

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**

**January 8, 2019**

**5:00 PM**

**AGENDA**

**A. CALL TO ORDER**

**B. ROLL CALL/EXCUSED ABSENCES**

**C. MINUTES TO APPROVE**

1. Minutes of the December 4, 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. Development Agreements Between the Redevelopment Authority of the City of Menasha and Van's Reality and Construction
2. Lawson Canal Discussion
3. Code of Conduct
4. Banta/RR Donnelley Property – 460 Ahnaip Street
  - a. May adjourn into Closed Session pursuant to Wis. Stats. 19.85(1)(e), deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business due to competitive or bargaining reasons require a closed session (460 Ahnaip Street – Wis. Department of Transportation property acquisition).
  - b. May Reconvene into Open Session to take action on items discussed in Closed Session
5. 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 133  
December 4, 2018  
DRAFT MINUTES**

---

**A. CALL TO ORDER**

The meeting was called to order at 5:07 PM by Chairperson Kim Vanderhyden.

**B. ROLL CALL/EXCUSED ABSENCES**

REDEVELOPMENT AUTHORITY MEMBERS PRESENT: Chairman Kim Vanderhyden, Alderperson Rebecca Nichols, Kip Golden, Matt Vanderlinden, Gail Popp, and Bob Stevens

REDEVELOPMENT AUTHORITY MEMBERS EXCUSED: Shane Correll

OTHERS PRESENT: CDD Sam Schroeder, AP Joe Stephenson, Attorney Pam Captain, ASD John Jacobs, Mayor Merkes, and John Bergstrom (Representing Lake Park Swim and Fitness).

**C. MINUTES TO APPROVE**

**1. Minutes of the November 5, 2018 Redevelopment Authority Meeting**

Matt Vanderlinden made a motion to approve the minutes from the Redevelopment Authority Meeting on October 2, 2018. The motion was seconded by Bob Stevens. The motion carried.

**D. PUBLIC COMMENTS ON ANY MATTER OF CONCERN ON THIS AGENDA  
(five (5) minute time limit for each person)**

Public comments were taken throughout the entire meeting.

**E. DISCUSSION / ACTION ITEMS**

**1. Counter Offer to Purchase – Lot 10 and 11 Lake Park Square – Lake Park Swim and Fitness**

*Chairman abstained from discussion and left the room. The chair was given to Alderperson Nichols for the duration of item E-1 at 5:04 PM.*

CDD Schroeder gave a background on counter offer to purchase lots 10 and 11 Lake Park Square. The counter offer from Lake Park Swim and Fitness, LLC Dated 11/10/2018: is an offer to purchase lots 10 and 11 of Lake Park Square for \$125,000 and with the following:

- There is a right of reversion deed restriction that allows the redevelopment authority to purchase back lot 10 and 11 for \$125,000 less the closing costs if building permits are not obtained within 3 years of the closure date.
- The value of any development on the two lots shall be a minimum of \$220,000 per acre.
- There shall be no assignment or resale of the property to a non-profit organization as recorded with the deed.

The RDA discussed the offer in detail with the following items being discussed:

- The potential project.
- The RDAs lack of lot sales.
- Recent business activity at Lake Park Square.
- RDA Debt.

John Bergstrom, representing Lake Park Swim and Fitness, LLC, informed the RDA that him and his group of investors do not have a project for the two lots but will be aggressively marketing the lots. The intention of the acquisition is to allow the marketing for a larger project.

Bob Stevens made a motion to accept the counter from Lake Park Swim and Fitness LLC. The motion was seconded by Matt Vanderlinden.

Discussion ensued about who would pay the taxes on the property should they not close before the end of the year.

Mr. Bergstrom indicated that due to the timing, it might be hard to close before January 1<sup>st</sup> but in good faith should closing not happen, they would be willing to also pay next year's taxes.

Matt Vanderlinden made a motion to amend the previous motion with the following: should the closing of the property not happen prior to 2018 years end, Lake Park Swim and Fitness, LLC shall make a comparable payment in lieu of taxes (PILOT) based upon the future assessed value of the lots. The motion for an amendment was seconded by Kip Golden. The motion carried.

