68	194,829.15	3,348,637.47
	9	388,539.83	204,364.77	184,175.06	3,144,272.70
	10	388,539.83	215,604.83	172,935.00	2,928,667.87
	11	388,539.83	227,463.10	161,076.73	2,701,204.77
	12	388,539.83	239,973.57	148,566.26	2,461,231.20
	13	388,539.83	253,172.11	135,367.72	2,208,059.09
	14	388,539.83	267,096.58	121,443.25	1,940,962.51
	15	388,539.83	281,786.89	106,752.94	1,659,175.62
	16	388,539.83	297,285.17	91,254.66	1,361,890.45
	17	388,539.83	313,635.86	74,903.97	1,048,254.59
	18	388,539.83	330,885.83	57,654.00	717,368.76
	19	388,539.83	349,084.55	39,455.28	368,284.21
	20	<u>\$388,539.84</u>	<u>368,284.21</u>	<u>20,255.63</u>	10/25/2031
TOTAL		\$6,900,597.46	\$3,900,000.00	\$3,000,597.46	



MEMORANDUM

To: Redevelopment Authority
From: Community Development Department/SS
Date: April 25, 2018
Re: **Update - Acquisition of the RR Donnelley/Banta Property – 460 Anhaip St**

Over the last several years the City of Menasha Redevelopment Authority (RDA) has been working towards the acquisition of the former George Banta Publishing facility at 460 Anhaip Street just south of the Menasha Dam. After the facility was closed in 2011 by RR Donnelley when operations were transferred to the Menasha plant on Midway Road this building was placed on the market, but remained vacant. When in operation this facility including seven acres of property had a total value of \$1.8 million compared to today's 65% decline in value of just over \$600,000. Being vacant for many years and located in the heart of the Menasha, the property was deemed blighted and officially acquired by the Redevelopment Authority on March 30, 2018.

This new ownership by the RDA will allow the City of Menasha to protect the waterfront as a publicly accessible feature while guiding development in the most opportune direction for the long term of this community. Given the property's unique location with respects to its orientation to the Fox River, Menasha Dam, Lake Winnebago and Downtown Menasha, the City views this as a high profile development site that would expect to have an end value in excess of \$10 million.

With the property now in the control of the RDA, the RDA will need to determine what the next steps are moving forward. This determination will likely include the following topics of discussion.

