



PLEASE TAKE NOTICE that there will be a meeting of the Redevelopment Authority on Wednesday, April 19, 2023 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 2/15/22
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. Request from P & R Properties to Amend the Purchase Agreement for 2000 Oxford Ave
 - A. Staff presentation of the Amendment
 - B. RDA Discussion
 - C. RDA Action: Consideration of a motion to Amend the Purchase Agreement with P & R Properties Twin Ports, LLC regarding land credits.
 2. Request from Ambient Inks to extend the MOU for the Riverside site an additional 90 days.
 - A. Staff presentation of the Amendment
 - B. RDA Discussion
 - C. RDA Action: Consideration of a motion to Amend the MOU with Ambient Inks extending the MOU for purchase of the Riverside site for an additional 90 days.
 3. Request from Silver Creek Equity to extend the MOU for the Heights site an additional 90 days.
 - A. Staff presentation of the Amendment
 - B. RDA Discussion
 - C. RDA Action: Consideration of a motion to Amend the MOU with Silver Creek Equity extending the MOU for purchase of the Heights site for an additional 90 days.
7. Executive Director's Report
8. Next meeting date – May 17, 2023
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.2d 408 (1993), and must be noticed as such, although the Council will not take any formal action at this meeting.

Connie Pedersen /aks

Connie Pedersen, Chair

c: News Media

Redevelopment Authority for the City of Eau Claire
Minutes
Wednesday, February 15, 2023
City Hall Council Chambers

Members Present: Emily Berge, Jenny Fesenmaier, Pam Haller, Connie Pedersen, Dave Solberg, Wayne Wille

Members Absent: Michael Halloin

Others Present:

Staff Present: Aaron White and Jake Wiensch

1. Call to Order and Roll Call. This meeting was called to order by Ms. Pedersen at 7:30 a.m.
2. Election of Officers. Staff brought forward a slate of officers to be approved: Connie Pedersen – Chair; Wayne Wille – Vice Chair; Pam Haller – Secretary. Motion to approve slate of officers made by Ms. Fesenmaier. Second by Ms. Berge. The motion was carried.
3. Review and approval of minutes from 12/21/2022. The meeting minutes from 12/21/2022 were reviewed and a motion to approve was made by Mr. Wille. Second by Ms. Haller. The motion was carried.
4. Review and approval of financials. The financials were reviewed and a motion to approve was made by Mr. Solberg. Second by Mr. Wille. The motion was carried.
5. Public comment for items that are not listed as public hearing or discussion.
 - A. None
6. Business items with public hearing or public discussion.
 - A. None
7. Other business items:
 - A. Purchase of an RDA owned parcel of approximate 2,000 square feet located at 200 Doty St. in the Soo Line Redevelopment District
 - i. Mr. White gave an overview of the possible purchase of an RDA owned parcel of approximate 2,000 square feet located at 200 Doty St. in the Soo Line Redevelopment District. This parcel is part of the remnant lots left over after the Soo Line Development. Based on the original Soo Line lot sale, parcel price would be approximately \$2,700.
 - ii. RDA Discussion: There was discussion from the board and staff on how to access value on this type of property and whether it would have to be rezoned once it was purchased. Mr. Nick noted that this lot was key to a future residential project and that in the past would look at roughly \$4 sqft on discounted lots. This parcel is key to another project that would create naturally affordable housing. This parcel would be purchased through a quick claim deed and the City would keep a conservation easement on the property.
 - iii. RDA Action: Consideration of the purchase of an RDA owned parcel of approximate 2,000 square feet located at 200 Doty St. in the Soo Line Redevelopment District. Mr. Solberg moved to sell the parcel for \$3,000 and ensure that the planned 4-plex is developed. Mr. Wille seconded. Motion carried.