A vote was then taken on the original motion with the amendment. The motion carried.

*At 5:30 PM Gail Popp entered the meeting.*

## **2. Listing Agreement – Lake Park Square**

Alderperson Nichols made a motion to approve the listing agreement amendment with NAI Pfefferle for Lake Park Road extending the agreement one year excluding the lots just sold to Lake Park Swim and Fitness LLC, Lots 10 and 11. In addition the county on the listing contract will be changed from Winnebago to Calumet County. The motion was seconded by Gail Popp. The motion carried.

## **3. Development Agreements Between the Redevelopment Authority of the City of Menasha and Van's Reality and Construction**

CDD Schroeder gave a brief background on the development agreement between the RDA and Van's Reality and Construction (Van's). Through this development agreement Vans, purchased 5 lots. In addition, Van's also executed its option on 1 other lot. Having sold 2 homes, having 3 lots currently under construction and the 6th remaining vacant, Van's is requesting the agreement to construct and sell these homes be extended one year to allow the completion and extension of the builders credit. In addition to this request, Van's would agree to purchase the remaining 4 option lots which will then be constructed and sold over the course of the next two years and be eligible for the agreed upon builders credit.

Attorney Captain informed the RDA that she believes the option Lot 70 is not eligible for the builders credit.

The RDA felt that Van's was doing a good job building and selling lots. Van's has proven they can properly market the Lake Park Villas Development but the RDA also wanted to make sure that Van's proposal was more fully vetted by staff and an official amendment be brought to the following meeting.

No action was taken with anticipation that this item will be brought forward at the next RDA meeting.

**4. Public Works Facility USDA Loan Update**

**5. USDA Loan Application**

*Items E-4 and E-5 were talked about in conjunction with each other.*

ASD John Jacobs presented new information regarding the USDA loan application for the Public Works Facility. The first process to use the USDA loan is to be preapproved. ASD Jacobs has filled out all the paper work to be preapproved by the USDA loan. Before the paper work can be sent in the Chairperson of the RDA must sign the documents and allow the preapproval application to be sent in. The RDA does not need to pass a formal resolution at this time.

A motion was made by Alderperson Nichols to approve the application for the USDA Loan for the Public Works Facility and authorizes the chairperson to sign the required documents.

CDD Schroeder indicated, which was acknowledged by ASD Jacobs, that a resolution officially approving and accepting the USDA loan will be brought back to the RDA for its consideration before bids for the public works facility are accepted.

The motion was seconded by Bob Stevens. The motion carried.

**6. Lawson Canal Discussion**

CDD Schroeder informed the RDA that no new developments had occurred with the Lawson Canal. The City Council has approved staff to continue the investigation into acquiring the Lawson Canal. No action was taken.

**7. Banta/RR Donnelley Property – 460 Ahnaip Street**

CDD Schroeder informed the RDA that there minor progress and conversations with the DOT continue following the acceptance of the environmental procedure and the public information meeting held on November 28, 2018. Over the next several months, staff will start real estate discussions with the Dot and ensure that updates are brought forward to the RDA for discussion. No action was taken.

**8. Draft 2019 Meeting Calendar**

The draft calendar for 2019 meetings was presented to the RDA.

**9. Set Next Meeting**

The next meeting was set for January 8, 2019 at 5:00 PM.

**F. ADJOURNMENT**

A motion was made by Alderperson Nichols, seconded by Kip Golden, to adjourn the meeting at 6:26 PM. The motion carried

*Minutes respectfully submitted by AP Stephenson.*

## **LETTER OF INTENT**

**January \_\_\_\_\_, 2019**

This Letter of Intent is a contractually binding agreement between Van's Realty & Construction of Appleton, Inc. ("Van's") and the Redevelopment Authority of the City of Menasha ("RDA") and is meant to express the basic terms and condition to be incorporated into a full agreements executed by Van's and the Executive Director of the RDA.