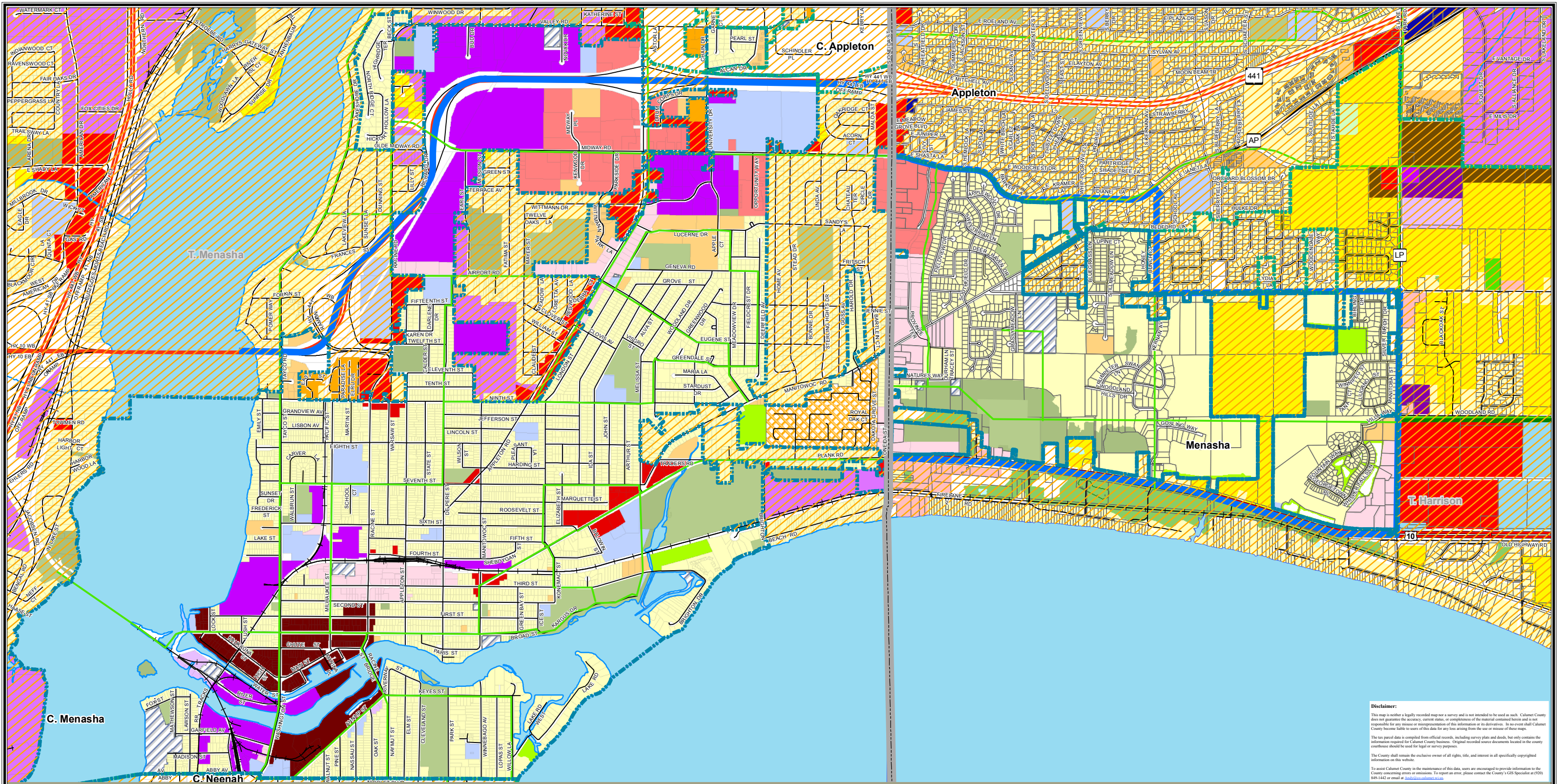
- Comprehensive Plan – Mixed Use Commercial Core
- Downtown Vision Plan – Medium Density Residential (6-16 units/acre) and High Density Mixed Use
- Racine Street Bridge Project – Demolition of Eastern Building Portion
- Environmental – Contamination, DNR Green Team, LGU Status, etc.
- Lawson Canal Project
- Future Development – Phases, Splitting the Site, Future Land Use, Site Layout, Access, Gilbert Mill Site, etc.
 - Request for Proposal
 - Direct Sale – Fish Fry Properties
 - List the Property – Sale Price
 - Single Party Listing

Banta - RR Donnelley
4/20/2018



This map based upon the data provided is neither a legally recorded map nor a survey and is intended for reference only.

N
1 inch = 200 feet
Scaled to 11" x 17" Paper Size



Future Land Use

City of Menasha, Calumet & Winnebago Counties

This Harrison future land use data was developed by the Town of Harrison working with Martenson & Eisele, Inc.

Map Date: May 19, 2008
Calumet County LIO
206 Court St
Oshkosh WI, 53014
920-849-1442

1 inch equals 1,975 feet

Legend:

- Railroad
- Federal Highways
- State Highways
- County Highways
- Local Roads
- City Streets
- Rivers
- Lakes
- Parks and Public Lands
- Parcel Boundaries
- City of Menasha Boundary
- Other Municipal Boundaries
- County Line
- Menasha Growth Management Boundary
- Trails

Menasha Future Land Use

- Low Density Residential
- Multiple Family Residential
- Mobile Home Park
- Community Commercial
- Regional Destination Commercial
- Mixed Use Neighborhood Center
- Mixed Use Commercial Core

Industrial

- Government/Institutional
- Mixed Use Area
- Utilities/Communications
- Public Parking
- Open Space
- Parks and Recreation

Town of Menasha Future Land Use

- Low Density Residential

Harrison Existing Land Use

- Wetlands
- Single Family Residential (sewered)
- Two Family Residential
- Multi-Family Residential
- Mobile Home Park
- Commercial

Harrison Future Land Use

- Industrial
- Public/Institutional
- Utilities
- Quarries
- Parks and Recreation
- Recreational Trails
- Water

Woodlands

- Special Ag/Nurseries
- Farmstead Homes
- Light Industrial

Two Family Residential

- Multi-Family Residential
- Commercial
- Industrial
- Public/Institutional
- Parks and Recreation

