



Redevelopment Authority

Agenda

June 15, 2022

PLEASE TAKE NOTICE that there will be a meeting of the Redevelopment Authority on Wednesday, June 15, 2022 at 7:30 a.m., in the Council Chambers, City Hall, 203 S. Farwell Street, Eau Claire, Wisconsin, on the following agenda items:

1. Call to Order and Roll Call
2. Review and approval of minutes from 5/18/22
3. Review and approval of financials
4. Public comment for items that are not listed as public hearing or discussion
5. Business items with public hearing or public discussion
 1. None
6. Other Business
 1. Ambient Inks proposal to purchase the Riverside site along Oxford Ave., located in the Cannery District
 - A. Staff presentation of proposal and staff recommendation
 - B. RDA discussion
 - C. RDA action: Consideration of a motion authorizing staff to enter into negotiations on a 90-day MOU.
 2. Purchase Agreement with Merge, LLC for the purchase of a parcel located along N. Barstow St., known as the Liner Site Remnant
 - A. Staff presentation of the Purchase agreement Terms for the Liner Site Remnant for redevelopment by Merge LLC
 - B. RDA Discussion
 - C. RDA action: Consideration of a motion to approve the Purchase Agreement for the Liner Site Remnant
7. Executive Director's Report
8. Next meeting date—July 20, 2022
9. Adjournment

This notice is given in accordance with the provisions of Subchapter V of Chapter 19 of the Wisconsin Statutes.

In order to accommodate the participation of persons with special needs at this meeting, the City will provide the services of a sign language interpreter or make other reasonable accommodations on request. To make such a request, please notify the City at 715-839-4902 at least 2 days prior to the meeting. Notice is hereby given that members of the City Council may be present at the foregoing meeting to gather information about a subject over which they have decision-making responsibility. This constitutes a meeting of the City Council pursuant to State ex rel. Badke v. Greendale Village Bd., 173 Wis.2d 553, 494 N.W.2d408 (1993), and must be noticed as such, although the Council will not take any formal action at this meeting.

Dr. Thomas Kemp/aks

Dr. Thomas Kemp, Chair

c: News Media

Redevelopment Authority for the City of Eau Claire
Minutes
Wednesday, May 18, 2022
City Hall Council Chambers

Members Present: Jenny Fesenmaier, Tom Kemp, Wayne Wille, Connie Pedersen, Dave Solberg, Emily Berge

Members Absent: Pam Haller

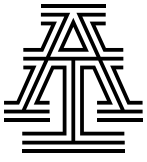
Others Present: Crystal Halverson

Staff Present: Aaron White, Sara Larsen, Scott Allen, Steve Nick, and Jason Rohloff

1. Call to Order and Roll Call. This meeting was called to order by Dr. Tom Kemp at 7:34 a.m.
2. Review and approval of minutes from 3/16/2022. The meeting minutes from 3/16/2022 were reviewed and a motion to approve was made by Mr. Wille. Second by Ms. Fesenmaier. The motion was carried.
3. Review and approval of financials. Mr. Rohloff spoke on the most recent financials. As of April 30, 2022, FY22 RDA operating expenditures total \$5,940, all of which was spent on surveying work done at 2000 Oxford Avenue. Approval of financials made by Mr. Wille. Second by Ms. Pedersen. The motion carried.
4. Public comment for items that are not listed as public hearing or discussion. None at this time.
5. Business items with public hearing or public discussion.
 - A. None
6. Other business items:
 - a. MOU extension for Phoenix Parkside II, LLC in regards to their Block 7 redevelopment proposal
 - i. Seeking a 90-day MOU extension to allow for additional negotiation on the proposed project: Mr. White gave an overview of the reasons the extension was needed.
 - ii. RDA Discussion: Ms. Pedersen asked if staff was concerned about anything. Mr. White said rising costs in the economy are concerning, but we are hopeful that the project will happen.
 - iii. RDA action: Consideration of a motion to extend the MOU with Phoenix Parkside II, LLC another 90 days.
 - iv. Mr. Solberg moved to extend. Mr. Wille seconded. Motion approved.
 - b. Purchase Agreement with Menomonie Market Holdings, LLC for the purchase of a parcel located along N. Barstow Street, known as the Southern portion of Block 7
 - i. Staff presentation of the Purchase Agreement Terms for the southern portion of Block 7 for redevelopment by the Menomonie Market Food Co-op: Ms. Halverson gave an overview of the impact the Co-op has in the community and region. Mr. Kemp asked clarification on the square footage. Mr. Solberg asked about the current location. Ms. Halverson said it is leased. Ms. Berge asked about the potential of future classes and education space. Ms. Halverson said there is space for that and large style events. Ms. Fesenmaier asked the comparable buildings in the market to help reach the valuation of \$6 million. Ms. Pedersen asked about competition in the area.

- ii. RDA Discussion
 - iii. RDA action: Consideration of a motion to approve the Purchase Agreement for the southern portion of Block 7. Mr. Solberg moved. Ms. Fesenmaier seconded. Ms. Berge made comment that she is excited to see the grocery store gap filled in downtown and it will be more than that with education and community gathering. Mr. Solberg is happy to see it come to fruition. Motion passed.
7. Executive Director’s Report. Mr. White reported that there is a lot of projects in the community. We are working with P&R properties and Silver Creek Equity to finish up the development agreement. Staff is working with GRIP to find a developer to help do the original pocket neighborhood concept. The board will likely see a concept for the Riverside site in the Cannery District and the split lot of the Linear Site. Ms. Fesenmaier asked about the height difference between the Linear Site project and the Children’s Museum. Ms. Berge asked clarifying questions about the GRIP project.
8. Announcements – None
9. Next meeting date— June 15, 2022
10. Adjournment – Motion to adjourn by Mr. Wille. Seconded by Ms. Pedersen. Meeting adjourned at 8:10 a.m.

Wayne Wille, Secretary



Ambient Inks

We produce and manage conscious/sustainable merch for artists, brands and orgs.

Our purpose is to create a positive impact within our global community.