### **RECITALS**

**WHEREAS**, the parties came into a Land Purchase and Development Agreement on September 14<sup>th</sup>, 2016 (Exhibit A) for the purchase of five Lots, specifically: 19R, 21, 91, 108, and 124 for the purchase price of \$35,000 for each Lot less the Builder Credit through the acceptance of a promissory note and the option to purchase five additional option Lots, specifically: 70, 81, 4CSM3511, 123, and 125; and

**WHEREAS**, said Land Purchase and Development Agreement required the first five Lots to be constructed and completed no later than December 31, 2017 with certain other obligations; and,

**WHEREAS**, the RDA agreed to provide Vans a Builders Credit in the amount of \$10,500 against the amount due on the promissory note should the sale price of the home meet or exceed \$200,000; and,

**WHEREAS**, the parties agreed to the First Amendment (Exhibit B) to the Land Purchase and Development Agreement in August of 2017 to clarify the construction period noted in Section 2.03 and to note the construction of the first five homes shall be completed no later than December 31, 2018; and,

**WHEREAS**, Van's executed its right of first refusal to purchase option Lot 70 subject to the terms of the third party offer (no builder credit) on December 15, 2017; and,

**WHEREAS**, the parties agreed to the Second Amendment (Exhibit C) to the Land Purchase and Development Agreement on January 31, 2018 requiring Vans to pay the outstanding balance of each promissory note for each of the first five lots at the time of closing or November 15, 2018, whichever comes first; and,

**WHEREAS**, Vans developed and sold residential homes on two of the first five Lots, specifically: Lots 21 and 91, receiving the builder's credit and completing its obligation to the promissory note; and,

**WHEREAS**, the remaining three of the first five Lots, specifically: Lots 19R, 108, and 124 are in the process of being constructed.

**NOW THEREFORE BE IT RESOLVED**, Vans agrees to complete the construction of the remaining three Lots, specifically: Lots 19R, 108, and 124, and begin and complete the construction of Option Lot 70 by December 31, 2019; and,

*with builders credit  
Tw for  
JCH*

**BE IT FURTHER RESOLVED**, the RDA agrees to extend the promissory note on the remaining three Lots, specifically: Lots 19R, 108, and 124 until the time of each closing between Vans and its immediate successor in interest or December 31, 2019 and agrees to waive any interest due to existing defaults to past agreement; and,

**BE IT FURTHER RESOLVED**, the RDA agrees to extend the promissory note with no builders credit on Option Lot 70 until the time of closing between Vans and its immediate successor in interest or December 31, 2019; and,

**BE IT FURTHER RESOLVED**, Vans agrees to execute its Option to Purchase the remaining four option lots, specifically: Lots 81, 4CSM3511, 123 and 125 for the price of \$35,000 in the first quarter of 2019, whereas, consistent with the terms of the Land Purchase and Development Agreement including the builders credit of \$10,500 should the sale price meet or exceed \$200,000, the RDA will extend a promissory note until such a time of each closing between Vans and its immediate successor in interest or December 31, 2020.

**IN WITNESS WHEREOF**, the parties have duly executed this Agreement as of the \_\_\_\_\_ day of January, 2019.

**THE REDEVELOPMENT AUTHORITY OF THE CITY OF MENASHA**

\_\_\_\_\_  
Print Name:

Title:

Date:

**VAN'S REALTY AND CONSTRUCTION OF APPLETON, INC**

  
\_\_\_\_\_  
Print Name: Jason C. Haen

Title: President

Date: 1/3/19

CITY OF MENASHA POLICY		TITLE: CODE OF CONDUCT USDA Rural Development	
ISSUE DATE:		LAST UPDATE: 12/21/2018	SECTION:
POLICY SOURCE: 5 U.S.C. §§1501-1508 and 7324-7328; United States Department of Agriculture Community Facility Program Requirements		AUDIENCE: All elected/appointed officials, employees, officers and agents of the City and/or RDA	TOTAL PAGES: 1
The Redevelopment Authority of the City of Menasha (RDA) Approval Date:		Personnel Committee Approval Date:	Council Approval Date:

## I. PURPOSE

This code of conduct shall govern the performance of City and/or RDA elected/appointed officials, officers, employees, and agents engaged in the selection, award and administration of contracts supported by Rural Development funds and to ensure compliance with United States Department of Agriculture Community Facility Program Requirements.