- B. RDA discussion of future areas of focus for redevelopment.
- i. Mr. White gave an overview of the possible westward expansion of the Cannery District; this is the fifth location that has been discussed as part of a conversation that will continue over the next several RDA meetings. This location is an area approximately 48 acres in size and currently has one building that is zoned I-2, other commercial made the correction on that buildings zoned C-2 which is neighborhood shopping district, and RMP which is mixed residential. This location has many non-conforming lots and some blighted structures scattered across the neighborhoods. The opportunities for this potential district would be to clear out blighted structures through selective redevelopment of the blighted residential structures.
 - ii. RDA Discussion: Discussion was held on this site and future areas of focus for redevelopment. Ms. Berge was interested in if the zoning overhaul would take care of this location and its non-conforming lot layout. Mr. White stated that it would be hard to fix with the zoning overhaul, but could purchase multiple lots overtime for redevelopment. Mr. Solberg shared that this is one of the places in Eau Claire with the most affordable housing so it would be a hard topic to address going forward with this area. Mr. White reiterated that the goal with this focus area would be to acquire lots overtime and have a slow and natural redevelopment of the area. Mr. Wille was looking for an overview of the redevelopment process and questioned if it is feasible for staff to work on a lot by lot basis for redevelopment. Mr. Nick shared that all of the focus areas for the RDA in the past have been commercial districts, but this area could be a good focus on how to possibly rehab blighted lots through micro redevelopment and rehab. Ms. Berge isn't sure that the RDA is the best vehicle to help with the redevelopment and revitalization of this area. The board thought this would be a good area to keep on the list for future discussions.
 - iii. Next Steps: Work with staff and have an overview of all of the locations the board would like to review again for further discussion.
8. Executive Director's Report. Mr. White reported that there is a lot of projects in the community and downtown Eau Claire. Work is being done in the Cannery Park and once the park is online, then Kessler park will be opened up for redevelopment. Silver Creek Equity and Ambient Inks projects are moving forward; we are just waiting on financials. Griepentrog development is moving forward but is still trying to sell property that was purchased by the RDA and still has to go to Council for approval.
9. Announcements – None
10. Next meeting date – March 15, 2023
11. Adjournment – Motion to adjourn by Mr. Solberg. Seconded by Mr. Wille. Meeting adjourned at 8:15 a.m.

Ms. Pam Haller, Secretary

MEMORANDUM**FINANCE DEPARTMENT**

Date: April 19, 2023

To: Redevelopment Authority Board

From: Jason Rohloff, Budget Analyst

Subject: Budget and Actuals Report

Attached is the RDA Budget and Actuals Report as of March 31, 2023. This report presents year-to-date budgeted and actual expenditures in the Operating Budget and actual expenditures in the Capital Budget. Revenues, expenditures, and other funding sources are reported once they are realized.

As of March 31, FY23 RDA operating expenditures total \$200,133.43. Of that total, \$200,000 went toward developer incentives for the Menomonie Market Food Co-op while \$133.43 was used for the payment of Special Assessments on RDA owned properties.

REDEVELOPMENT AUTHORITY

Year-to-Date Budget

Period Ending: March 31

	Revised Budget	Actual
OPERATING REVENUES		
Interest on Notes	\$ -	\$ -
Principal Payments from Notes	-	-
Rent	-	-
Gifts/Donations	-	-
Transfer from General Fund	97,200	-
Sale of Land	-	-
Use of Fund Balance	18,400	-
Total operating revenue	<u>115,600</u>	<u>-</u>
OPERATING EXPENSES		
Personnel	-	-
Contractual Services	5,400	-
Utilities	11,100	-
Fixed Charges	1,500	133
Materials & Supplies	100	-
Contributions & Payments	-	200,000
Loss on Sale of Property (Non-Op Proprietary)	-	-
Bond Issue Costs	32,500	-
Total expenses	<u>50,600</u>	<u>200,133</u>
Change in Working Capital from Operations	<u>\$ 65,000</u>	<u>\$ (200,133)</u>