Cannery District Redevelopment Proposal

JUNE 15, 2022 | RIVERSIDE SITE



Render Looking Southeast

Ambient

We started as a 2-human screen printing shop in 2009, in our Menomonie, Wisconsin garage, and have since evolved into an all-encompassing merch management company. Our forever-vision is to continually reinvent ourselves in ways that put people, community and our world first.

Our holistic business model provides merchandise management solutions for artists in the music industry. This includes in-house screen printing on garments and gig posters, webstore and inventory management, marketing and campaign strategy, tour merch support and creative services including custom design, merch line development, photography, and webstore development. More information on what we offer [can be found on our website.](#)

Our way of being has attracted the trust of globally recognized and touring Artists such as Bon Iver, Caamp, Charlie Berens, Courtney Barnett, Flying Lotus, John Legend, John Prine, Local Natives, mxmtoon, Sylvan Esso, Ray LaMontagne, The Tallest Man On Earth, The Midnight, Thundercat, Trampled By Turtles, Tycho and [180+ other Artists](#). We also support hundreds of local and United States small businesses, organizations and events, including the likes of Leinenkugel's Brewing, Volume One / The Local Store, USA Kubba, Revival Records, Climate Reality and WhyHunger.

We've experienced consistent year-over-year growth since our origin and are proud to continue contributing to the economic and cultural growth of Eau Claire.



Ambient Inks

Eau Claire, Wisconsin | www.ambientinks.com | 715.737.9074 | aaron@ambientinks.com | [@ambientinks](https://www.instagram.com/ambientinks)



Render Looking Northeast

People

[We're a team](#) of 43 down-to-Earth, kind-hearted and hard-working humans with a shared intention to make the world a better place for all. We actively embrace and embody our [Company Philosophy](#) in hopes of cultivating an environment in which our staff feel seen, valued and well compensated.

Ambient thrives because of the collective efforts of everyone here, our collaborative/inclusive environment and the connection we feel as a team with a shared purpose.

Community

We've laid roots in downtown Eau Claire, Wisconsin and are proud to call this place home. Our team is actively engaged in the community and we sponsor, donate to and volunteer for causes we believe in that push humanity and the environment towards a more equitable and healing world.

World

We envision a merch industry that's restorative and mindful to the needs of people and the planet. We're doing our part to create the new normal, by sourcing from sustainable/conscious brands and lessening the environmental impact within our production processes.

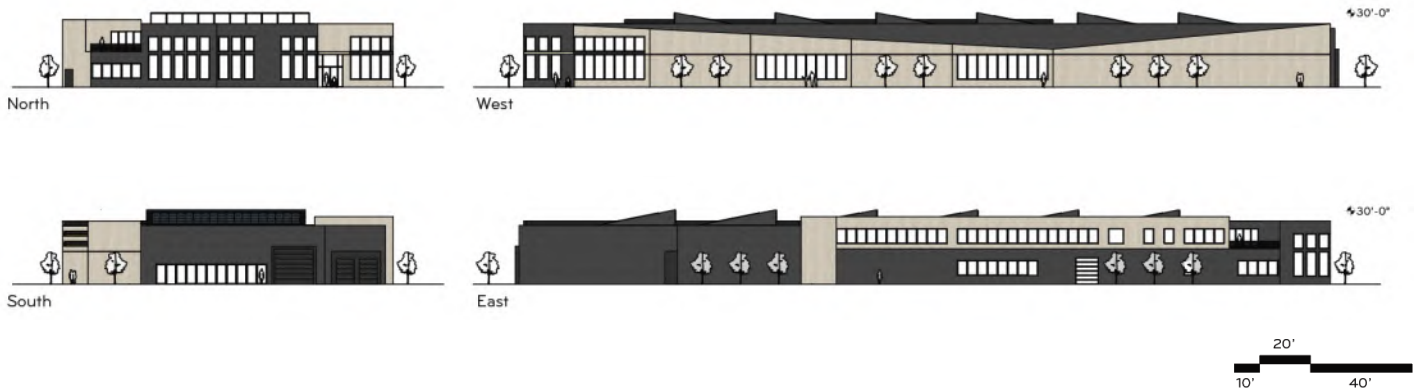
Examples of our commitment to change include our partnerships with industry leaders like [Plus1](#), through which we donate our entire share of webstore proceeds, one day each month, to causes and organizations which align with our values.



Project Summary

We are proposing to develop Ambient's new home on the Riverside Site in Eau Claire's Historic Cannery District. This expansion will allow us to increase our current production capacity by 3X, our current number of staff by 1.5X, create greater opportunities for positional growth, and create immense cultural and community impact. It'll also allow us to better serve our clients by creating greater efficiencies company-wide, offering new services, and furthering our mission to help make the merchandise and apparel industry more sustainable.

It'll be a space that Ambient can truly call home. Although, we see this chapter being more than a physical expansion. It's an opportunity for us to further prioritize our staff's well being, and continue creating positive impact within our community and the world.



Staff Well Being & Job Creation

Being conscious and forward thinking about our culture and the well-being of our staff is paramount to us. With this expansion, we intend to create a minimum of 20-30 new jobs that are equitable, well-paid and fulfilling.

As we've grown, we've established production, warehouse, entry, manager, and director-level positions that attract a wide range of skill sets, interests and career aspirations. We've cultivated a premium-priced business model that reflects our level of service and quality, and allows us to offer wages higher than our industry's standards that are often extremely competitive in our area. Because of this, we've had great success with our hiring process, even in recruiting individuals from other areas of the country.

All full time staff are eligible for benefits such as PTO, Sick Time Off, Paid Holidays, Healthcare Reimbursement, Maternity/Paternity/Adoption Leave and Sabbatical Leave.

We practice financial transparency because we believe that all members of our team deserve to understand and celebrate the financial impact our collective efforts create. We offer a Profit Share Plan that is structured as a year-end bonus plan awarding 20% of profits to staff, split equitably according to relative compensation of all members. Last year we distributed \$97,023.