## II. CODE OF CONDUCT

- a. No elected/appointed official, employee, officer, or agent of the City and/or RDA shall participate in the selection, award, or administration of a contract supported by Rural Development funds if a conflict of interest, real or apparent, would be involved. Examples of such conflicts would arise when: the elected/appointed official, employee, officer, or agent, any member of their immediate family, their partner, or an organization which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for the award.
- b. The City's/RDA's elected/appointed officials, officers, employees, or agents shall neither solicit nor accept gratuities, favors, or anything of monetary value from contractors, potential contractors, or parties to sub agreements.
- c. No employee or elected/appointed official of the City and/or RDA shall use his or her position for a purpose that constitutes or presents the appearance of personal gain in the selection, award, or administration of a contract supported by Rural Development funds.
- d. Compliance with the provisions of the Hatch Act which limit the political activities of employees whose principal employment activities are funded in whole in part with Federal funds is required.
- e. All City/RDA officers, employees, or agents as part of their job requirements, are responsible for preventing any behavior which may violate the code of conduct detailed above. After appropriate investigation, any officer, employee, or agent found to have engaged in behavior which violates this code of conduct will be subject to disciplinary action, up to and including discharge.



## MEMORANDUM

Date: January 8, 2019

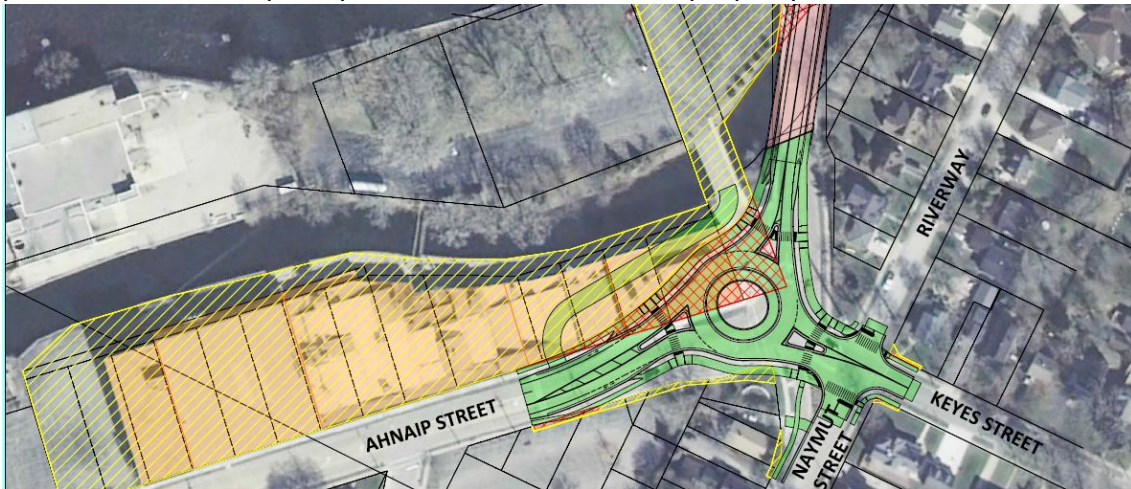
To: Redevelopment Authority

From: Sam Schroeder, Community Development Director

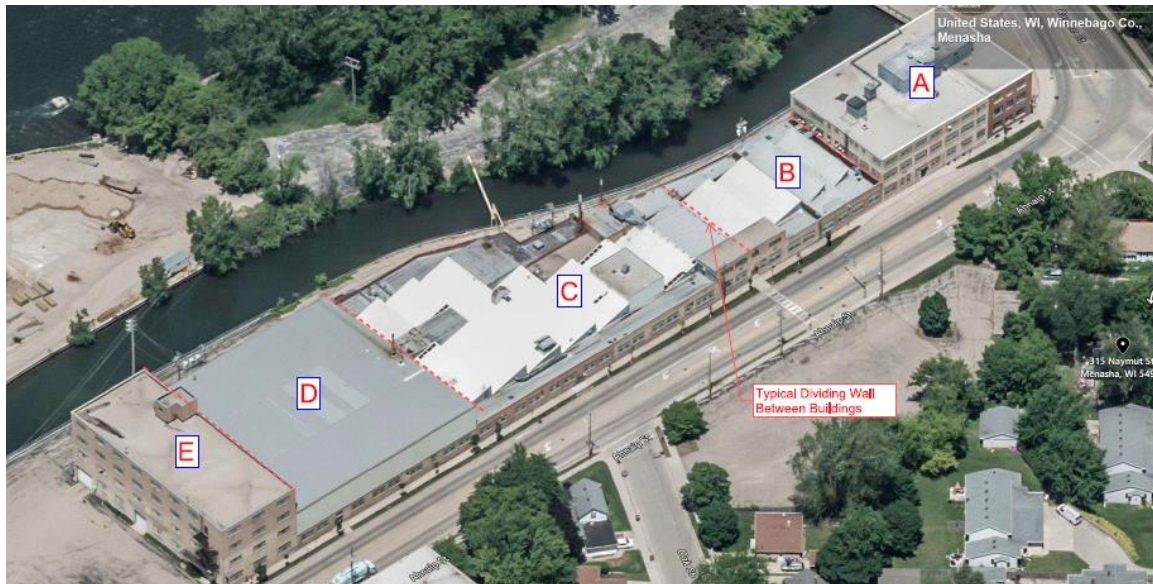
RE: **DOT Acquisition for Racine Street Bridge Project**

---

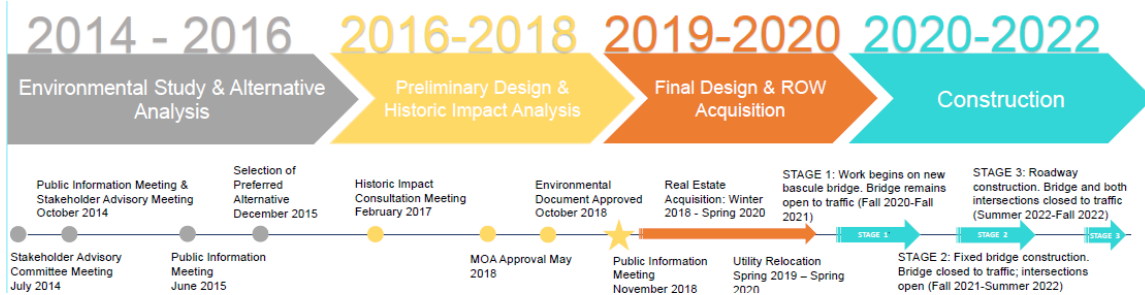