**RDA Development Projects
 Period Ending: March 31**

	Program 4955406	Total Funding
Funding	\$ 348,000	348,000
Project Costs		-
1807 Oxford Ave	-	-
2000 Oxford Avenue	-	-
10 Platt Street	-	-
1704 Oxford Avenue	-	-
106 Cameron Street	-	-
Cannery Redevelopment District Block 7	-	-
Transfer from CIP to Operating	-	-
Total Project Costs	<u>-</u>	<u>-</u>
Funding available before commitments	<u>348,000</u>	<u>348,000</u>
Less Estimated Commitments*:		
Cannery Redevelopment District	<u>\$ -</u>	<u>\$ -</u>
Other Redevelopment Activities	<u>-</u>	<u>-</u>
Total Commitments	<u>-</u>	<u>-</u>
Uncommitted Funding	<u>\$ 348,000</u>	<u>\$ 348,000</u>

**Commitments are outstanding purchase orders.*

MOTION

1. I hereby move to approve the proposed Amendment to the Purchase Agreement with P & R Properties Twin Ports, LLC concerning property located in the Cannery Redevelopment District at 2000 Oxford Ave.

Offered by:

Seconded by:

Results:

Meeting of the Redevelopment Authority of the City of Eau Claire
4/19/2023

SECOND AMENDMENT TO DEVELOPMENT AND PURCHASE AGREEMENT

THIS AMENDMENT TO THE DEVELOPMENT AND PURCHASE AGREEMENT (“AMENDMENT”), entered into this ____ day of _____, 2023, by the **Redevelopment Authority of the City of Eau Claire (“RDA”)** and **P & R Properties Twin Ports, LLC, (“Developer”)**, sometimes referred to collectively herein as “Parties,” as follows:

WHEREAS, The Parties entered into a Development and Purchase Agreement (Agreement) on November 16, 2021, and entered into an amendment to that Agreement on July 19, 2022, for certain real property known as the Platt and Oxford site and the Maple site in the city of Eau Claire for a proposed project called “Cannery Square” that would include construction of a mix of residential apartments with amenities and ground floor level commercial retail development, and associated improvements with the RDA; and

WHEREAS, The Developer acknowledges and desires to timely meet all contractual obligations under the Agreement to commence and complete construction of the Cannery Square project; however, due to unprecedented cost increases for similar construction and continued uncertainty of future construction material costs the bid for the project has an unusually large contingency; and

WHEREAS, The Parties express a mutual desire to cooperatively work together to allow the Developer to complete said obligations in as timely a manner as reasonably possible while sharing the financial risk of the contingency through a potential land credit as more fully described herein.

NOW, THEREFORE, BE IT MUTUALLY AGREED, In consideration of the following mutual agreement, the Parties are agreeable to amend the Agreement as follows:

1. **Section 3. The Purchase Price. Paragraph 3(b) Closing Credits** of that Agreement to read as stated below:

(b) Closing Credits. Subject to the terms of the Agreement, RDA shall provide Developer certain credits against the purchase price. Credits shall be applied only to future installments of the purchase price upon completion of work, acceptance by RDA, and proof of payment by Developer with lien waivers from all involved contractors.

(i) Not to exceed Five Hundred Thousand Dollars (\$500,000.00) total, and not to exceed at any one time the \$150,000.00 purchase price installment payment then due from Developer under Section 3 (a), for any of the following completed by reputable contractors and confirmed by actual payments:

1. Environmental due diligence of property.
2. Any environmental soil remediations necessary to render site buildable for

work on or directly benefiting Property.


3. Grading, geo-pier, and other additional costs borne by Developer for site preparations to render the site compatible with planned public infrastructure and park uses and buildable for the intended purpose of Developer.

(ii) Not to exceed Eight Hundred Fifty Thousand Dollars (850,000.00) total, and not to exceed at any one time the \$150,000.00 installment payment then due from Developer under Section 3 (a), one-half of the contingency budget costs of \$2,637,942.00 identified in the February 2, 2023 construction estimate actually borne by Developer. See Exhibit A-1 attached.

EXCEPT as expressly modified above, the remainder of the Development and Purchase Agreement and first Amendment shall remain in full force and effect as originally executed by the Parties and otherwise without amendment.

IN WITNESS WHEREOF, the parties hereto, having read and understood the entirety of this agreement, and being fully authorized to do so, have hereunto set their hands and seals.