It's crucial that staff well being is at the forefront of all expansion decisions. We intend to cultivate a space that prioritizes physical and mental health, inclusion, community, collaboration and togetherness. We plan to incorporate a gym, yoga studio, meditation/nap room, nursing rooms, a large family style kitchen and lounge, an indoor garden, communal workspaces, studios/practice spaces, and outdoor gathering and workspaces.





Impact & Sustainability

Aerial Render Looking Northeast

We aim to be Eau Claire's most sustainable development project, and the World's most sustainable Artist Merchandise company. This expansion would allow us to fully realize the positive impact we can make. Our ever evolving list of plans include utilizing solar, water recycling, rain-water collection, a company garden/compost, a green roof, north facing skylights to allow for natural light in our production floor and warehouse, a smart lighting system, and renewable/upcycled/local building products.

We value sharing knowledge that will help make the world a better place, and plan to make our sustainability

journey an educational experience for the community. We'll host workshops and display digital and physical assets for community members to become immersed in, as they walk through our area of The Cannery District.

We're also excited for the impact our project and vision will have within our industries. The Apparel and Music industries have a long way to go, and we're grateful to have the opportunity to be a leader in this space.

Community Minded

Expanding within Downtown Eau Claire is an intentional choice. We see this location to be idyllic both in terms of enhancing the City's vision of the Makers District, but also to enhance our vision of further integrating ourselves into the local community. Our new space will provide opportunities for events, live performances, makers markets, murals, art galleries, retail, shop tours, workshops and charitable initiatives. We'll integrate bike parking areas, landscaping, lighting, and community use of our parking lot after working hours.

We'll provide educational opportunities by hosting live printing events at our facility and in the neighboring park,

along with partnering with UWEC and UW-Stout to give students access to professional screen printing equipment and knowledge.

In typical manufacturing, especially our industry, the production and warehouse space isn't given the same love that the front office is. It's often hidden from the outside world. At the core of what we do, we're a print shop, and we want that to show. We'll feature large windows and garage doors on the outside of the building inviting community members to see the process from Oxford and the bike path.



Ambient Inks

Eau Claire, Wisconsin | www.ambientinks.com | 715.737.9074 | aaron@ambientinks.com | [@ambientinks](https://www.instagram.com/ambientinks)

Project Specifics

The current proposal includes a 2 story construction for commercial use, to house our offices, showroom, production, warehouse, staff amenities, retail and other community-minded spaces such as an art gallery, a small venue space and a membership based 24/7/365 accessible screen printing studio for community members.

We've chosen to work with Shelter as our architecture partner. Shelter is an architecture and design studio based in Minneapolis, MN, and Eau Claire, WI. The firm's

Chippewa Valley work includes the Oxbow Hotel and Lakely restaurant; the Visit Eau Claire Experience Center; River Prairie Wealth Partners' headquarters; and Token Jewelry's downtown storefront.

Shelter's holistic approach stems from its core belief: Well-designed spaces can improve people's lives. We're grateful to have found a firm we feel we can align with philosophically and creatively to truly make something beautifully impactful.

Building Specifics

TOTAL FINISHED SPACE:
45,220 Square Feet

ELEVATION:
2 Stories

PROPOSED SITE
FOOTPRINT:
34,200 Square Feet

PARKING:
13 Spaces & Additional
Street Parking

Area Summary

PRODUCTION:
12,300 Square Feet

OFFICE:
7,920 Square Feet

WAREHOUSE:
13,200 Square Feet

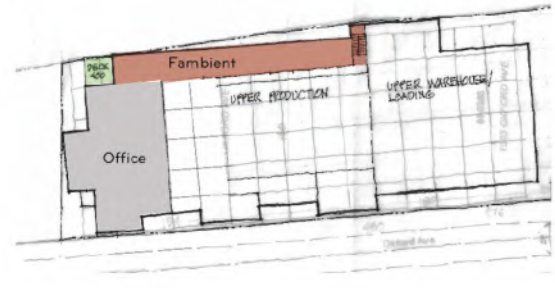
STAFF AMENITIES:
3,400 Square Feet

CIRCULATION,
RESTROOMS, MECHANICAL:
4,640 Square Feet

COMMUNITY:
3,760 Square Feet



MAIN LEVEL



UPPER LEVEL

AREA SUMMARY

■ PRODUCTION:	12,300 S.F.
■ WAREHOUSE:	13,200 S.F.
■ SHIPPING (INCLUDED ABOVE)	
■ OFFICE:	7,920 S.F.
■ FAMBIENT:	3,000 S.F.
■ COMMUNITY:	3,760 S.F.
■ DECK:	400 S.F.
CIRCULATION, RESTROOMS, MECH:	4,640 S.F.
TOTAL:	45,220 S.F.
PARKING SPACES:	13



Materials & Aesthetic

We intend to pay homage to the classic Cannery District aesthetic by incorporating timeless design elements, while also allowing the collective energy of Ambient to shine. Specifically, we envision using low carbon structures such as glulam, sustainable cladding, local millwork, sun louvres, and a saw-tooth roof to house our solar panels. Natural light tones and darker elements will be used to create a compelling contrast. The roof of the building will be designed to transport rainwater to a collection reservoir, for use in our screen making and other production processes.

Open offices, outdoor workspaces, modular design, mezzanines, nooks, glass walls, and other intentional choices will be made to cultivate a greater sense of expansiveness and well being. The entire building will be brought to life with color, natural light, plants, art, an indoor garden, and design elements that align with the area's natural landscape and ecosystem.