With the reconstruction and realignment of the Racine Street Bridge, the Wisconsin State DOT needs to acquire certain portions of the former Banta property now under the ownership of the Redevelopment Authority (RDA). This acquisition includes the demolition of certain portions of the building for future road right-of-way. Below is an image of the selected alternative in discussion which includes the demolition of a portion of the building, future road right-of-way, a new drive aisle for access to the peninsula and a temporary limited easement for the property while under construction.



As part of the DOT's initial analysis, the DOT hired an Engineering Firm to conduct a structural analysis of the Banta building to see where it could break the building in a location that would be structurally viable and meet the right-of-way needs for the Racine Street Bridge project. Below is an image showing the building broken into 5 sections: A through E. Per the DOT's analysis, they feel the building can be split between building B and C.



To summarize, the DOT's proposal is to shore up the openings within the existing dividing wall between building sections B and C, remove building sections A and B including all associated regulated waste, permanently acquire the area needed for the future road right-of-way (back of sidewalk), construct a two-way "driveway" to a minimum 24' width and place within a permanent limited easement for Army Corp access to the Dam, acquire a temporary limited easement for land sections A and B, and provide DNR case closure for the area needed for the street construction (back of sidewalk). Based upon project schedule, this demolition would begin in the fall of 2019 and extend into 2020; however, the actual construction impacting this area would not happen until the summer/fall of 2022.



Staff is recommending the RDA counters the DOT proposal and invests public funds to demolish the building, selling the DOT a clean site which in turn due to competitive bargaining reasons of deliberating the purchase of the needed property for the future right-of-way and permanent limited easement, suggests adjourning into closed session pursuant to Wisconsin State Statutes 19.85(1)(e).