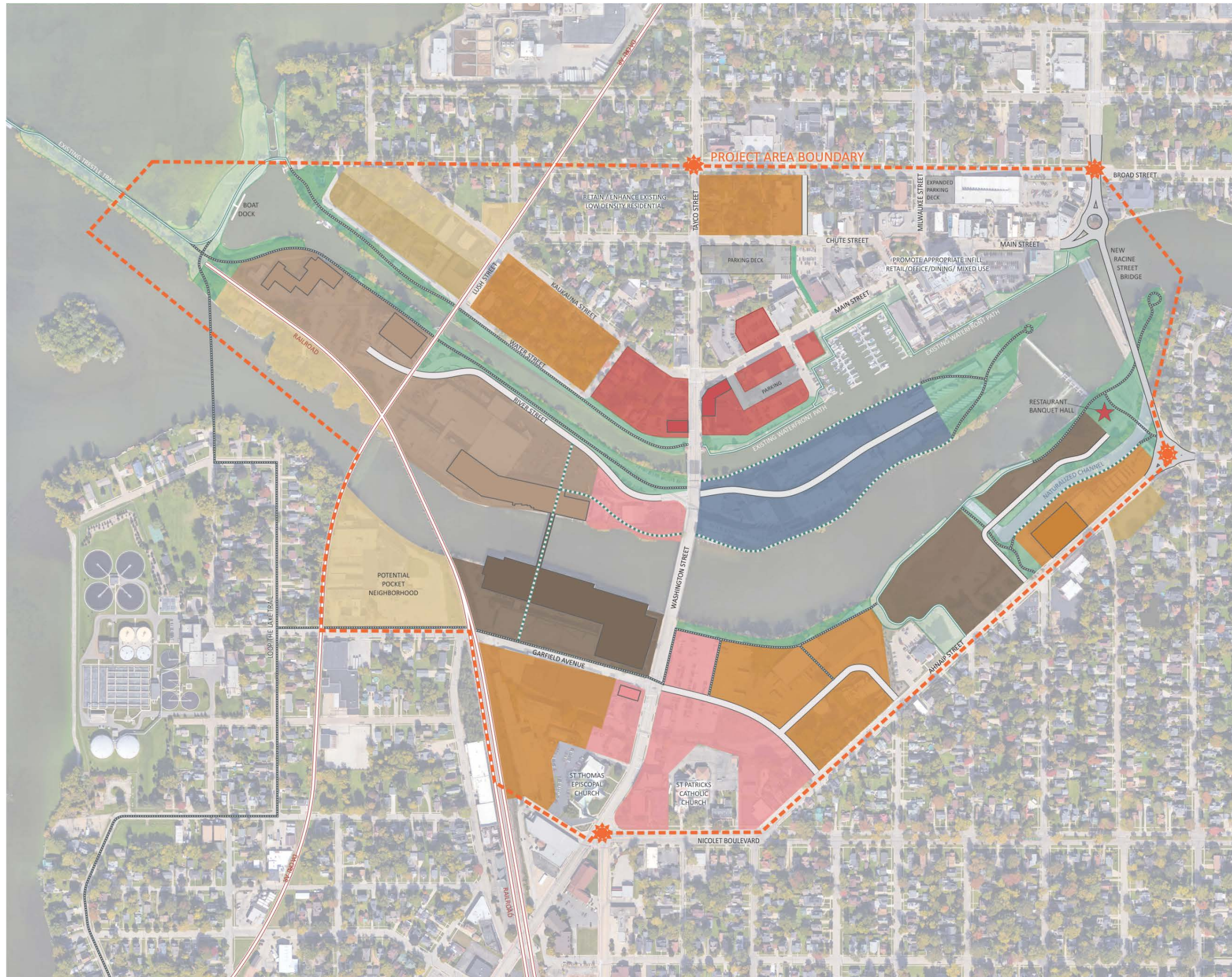
Appleton Future Land Use

- Single Family Residential
- Multiple Family Residential
- Multi-Tenant Building
- Commercial
- Industrial
- Institutional
- Recreational/Open Space

Map 8-3

Calumet County Overview

- TRADITIONAL "MAIN STREET" MIXED USE
- LOW DENSITY COMMERCIAL
- HIGH DENSITY MIXED USE
- OFFICE OR OFFICE PARK
- HIGH DENSITY RESIDENTIAL
- MEDIUM DENSITY RESIDENTIAL
- ROWHOUSE RESIDENTIAL
- LOW DENSITY RESIDENTIAL
- NO CHANGE IN LAND USE
- PUBLIC PARK OR GREENWAY
- POTENTIAL TO REUSE PRESERVED BUILDING
- EXISTING PUBLIC PATH
- PROPOSED PUBLIC PATH
- PROPOSED PRIVATE PATH / PUBLIC ACCESS
- GATEWAY



LAND USE CATEGORY DESCRIPTIONS

TRADITIONAL
“MAIN STREET”
MIXED USE



Development in this land use category will carry on the patterns found in Menasha’s downtown core, with closely-spaced buildings designed for small retail, dining, or service businesses on the first floor, and one or two upper floors housing offices or living units. Buildings will be set to the street line, and street facades will feature large transparent glass windows. This is intended to create a walkable environment and space for businesses that generate considerable cross traffic, contributing to a destination district.