CLADDING: WOOD + METAL



CLADDING: WOOD + METAL



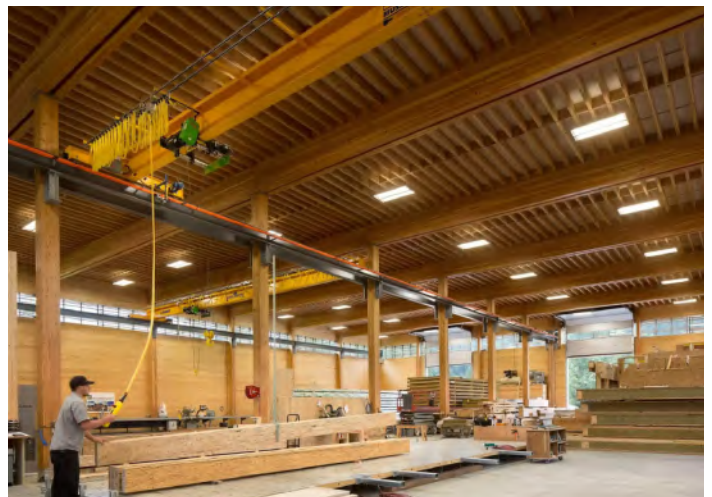
VERTICAL WOOD CLADDING



PRODUCTION SPACE WITH NATURAL LIGHT



CROSS LAMINATED TIMBER (CLT) + GLULAM BEAMS



CROSS LAMINATED TIMBER (CLT) + GLULAM BEAMS





SPACES DIVIDED BY SCREENS / GLASS TO ALLOW NATURAL LIGHT TO FLOW

STAFF KITCHEN FOR HOSTING EVENTS / COMMUNAL SPACES

Projected Investment

The current construction estimate for our building is \$9 million. This cost is based on the beginning exploration of the building's floor plan and takes into account our sustainability goals. We understand that this figure will continue to be refined as we get further into the next steps of our architecture plans. We also know there will be additional costs to account for such as site development, architecture and engineering fees, and new equipment purchases. The construction of this building is contingent on receiving TIF funding, which we plan to request.

Conclusion

In closing, it's an absolute honor to be considered for The Cannery District's Riverside Site development. We're confident that this project will bring immense positive impact to our company, our staff and our community. We look forward to the process ahead.



MOTION

I hereby move to authorize City staff to enter into negotiations of a Memorandum of Understanding with Ambient Inks for a redevelopment of the Riverside Site in the Cannery District.

Offered by:

Seconded by:

Passed:

June 15, 2022

Meeting of the Redevelopment Authority of the City of Eau Claire

PURCHASE AND DEVELOPMENT AGREEMENT

THIS PURCHASE AND DEVELOPMENT AGREEMENT (this “Agreement”), dated this ___ day of _____, 2022, by and between **Merge, LLC**, an Iowa based company, (herein, together with its successors and assigns, referred to as “Developer”) and the **Redevelopment Authority of the City of Eau Claire**, a public body corporate and politic organized and existing under the laws of the State of Wisconsin, (herein, together with its successors and assigns, referred to as “the RDA”), collectively referred to herein as the “Parties”.

WHEREAS, the RDA owns certain real property located at 126 N. Barstow Street in the city of Eau Claire and within the jurisdiction of the RDA (“Property”), which was formerly blighted property in need of urban renewal and now, having been acquired and made site ready, is available for sale and beneficial redevelopment that will maximize utilization and return on investment of adjoining public parking structure and adjacent public trail and park improvements along the Eau Claire River; and

WHEREAS, Developer has proposed construction of improvements on the Property, and seeks to negotiate this Purchase and Development Agreement (“Agreement”) with the RDA for a portion of the Property (see “Lot 1 **Exhibit 1**) for a 5-story, 52-unit dwelling consisting of approximately 52,000 SF, mixed-use commercial space of approximately 5,600 SF, and a 750 SF roof deck on the Property, add to local property value, and improve public use and enjoyment of downtown Eau Claire and its adjoining neighborhoods; and

WHEREAS, the RDA and Developer acknowledge that the redevelopment of the Property is within Tax Incremental Financing District #8 have substantially increased the desirability of the Property for redevelopment and that without the public investments made through TID #8 to date and as outlined in this Agreement, this project would not occur.

NOW, THEREFORE, in consideration of the above recitals and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged, the parties hereto, intending to be legally bound, hereby agree as follows:

Section 1. Defined Terms.

- (a) “City” shall mean the city of Eau Claire.
- (b) “Closing Date” is date of Property transfer, which shall occur on or before December 31, 2022, unless mutually extended in writing by the Parties.
- (c) “Development Plan” shall mean the Developer proposed site plan, attached hereto as **Exhibit 2**, as the same may be amended from time to time to reflect any changes to the Developer Improvements include a 5-story building with 52-units of dwellings, mixed-use commercial space, a restaurant and a roof-top deck.
- (d) “Developer Improvements” shall mean the site preparation and construction on the Property by Developer, 52 units of dwellings, a restaurant, commercial office space, and as further described in the Development Plan.

(e) “District” shall mean Tax Incremental Financing District #8, and any amendments and overlays thereof, created by the City under authority granted by § 66.1105, Wis. Stats.

(f) “Parking Structure” shall mean the 4-level City of Eau Claire North Barstow Parking Facility located at 303 Galloway Street, and adjoining the Property.

(g) “Property” shall mean such real property generally depicted in **Exhibit 1** as Lot 1, an approximately 11,600 square feet lot of the total parcel at 126 N. Barstow Street (known as the “Liner Site”), subject to the terms and conditions as contained herein. The RDA currently owns the Liner Site. A two lot CSM was created dividing the Liner Site into Lot 1 of approximately 11,000 SF +/- and Lot 2 of approximately 20,000 SF +/- . Lot 2 was purchased by the Children’s Museum of Eau Claire for construction of a new multi-story children’s museum.

Section 2. Purchase Agreement.

Subject to the terms and conditions set forth in this Agreement, Developer hereby agrees to purchase, and the RDA hereby agrees to sell by warranty deed, the Property, as more fully described in **Exhibit 1**, in the City of Eau Claire, County of Eau Claire, Wisconsin on the Closing Date, time being of the essence.

Section 3. The Purchase Price.

Purchase price shall be One Hundred Sixteen Thousand Dollars (\$116,000).

Section 4. Commencement of Construction.

(a) Subject to the Agreement, Developer shall commence construction in 2023 and shall materially complete construction of all improvements as have described herein and indicated on the approved site plan for the Property as evidenced by issuance of occupancy permits by City on or before December 31, 2024.

(b) Except to affiliated entities pursuant to Section 12 (b), prior to completion of the improvements on the Property as provided in the Agreement, Developer shall not sell or otherwise transfer the legal or equitable ownership of the Property.