P & R PROPERTIES TWIN PORTS, LLC

By: 
Dante Tomassoni, Vice President

REDEVELOPMENT AUTHORITY OF THE CITY OF EAU CLAIRE

By: _____
Aaron White, Executive Director

Attest: _____
Nicholas L. Koerner, Clerk
City of Eau Claire

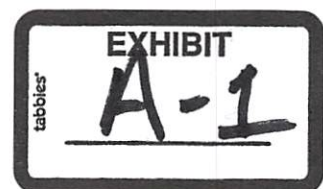
Drafted by Stephen C. Nick, City Attorney, State Bar No. 1020929, City Hall, Eau Claire, WI 54701.

Cannery District Apts
Eau Claire, WI

2/10/2023

Development Budget

	South Building	North Building	Other Costs	Overall	TIF Eligible
<i>Number of Units</i>	130	130		260	
Land and Related:					
Land Acquisition	500,000	500,000	0	0	1,000,000
Demolition	75,000	0	0	75,000	
Site Development	2,000,000	2,000,000	925,000	4,925,000	3,925,000
Subtotal	2,575,000	2,500,000	925,000	5,000,000	
Hard Costs:					
GC Contract Fees	1,245,850	1,245,850	0	2,491,700	
Construction Materials & Labor	25,133,570	25,133,570	0	50,267,140	6,695,000
Subtotal	26,379,420	26,379,420		52,758,840	
Soft Costs:					
Arch., Eng., Legal & Design Fees	555,000	555,000	0	1,110,000	
Title Insurance	15,000	15,000	0	30,000	
Payroll Expenses	20,000	20,000	0	40,000	
City Fees / Permits / SAC & WAC	60,000	60,000	0	120,000	
Insurance	100,000	100,000	0	200,000	
Taxes (during construction)	250,000	250,000	0	500,000	
Contingency 5.0%	1,318,971	1,318,971	0	2,637,942	
Development Fee	800,000	800,000	0	1,600,000	
Interest Reserve	800,000	800,000	0	1,600,000	
Financing Costs / Draw Fees & Inspections	400,000	400,000	0	800,000	
Miscellaneous	600,000	600,000	0	1,200,000	
Subtotal	4,918,971	4,918,971	0	9,837,942	
Total Costs	33,873,391	33,798,391	925,000	68,596,782	10,620,000



MOTION

1. I hereby move to approve the 90-day extension of the Memorandum of Understanding with Ambient Inks for the purchase of RDA property known as The Riverside located in the Cannery Redevelopment District.

Offered by:

Seconded by:

Passed:

Meeting of the Redevelopment Authority of the City of Eau Claire
04/19/2023

ADDENDUM TO INTENT TO NEGOTIATE PURCHASE AGREEMENT
MEMORANDUM OF UNDERSTANDING

THIS ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING (“ADDENDUM”), made and entered into this 13th day of April, 2023 by and between the **Redevelopment Authority of the City of Eau Claire**, (“RDA”) by and between **AMBIENT INKS, LLC**, a limited liability company, (herein, together with its successors and assigns, referred to as “Purchaser”) and collectively referred to herein as the “Parties”.

WHEREAS, the RDA owns certain property known as the Riverside Site at 2021 Oxford Avenue in the City of Eau Claire and within the jurisdiction of the RDA (“Property”), in need of urban renewal and is available for sale and beneficial redevelopment that will maximize utilization and return on investment of adjacent public trail and linear park improvements along the Eau Claire River; and

WHEREAS, the Parties executed an Intent to Negotiate Purchase Agreement MOU (the “MOU”) on September 20, 2022, and an extension to that MOU on December 6, 2022, setting forth preliminary terms of the anticipated sale and development of the Property and to permit both parties time to finalize site and project investigation and negotiate a Purchase Agreement; and

WHEREAS, the parties continue to need additional time and desire to extend the term of the MOU, without changing any of its other terms and conditions.