OFFICE OR
OFFICE PARK



Communities in the Fox Cities have been successful in attracting office uses to downtown districts. This land use category is intended to ensure that land is made available for future office development that generates employment, and customers for downtown businesses. These districts are not expected to be solely limited to office uses. There are advantages to making space available for services that support the office business or employees, such as printing and shipping stores or restaurants.

HIGH DENSITY
MIXED USE



Mixed use is characterized by a street level dedicated to commercial activities, with some combination of all residential, or residential and office uses on upper levels. This land use category offers the opportunity to develop larger structures and a greater number of units than would be possible in the traditional “Main Street” mixed use areas. While maintaining the quality of the street facade, this use will require additional efforts to accommodate parking demands on-site. Parking will be landscaped and screened from view.

MEDIUM DENSITY
RESIDENTIAL



Medium density residential favors smaller multi-unit buildings often favored for condominium development. The goal of this land use category is to produce six to 16 units per acre. Buildings may be developed to the street line or with a small setback which will be attractively landscaped. They should not exceed three stories in addition to any underground parking.

LOW DENSITY
RESIDENTIAL



Some areas in the downtown are seen as appropriate for detached single family housing similar to what is already in most surrounding neighborhoods. These areas achieve about four to six units per acre. New housing should be designed to blend in with nearby existing homes, matching similar styles and materials.

Pocket Neighborhoods
As an alternative to more typical detached housing, developers may propose a pocket neighborhood. Pocket neighborhoods are clusters of modestly-sized homes grouped around and fronting on shared greenspaces such as a courtyard or pedestrian corridor. Each home does have its own private outdoor space, often transitioning to the common space. Garages and trafficways are designed to not conflict with shared spaces.

LOW DENSITY
COMMERCIAL



The downtown is a large area with a diverse character. Parts of the district can support uses drawing a greater number of vehicles, but still in a pedestrian-friendly environment. Buildings will still be set close to the street and have an entrance and windows on the street facade, while allowing on-site parking and even drive-through access to the back and side. While set further apart than in the traditional commercial areas, gaps between buildings will be minimized to maintain a pleasant walking experience. Street frontage and parking areas will be heavily landscaped.

PUBLIC PARK
OR GREENWAY



Menasha residents expressed a clear desire to secure public access to the shoreline, and to expand upon the number of parks, plazas, and greenways in the district. Several areas have been identified for future parks linked by trail systems along the waterways. Each node along this chain may have a different character or purpose, highlighting the site’s environmental features or history, creating viewpoints or event spaces, or accommodating recreational uses. Developers should be encouraged to link private spaces, such as outdoor dining areas or plazas, to the park network.