Section 5. Development and Improvement of Property.

(a) Developer shall design and construct a building, exterior facades and other improvements on the Property generally consistent with the plans and design elevations depicted in **Exhibit 2**. The Parties expect to further refine and detail the construction plans and respective Developer and RDA work in this Agreement. Each party is responsible for their own design and construction costs. The City has final legislative review and approval authority.

1. Subject to the terms of the Agreement, Purchaser shall construct a 5-story, 52-unit dwelling consisting of approximately 52,000 SF, mixed-use commercial space of approximately 5,600 SF and a 750 SF roof deck on the Property. Purchasers building is expected to share a common wall and include internal fire-rated connections to the adjoining Children’s Museum of Eau Claire building in Lot 2.

2. Developer may additionally construct a drop-off / pick up drive and temporary parking area on the Property and adjacent to the southern entrance to the Parking Structure, subject to prior review and written approval of design by the City Engineer. Upon completion of said improvements, Developer shall either offer to dedicate the land and improvements as public right of way or execute a public use and access easement in form and substance acceptable to the City Attorney, both also subject to City Council acceptance.

(b) Developer shall construct all structures to a level equal or greater to the quality of skill and materials generally utilized in new construction in the Eau Claire marketplace with exterior appearances to all street sides of the building comparable or superior to new construction in the North Barstow Redevelopment District.

1. The site plan shall be consistent with the North Barstow Design Guidelines.

2. The site plan shall be consistent with the City of Eau Claire Code.

(c) Developer shall be solely responsible for obtaining zoning, site plan, and any and all other necessary approvals from City prior to constructing any improvements upon the Property.

(d) Provided that the Inspection Period as defined in Section 10(a) has expired and the RDA has conveyed the Property to Developer, Developer shall construct and timely complete, subject to force majeure, the Developer Improvements on the Property on or before December 31, 2024. Completion for this purpose shall mean issuance of occupancy permits, which the City shall not unreasonably withhold.

1. All work performed by or on behalf of Developer shall be done in a workmanlike manner consistent with prevailing industry standards and consistent with North Barstow District Design Standards adopted by the Eau Claire Redevelopment Authority and the City approved site plan or general development plan.

2. Utilities are believed by the Parties to be located in adjacent public right-of-way. Developer shall bear the cost, unless expressly indicated otherwise in this Agreement, of utility extensions, relocations, and connections to and locating upon the Property electrical service, natural gas service, cable television service, and all other utilities necessary to improve the Property for Developer Improvements.

Section 6. Tax Status.

(a) Developer intends a capital investment of approximately \$8.0 million. Developer agrees to ensure the City general real estate tax revenue on a total final assessed valuation of Lot 1 and improvements thereon of approximately \$8.0 million as of January 1, 2025, (the "Minimum Assessed Value Guaranty") and thereafter, for the life of any tax increment district ("TID") or the next 30 years thereafter, whichever is greater (the "Term"). If the assessed valuation of the Property and improvements thereon should not meet the Minimum Assessed Value guaranty, Developer shall make payment according to a payment in lieu of tax ("PILOT") agreement pursuant to which Developer shall agree to pay to the City of Eau Claire the resulting deficiency in anticipated local property tax revenue resulting from the Property and improvements thereon during the Term. The Developer shall execute at or before the Closing Date a PILOT in a form the same or substantially similar to that attached as **Exhibit 4** and recorded thereafter.

(b) Developer agrees that they shall not, without the consent of the City, use or permit use of Lot 1 in any manner which would render any of the property exempt from general property taxes as long as all or any part of those properties remain a part of the "TID" or 50 years whichever is greater. City's consent to the foregoing may be conditioned upon the obligation of the Developer or then owner of Lot 1 to enter into a PILOT agreement.

(c) Developer shall be prohibited from selling or transferring all or any portion of Lot 1 to a non-general property tax paying party or entity while all or any portion of Lot 1 is a part of the TID, unless a PILOT agreement is entered into which is acceptable to the RDA. The restrictions imposed herein shall be contained in the deed from the RDA to Developer and shall be fully set forth and agreed to under the terms of the Agreement.

Section 7. Tax Increment Financing or Public Development Assistance.

The Developer has made a tax increment financing ("TIF") request or other request for public assistance in the amount of Eight Hundred Thousand Dollars (\$800,000).

(a) Any TIF financing must meet the "But For" test and all other statutory requirements of the use of tax increment financing. The city of Eau Claire ("City") makes TIF determinations and in addition to following all state laws also follows its own TIF policy guidelines for the amount and type of incentives available on a project. Developer acknowledges it is aware of the City's Use of TIF Policy (**Exhibit 3**) and shall make any request for TIF assistance in conformance with it. For projects involving a Developer TIF request for a cash grant or any form of City financial assistance, Developer agrees it shall produce project financial pro forma and such other financial information as the City shall reasonably request for its internal review and the review of the City's financial consultants.

Section 8. City Parking Structure/Parking.

(a) The Developer has made or may make a request for use of the City's structured parking facility adjoining the Property. The RDA will work with the City to facilitate, review and seek approval for Developer to make structural attachments to the City parking facility and penetrations into the parking facility to allow direct access from Developer's building into the parking facility.

(b) City shall provide the tenants and occupants of the Property up to sixty (60) parking spaces for non-exclusive use in the North Barstow Ramp which shall permit the individual tenants and occupants of the Property a limited license from the City to park personal vehicles in the North Barstow Ramp at rates and on such other terms and conditions established by the City, provided they are consistent with terms applied to other like users and parking spaces within the City of Eau Claire. Parking permits are issued on a first-come and non-priority basis and may be terminated or reassigned to other tenants or occupants for non-payment or any lawful reason at City's sole discretion.

Section 9. Access Before the Closing Date.