THEREFORE, In consideration of the following mutual agreements, the Parties hereby agree to modify the MOU as follows:

1. The Addendum to the MOU term is through March 21, 2023, and shall be extended an additional 90 days to June 21, 2023, unless extended prior to expiration by mutual written agreement of the Parties.

EXCEPT as expressly modified above, the remainder of the MOU shall remain in full force and effect as originally executed by the Parties and otherwise without amendment.

IN WITNESS WHEREOF, the parties hereto, having read and understood the entirety of this agreement, and being fully authorized to do so, have hereunto set their hands and seals.

[Signature page to follow]

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

By: _____
Aaron White
Economic Development Director

ATTEST: _____
Nicholas L. Koerner
City Clerk

PURCHASER: AMBIENT INKS, LLC

By:  _____
Aaron Brice

Approved as to form:

Stephen C. Nick, City Attorney

MOTION

1. I hereby move to approve the 90-day extension of the Memorandum of Understanding with Silver Creek Equity, LLC for the purchase of RDA property known as The Heights located in the Cannery Redevelopment District.

Offered by:

Seconded by:

Passed:

Meeting of the Redevelopment Authority of the City of Eau Claire
04/19/2023

ADDENDUM TO INTENT TO NEGOTIATE PURCHASE AGREEMENT
MEMORANDUM OF UNDERSTANDING

THIS ADDENDUM TO THE MEMORANDUM OF UNDERSTANDING (“ADDENDUM”), made and entered into this 14th day of April, 2023, between the **Redevelopment Authority of the City of Eau Claire** (“RDA”) and **Silver Creek Equity, LLC**, a Minnesota Limited Liability Corporation, (“Purchaser”), sometimes referred to collectively herein as “Parties,” as follows:

WHEREAS, the RDA owns certain real property in the Cannery District along First Street in the city of Eau Claire and within the jurisdiction of the RDA in need of urban renewal and available for sale and beneficial redevelopment; and

WHEREAS, the RDA and Purchaser previously executed a MOU on March 21, 2022, (the “MOU”) and an extension to that MOU through December 21, 2022, to set forth preliminary terms of the anticipated sale and development of the Property and to permit both parties time to finalize site and project investigation and negotiate a Purchase Agreement; and

WHEREAS, the parties need additional time and desire to extend the term of the MOU, without changing any of its other terms and conditions.

THEREFORE, In consideration of the following mutual agreements and covenants, the Parties hereby agree to modify Paragraphs 2, and 5. A. of the MOU to extend the term and timetables as follows:

2. Term. The MOU term shall be extended an additional ninety (90) days until June 21, 2023, unless extended prior to expiration by mutual written agreement of the Parties.

5. Construction Timetable. A. Purchaser is expected to commence construction in 2023 and subject to the Agreement shall materially complete construction of all improvements shown on the approved site plan for the Property as evidenced by issuance of an occupancy permit by City on or about December 3, 2024, for the totality of the project.

EXCEPT as expressly modified above the MOU shall remain in full force and effect as originally executed by the Parties and otherwise without amendment.

[Signature to continue on following page]

IN WITNESS WHEREOF, the parties hereto, having read and understood the entirety of this agreement, and being fully authorized to do so, have hereunto set their hands and seals.

**PURCHASER:
SILVER CREEK EQUITY, LLC**

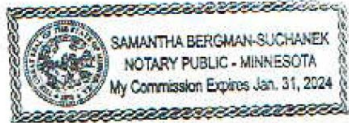
By: 
Peter Jesh, Partner

ACKNOWLEDGMENT

STATE OF MINNESOTA }
 } SS
COUNTY OF HENNEPIN }

Personally, came before me this 14th day of April, 2023, the above-named Peter Jesh, on behalf of Silver Creek Equity, LLC to me known to be the person who executed the foregoing instrument.

(SEAL)



* Samantha Bergman Suchanek
Notary Public, State of Minnesota
My Commission: Jan 31, 2024

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

By: _____
Aaron White, Executive Director

Attest: _____
Nicholas L. Koerner, Clerk, City of Eau Claire

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