HIGH DENSITY
RESIDENTIAL



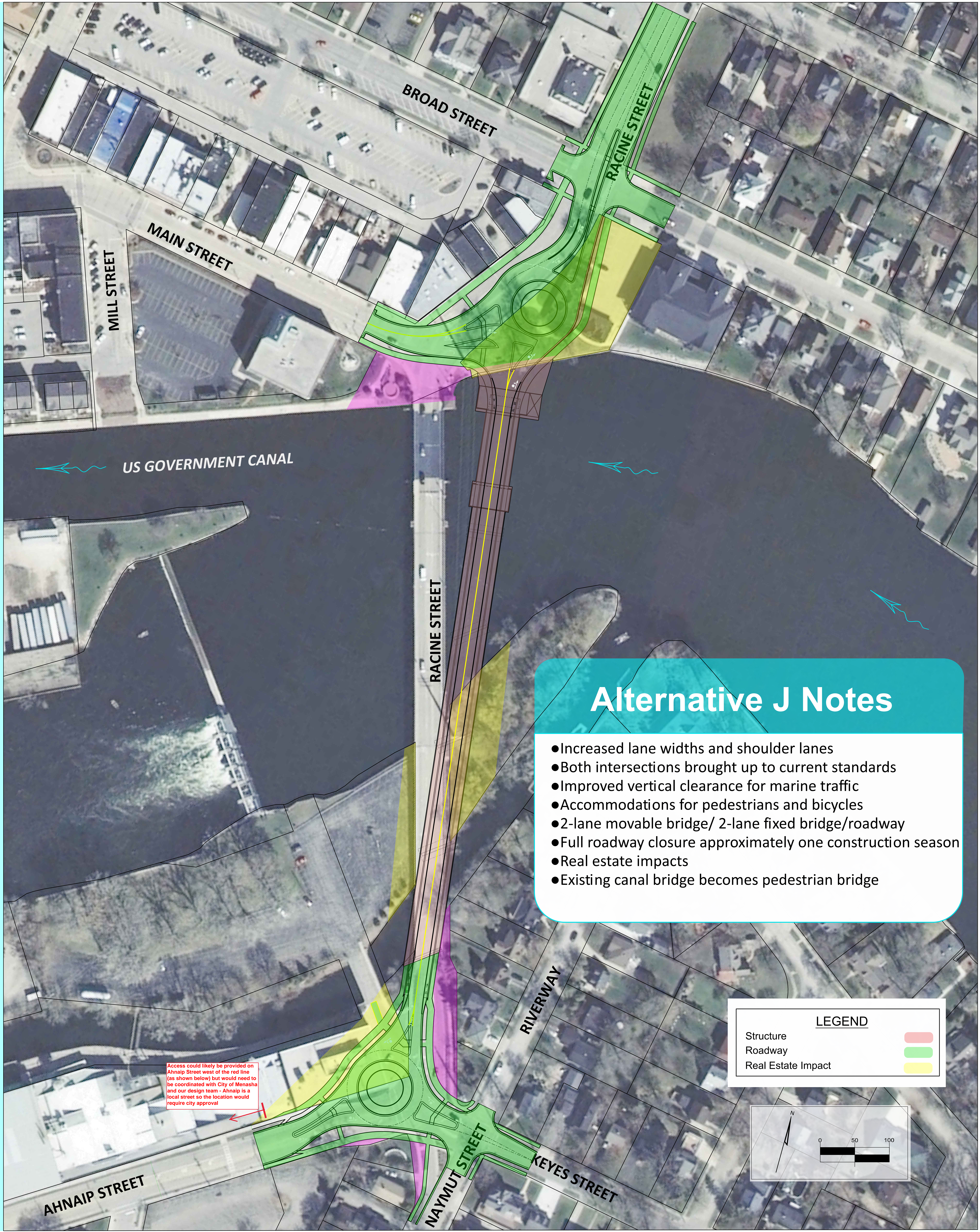
High density residential development is characterized by large buildings, resulting in a density of more than 16 units per acre. As in the high density mixed use category, these buildings may contain several floors of apartments or condominiums. Underground parking is usually provided. These buildings will use high quality exterior materials, and should be encouraged to provide private outdoor space such as usable patios or balconies on upper floors.

ROWHOUSE
RESIDENTIAL



Rowhouses are attached residential units having a front entrance on the street and garages accessed from the rear of the building. Buildings usually have a small setback and attractive street facade. Individual units may have private outdoor space on balconies or in a small rear yard. Because they eliminate the side yard, rowhouses can be developed at a higher density than single family housing, reaching up to twelve units per acre.





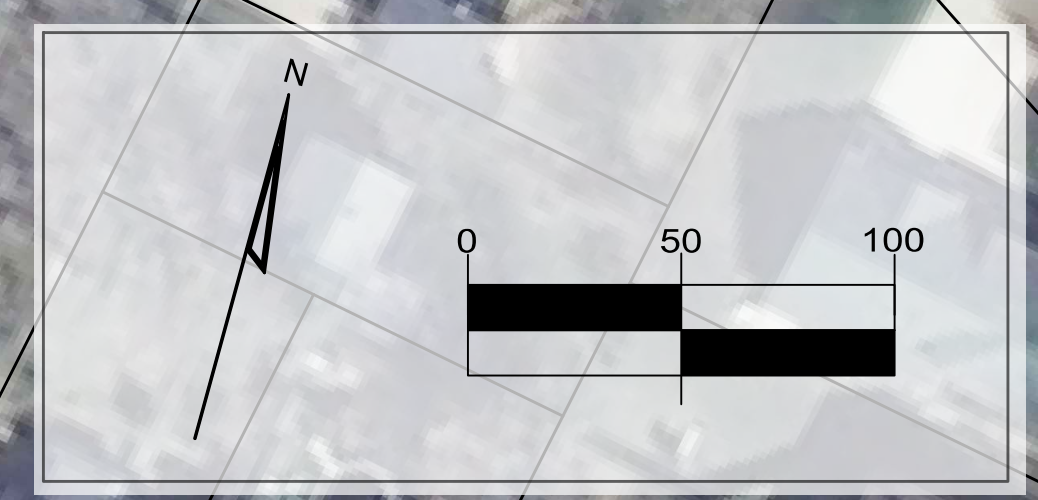
Access could likely be provided on Ahnaip Street west of the red line (as shown below) but would need to be coordinated with City of Menasha and our design team - Ahnaip is a local street so the location would require city approval