Developer and its contractors and agents shall have access to the Property for the purpose of inspection and testing as may be deemed necessary or desirable to satisfy Developer as to the condition of the Property, including (without limitation) access for surveys, soil tests, engineering investigations, and environmental audits, investigation, and testing. Unless otherwise provided in this Agreement, such inspection and testing shall be at Developer's sole cost and expense. The Property shall be returned to its pre-inspection and testing condition by Developer and its contractors and agents after the completion of any inspection or testing conducted by or at the request of Developer. Developer hereby agrees to indemnify and hold harmless the RDA and the City and their employees and agents from and against any and all claims, liabilities, losses, and

costs arising in connection with any negligent or wrongful conduct of Developer in conducting any tests or inspections permitted hereunder.

Section 10. Environmental and Site Conditions. No representations or warranties are made regarding any environmental or site condition of the Property. Developer shall rely exclusively on its own inspection, and such other independent knowledge in proceeding with the purchase of the property and its suitability for the intended development and shall not rely upon any representation or warranties of the RDA, City, or any of its employees, officers or agents. The RDA shall provide Developer with any Phase I or II Site Assessments in its possession regarding Property and provide Developer such other information on the Property to the best of its knowledge at Developer's request.

(a) **Inspection Period.** The RDA hereby agrees that Developer shall have the unqualified right to terminate this Agreement at any time during the period up through and including 5:00 p.m. on that date which is thirty (30) days from the date that the RDA and Developer have both executed this Agreement (said period referred to as the "Inspection Period"). If Developer desires to exercise its option to terminate this Agreement, it shall do so by serving written notice of such exercise on the RDA on or before the expiration of the Inspection Period, whereupon this Agreement shall terminate without costs or further obligations to either Party. If Developer elects to obtain a Phase II environmental assessment, Developer shall be entitled to extend the Inspection Period for a period of an additional thirty (30) days. To exercise its right to extend the Inspection Period, Developer shall provide the RDA written notice on or before the expiration of the initial thirty (30) day Inspection Period of its intent to extend said period to obtain a Phase II environmental assessment. Developer shall be permitted to perform invasive testing, sampling, boring, or drilling at the Property in connection with its inspection of the Property. The cost of any Phase II environmental assessment shall be paid by Developer.

(b) **Limitation of Warranty.** Except as expressly stated in Section 16, RDA disclaims any and all warranties of any kind regard to the Property and Developer accepts it "as is where is".

Section 11. Contingencies. In addition to any conditions to closing or other contingencies set forth elsewhere in this Agreement, the Parties' obligation to conclude the purchase of the Property is conditioned on the following, which shall be invoked, if at all, upon written notice to the other party, and, except as expressly modified below, must be invoked prior to the Closing Date. The transfer of the Property or expiration of the Closing Date shall waive all contingencies without cost or obligation to either Party.

(a) **Zoning and Approvals.** Developer, on or before the Closing Date, shall obtain, at Developer's sole cost and expense, all state, county, and local licenses, permits, and approvals (including, without limitation, proper zoning) necessary to develop the Property and construct the Developer Improvements thereon. The RDA agrees to support Developer in any request for variances or conditional uses to construct the Developer Improvements. Should the Developer be unable to gain all necessary governmental approvals the Developer may terminate this Agreement prior to Closing at its sole discretion.

(b) **Title Work.** Title to the Property to be conveyed shall be acceptable to Developer in accordance with the provisions of Section 12 herein.

(c) Utilities. An ALTA survey identifying the location of all utilities serving the Property shall be provided by RDA to Developer at least thirty (30) days prior to the Closing Date. Should the Developer determine that the utilities are not adequate to serve the intended development, it may either effect such changes at its expense or terminate this Agreement prior to Closing at its sole discretion.

Section 12. Conveyance of Title.

(a) Upon payment of the purchase price (and satisfaction of the other conditions' precedent set forth in this Agreement), the RDA shall convey the Property by warranty deed (as provided herein), free and clear of all liens and encumbrances, municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use restrictions and covenants, and its pro rata share of general taxes levied in the year of closing (provided none of the foregoing prohibit development of the Property for the intended use), which constitutes merchantable title for purposes of this transaction. The RDA further agrees to complete and execute the documents necessary to record the conveyance.

(b) Prior to completion of the Developer Improvements as provided in this Agreement, Developer shall not sell or otherwise transfer the legal or equitable ownership of the Property, in whole or in part, directly or indirectly, whether by deed, assignment of beneficial interest, or otherwise, without the prior written consent of RDA, except to: (1) a subsidiary or affiliate, provided that Developer or a principal of the Developer directly or indirectly owns and controls fifty percent (50%) of the equity of such subsidiary or affiliate, or (2) an institutional lender providing the financing for the construction of the improvements on the Property, provided that nothing in this paragraph (b) shall prohibit Developer from leasing office space for such improvements to unaffiliated tenants prior to the completion of the improvements on the Property. Developer may assign its interest in the Property through this Agreement to a limited liability company with common principals to those of Developer. The Parties shall execute a Deed Restriction the same or substantially similar to that attached as **Exhibit 5** and the RDA shall record it thereafter.

Section 13. Title Insurance and Survey.

(a) Title Commitment. As soon as reasonably possible but no later than sixty (60) days from the effective date of this Agreement, the RDA shall, at the RDA's sole cost and expense, deliver to Developer a title insurance commitment in the amount of the Purchase Price, to insure title to the Property (the "Title Commitment"). The Title Commitment shall have an effective date of no earlier than the effective date of this Agreement. The Title Commitment shall include affirmative coverages for appurtenant easements, if any. Prior to or at the Closing Date, the RDA shall pay (1) the entire premium charged by the Title Company for issuance to Developer of an owner's policy of title insurance pursuant to the Title Commitment to issue such policy required under this Agreement, and (2) any other charges imposed by the Title Company incidental to issuance of the owner's policy. The Title Commitment provided by the RDA shall be updated at the time of the Closing Date, at RDA's expense, to show that at the date and time of the closing the RDA's title to the Property is merchantable, as required in the Agreement, and shall include only the following ALTA endorsements: gap, zoning, and access. The RDA specifically agrees to provide such assurances and pay such fees as reasonably may be required

by the title company in order to insure Developer's title against liens or encumbrances that might be placed of record between the effective date and time of the title insurance commitment and the time that the deed from the RDA is recorded.

(b) Survey. The RDA provided to Developer a copy of the ALTA certified survey of the Property showing all improvements, easements (recorded and apparent), encroachments, rights of way, wetlands and shore land boundaries, receipt of which is acknowledged.

(c) Title Review. Within thirty (30) business days of Developer's receipt of the Title Commitment and Survey and within ten (10) business days of Developer's discovery of a defect in the marketability of the RDA's title to the Property, which defect was not reasonably ascertainable from the Title Commitment or Survey, Developer shall deliver written objections thereto to the RDA (the "Objections"). Developer's failure to provide Objections within the time period(s) set forth above shall be deemed a waiver of Developer's right to require the RDA to cure such defects as a condition to closing. If any objections are timely made, the RDA shall use reasonable efforts to cure the objections within forty-five (45) days from the RDA's receipt of Developer's Objections and, if necessary, the applicable Closing Date shall be rescheduled accordingly. If the RDA fails to make title marketable within said forty-five (45) day period, Developer shall have the option of (1) terminating this Agreement without further cost or obligation to either Party, or (2) waiving one or more of the Objections, and proceeding with performance of this Agreement.

Section 14. Deliveries at Closing.

(a) Deliveries by the RDA. In addition to the other documents required hereunder, the RDA shall deliver to Developer at the closing:

(1) Possession. Possession of the Property.

(2) Warranty Deed. A warranty deed or deeds to the Property (the "Deed") in a form reasonably acceptable to Developer, conveying to Developer fee simple title in the applicable Property, subject only to those matters permitted herein.

(3) Title Policy. The Owner's title insurance policy including endorsements described above for the applicable Property.

(4) Closing Statement. A closing statement setting forth a summary of the applicable purchase price, including any adjustments provided for herein. All real estate taxes shall be pro-rated to the Closing Date.

(5) Transfer Return. A properly completed Wisconsin Real Estate Transfer Return.

(6) Payout Letter. A payout letter for any mortgages or other liens being satisfied as of the Closing Date.

(7) RDA's Affidavits/Gap Indemnity. An affidavit sufficient to cause the Title Company to remove its standard exceptions for construction liens and parties in possession (other than existing tenants), a gap indemnity on the Title Company's standard form, and any other

documents required by the Title Company in order to provide the title insurance policy required hereunder.

(8) Additional Documents. Any other documents reasonably requested by Developer as necessary to convey the applicable Property to Developer in the manner called for in this Agreement, or to otherwise comply with the terms of this Agreement.

(b) Deliveries by Developer. In addition to the other documents required hereunder, Developer shall deliver to the City at the closing:

(1) Purchase Price. Payment of the purchase price.

(2) Closing Statement. A closing statement setting forth a summary of the applicable purchase price, including any adjustments provided for herein, and credits to Developer. All real estate taxes shall be pro-rated to the Closing Date.

(3) Transfer Return. The Real Estate Transfer Return for the Property.

(4) Additional Documents. Any other documents reasonably requested by the City as necessary to comply with the terms of this Agreement.

(5) PILOT / Taxable Status. The executed taxable status Deed Restriction and PILOT agreement.

Section 15. Closing Costs. In addition to any costs expressly addressed elsewhere in this Agreement:

(a) Recording. Developer shall pay the cost to record the Deed;

(b) Title Insurance Premium. The RDA shall pay the title insurance premium (excluding endorsement charges) for the owner's title insurance policy;

(c) Transfer Fee. The RDA shall pay any applicable real estate transfer fee, as well as the recording fee for any satisfaction of its existing liens and encumbrances; and

(d) Professional Fees. Each party shall pay its own attorneys' and consultants' fees.

Section 16. The RDA's Representations and Warranties. The RDA hereby represents and warrants as follows with respect to the Property, except as expressly stated as follows, the Property is sold "as is where is" without implied or express warranty or representation:

(a) No Violation or Conflict. The RDA has full authority to enter into this Agreement and to consummate the transactions described herein. No consent, participation or other authorization is required by any other person or entity in order for the RDA to fulfill their respective obligations hereunder. In addition, there is no pending litigation challenging or affecting the legality of the transactions contemplated by this Agreement, or seeking the restraint, prohibition, damages, or other relief in connection with this Agreement, and the same shall not have been instituted by any person, agency, or other entity as of any Closing Date.

(b) No Encumbrances. There are no liens, mortgages, pledges, encumbrances or charges, claims, restrictions, easements, security interests, impositions, or other third-party interests affecting the RDA's interest in the Property except as permitted hereunder, or except such matters as will be released on or prior to the Closing Date.

(c) Liens. All work performed or materials furnished for lienable work on the Property then being conveyed, contracted for by the RDA has been fully paid for, and no party has any right to a lien against the Property resulting therefrom.

Section 17. Defaults and Remedies. The RDA or Developer, as applicable, shall be deemed to be in default (herein, a "Default") hereunder if one or more of the following events shall occur:

(a) The RDA or Developer defaults in the performance or observance of any of the covenants, restrictions, obligations, requirements, and stipulations to be performed and/or observed by such party hereunder, if such default shall continue for a period of thirty (30) days after notice in writing of such default has been given to such party by the other party; or

(b) Developer shall file a voluntary petition in bankruptcy or shall be adjudicated as bankrupt or insolvent, or shall file any petition or answer seeking any reorganization, arrangement, composition, readjustment, liquidation, wage earner's plan, dissolution, or similar relief under present or any future federal bankruptcy act or any other present or future applicable federal, state, or other debtor's relief statute or law, or shall seek or consent to or acquiesce in the appointment of any trustee, receiver, or liquidator of Developer, as applicable, or of all or any substantial part of the assets of Developer, as applicable; or

(c) Within ninety (90) days after commencement of any proceeding against Developer seeking any reorganization, arrangement, composition, readjustment, liquidation, dissolution, or similar relief under the present or any future federal bankruptcy act or any other present or future applicable federal, state, or other debtor's relief statute or law, such proceeding shall not have been dismissed, or stayed on appeal, or within ninety (90) days after the appointment, without the consent or acquiescence of Developer of any trustee, receiver, or liquidator of Developer, or of all or any substantial part of the assets of Developer, as applicable, such appointment shall not have been vacated or stayed on appeal or otherwise, or within ninety (90) days after the expiration of any such stay such appointment shall not have been vacated.