Alternative J Notes

- Increased lane widths and shoulder lanes
- Both intersections brought up to current standards
- Improved vertical clearance for marine traffic
- Accommodations for pedestrians and bicycles
- 2-lane movable bridge/ 2-lane fixed bridge/roadway
- Full roadway closure approximately one construction season
- Real estate impacts
- Existing canal bridge becomes pedestrian bridge

LEGEND

Structure	
Roadway	
Real Estate Impact	





April 20, 2018

Mr. Sam Schroeder
Mr. Kim Vanderhyden
City of Menasha
100 Main Street, Suite 200
Menasha, WI 54952

RE: 460 Ahnaip Street, Banta/RR Donnelley Redevelopment

Dear Sam and Kim,

Thank you for meeting with Brannin Gries and I to discuss the redevelopment of 460 Ahnaip Street. Fish Fry Properties and Gries Architecture are excited about the property's potential, kicking off with conversion of the west, four-story building to residential. We propose two options to move forward and ask your guidance as to which option is more attractive to the City of Menasha:

Option A: Outright Sale

Fish Fry Properties, LLC ("Developer") would purchase all or a portion of the property up front. Negotiated price and terms to include public assistance, e.g. tax increment financing, subsidized infrastructure, etc. Potential benefits of this structure include clearly delineated positions; the City transfers ownership risk in exchange for defined incentives and the Developer is motivated by upside potential. Unknown risks, however, will limit how much the Developer can pay upfront for the property, particularly if the initial parcel(s) to be sold is the former plant vs. the potentially more lucrative waterfront parcel.

Option B: Public Participation/Profit Sharing

Immediate or delayed sale including operating cash flow profit sharing with the City. This structure can ensure that the public assistance provided does not subsidize an unreasonable level of earnings for the developer and, possibly, mitigate some public criticism...*investment vs. subsidy*. On the downside, Developer has limited upside with unlimited downside and the City's involvement is extended.

I am willing to work under either option depending on the City's preference. I am also willing to immediately commence due diligence of the west building redevelopment and prepare an overall site master plan upon execution of an option agreement with the City. Such option agreement will specify:

- A timeframe to reach a mutually acceptable development agreement. This could take 6-12 months given the complexities of the transaction, but I would envision a shorter milestone, say 60 days, whereby either party can terminate the option agreement if a general structure does not seem workable. The City's time commitment is minimal and

you quickly establish a framework for moving forward even if it's not with me. I am able to commit labor and money to the project knowing I'm protected, even for a limited time.

- Amount of good faith collateral to be provided by Developer. I will post a promissory note or other collateral with a portion to be non-refundable upon execution of a development agreement.
- Due diligence to be completed during the option period and who pays for such due diligence should the parties not reach an acceptable development agreement. During our initial "milestone" period, I would focus due diligence on in-house market studies, financial analysis and environmental review. I will also compensate Gries Architecture for preliminary conversion plans of the west building and a preliminary master plan of the entire site. I will also engage, at my expense, The Windward Group, www.windwardinvest.com to prepare a formal market analysis for residential development of the west building. Whether we reach an agreement past the milestone period or beyond, the above due diligence will be provided to the City.

My legal counsel, Katie Blom at Epiphany Law, at my expense, can prepare a draft option agreement for your review. I look forward to discussing my proposal at your earliest convenience.

Sincerely,



Todd Parker
President
Fish Fry Properties
1090 Holly Street
Denver, CO 80220
(303) 393-1363
Todd@FishFryProperties.com

Cc: Brannin Gries, Gries Architecture