If Developer defaults under this Agreement, the RDA shall have the right to either (1) terminate its obligations under this Agreement upon thirty (30) days' notice to Developer, or (2) commence an action seeking as its remedy specific performance of this Agreement. If the RDA defaults under this Agreement, Developer may (1) terminate its obligations under this Agreement upon thirty (30) days' notice to RDA, or (2) commence an action seeking as its remedy specific performance of this Agreement.

Section 18. Force Majeure. The RDA and Developer, in performance of their respective obligations under this Agreement, shall not be responsible for any event of "force majeure", or unavoidable delay, which shall mean an act of God, an inability to obtain labor, equipment, supplies, or materials in the open market, an enemy action, a civil commotion, an earthquake, a flood, a fire or other casualty, a war, hostilities, or invasion, an insurrection, a riot, mob violence, malicious mischief, sabotage, an unusual failure of transportation, a strike of any labor union, a lockout, a condemnation (other than a condemnation by the City), litigation of any

law, order, or regulation of any governmental, quasi-governmental, judicial or judicial authority, underground conditions that were not and could not reasonably have been foreseen by the RDA, or Developer, as the case may be, prior to their discovery or occurrence, or any other similar cause not within the reasonable control of the RDA or Developer, as the case may be (but excluding either party's insolvency or financial inability to perform), provided that (1) the party which has been delayed shall have notified the other party within ten (10) business days of the occurrence thereof, and (2) such unavoidable delay shall be deemed to continue only so long as the party whose performance has been unavoidably delayed shall be using reasonable efforts to minimize the effects thereof.

Section 19. Miscellaneous.

(a) This Agreement has been delivered at Eau Claire, Wisconsin and shall be construed in accordance with and governed by the laws of the State of Wisconsin. If any of the terms or provisions contained herein shall be declared to be invalid or unenforceable by a court of competent jurisdiction, then the remaining provisions and conditions of this Agreement, or the application of such to persons or circumstances other than those to which it is declared invalid or unenforceable, shall not be affected thereby, and shall remain in full force and effect and shall be valid and enforceable to the fullest extent permitted by law.

(b) All communications required or permitted under the terms of this Agreement shall be in writing, addressed as follows, and shall be deemed given when delivered by hand or two (2) days following the date mailed, postage prepaid, by certified or registered mail, return receipt requested:

If to Developer:

Merge, LLC
Attention: Brent Dahlstrom
604 Clay Street
Cedar Falls, IA 50613
brent@mergeurbandevlopment.com

With a copy to

Merge, LLC
Attention: Joy Hannemann
25 W. Main Street, Suite 500
Madison, WI 53703
joy@mergeurbandevlopment.com

If to the RDA:

City of Eau Claire
Attention: City Clerk
203 South Farwell Street
P. O. Box 5148
Eau Claire, WI 54702-5148
carrie.riep@eauclairewi.gov

Either party shall be entitled to change its address for notice as set forth below by giving notice of such change of address to the other party in accordance with the provisions of this subsection.

(c) No amendment to, modification or waiver of, or consent with respect to any provision of this Agreement shall in any event be effective unless the same shall be in writing and signed and delivered by the parties, and then any such amendment, modification, waiver, or consent shall be effective only in the specific instance and for the specific purpose for which given.

(d) This Agreement, the Exhibits made a part hereof, and the other documents executed pursuant hereto constitute the entire agreement and understanding of the parties with respect to the subject matter hereof and shall not be modified or amended except by written agreement duly executed by the parties hereto.

(e) Section captions used in this Agreement are for convenience of reference only, and shall not affect the interpretation of this Agreement.

(f) This Agreement may be executed in any number of counterparts and by the different parties on separate counterparts, and each such counterpart shall be deemed to be an original, but all such counterparts shall together constitute but one and the same Agreement.

(g) In computing any period of time pursuant to this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall be included, unless it is a Saturday, Sunday, or legal holiday, in which event the period shall begin to run on the next day which is not a Saturday, Sunday, or legal holiday, in which event the period shall run until the end of the next day thereafter which is not a Saturday, Sunday, or legal holiday.

(h) This Agreement or any section thereof shall not be construed against any party due to the fact that said Agreement or any section thereof was drafted by said party.

Section 20. Assignment. This Agreement shall not be assignable by Developer or the RDA without the consent of the other party to this Agreement. All of the terms, covenants, and conditions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

Section 21. Survivability. All of the representations, warranties, and agreements made in this Agreement shall survive the Closing Date.

Section 22. Transactions After Closing Date. From time to time at the request of either party, the other party shall execute and deliver such further instruments of assignment, conveyance, or transfer and take such action as may reasonably be requested to evidence the assignment, conveyance, transfer, and other transactions herein provided for to carry out this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed and delivered this Agreement as of the date and year first above written.

**DEVELOPER:
MERGE, LLC**

BY: 
Brent Dahlstrom, Owner

Subscribed and sworn to before me this
9th day of June, 2022

Jill Kraayenbrink

* Jill Kraayenbrink

Notary Public

* Please print or type name of notary

Black Hawk County, Iowa

My commission expires July 29, 2022



(SEAL)

**RDA:
REDEVELOPMENT AUTHORITY OF THE
CITY OF EAU CLAIRE**

BY: _____

Aaron White
Economic Development Manager

Subscribed and sworn to before me this
____ day of _____, 2022

*

Notary Public

* Please print or type name of notary

Eau Claire County, Wisconsin

My commission expires _____

Drafted by Stephen C. Nick, City Attorney, State Bar No. 1020929, City Hall, Eau Claire, WI 54701.

MOTION

1. I hereby move to approve the Purchase Agreement authorizing the sale of RDA property known as the Liner Site Remnant located in the N. Barstow Redevelopment District, to Merge, LLC for construction of a mixed-use development.

Offered by:

Seconded by:

Passed:

Meeting of the Redevelopment Authority of the City of Eau Claire
6/15/2022