



FINANCE AND PERSONNEL COMMITTEE MEETING - *AMENDED*** AGENDA**

February 14, 2022 at 5:00 PM

Council Chambers, 828 Center Avenue, Sheboygan, WI

It is possible that a quorum (or a reverse quorum) of the Sheboygan Common Council or any other City committees/boards/commissions may be in attendance, thus requiring a notice pursuant to State ex rel. Badke v. Greendale Village Board, 173 Wis. 2d 553,494 N.W.2d 408 (1993).

Persons with disabilities who need accommodations to attend this meeting should contact the Finance Department at 920-459-3311. Persons other than council members who wish to participate remotely shall provide notice to the Finance Department at 920-459-3311 at least 24 hours before the meeting so that the person may be provided a remote link for that purpose.

OPENING OF MEETING

1. Roll Call (Alderspersons Mitchell, Filicky-Peneski, Perrella, Ackley and Felde may attend remotely)
2. Call to Order
3. Pledge of Allegiance
4. Introduction of Committee Members and Staff

MINUTES

5. Approval of Minutes - January 24, 2022

ITEMS FOR DISCUSSION AND POSSIBLE ACTION

6. R. O. No. 23-21-22 / June 7, 2021: Submitting a notice of claim from Randy Roth for alleged damages to his skid steer glass door when a stone hit it from a City worker's lawnmower.
7. R. O. No. 123-21-22 /February 7, 2022: Reporting that, pursuant to Res. No. 66-20-21 authorizing the City Administrator to negotiate settlement of certain claims made by the City of Sheboygan, City Invoice No. 6880, in the amount of \$4,611.23, billed to Brian Dehne, regarding damage to a street light/sign located at the corner of 8th Street and Erie Avenue on April 4, 2018, has been settled with a payment to the City of Sheboygan in the amount of \$4,000.00.
8. Res. No. 127-21-22 / February 7, 2022: A RESOLUTION authorizing the sale of City Parking Lot No. 11 located adjacent to and immediately east of 513 North 8th Street to James T. Passmore.
9. Res. No. 130-21-22 / February 7, 2022: A RESOLUTION authorizing entering into a Development Agreement with CORTA Sheboygan, LLC and NS Retail Holdings, LLC.
10. Res. No. 131-21-22 / February 7, 2022: RESOLUTION providing for the sale of approximately \$2,215,000 General Obligation Promissory Notes, Series 2022A.

- [11.](#) Res. No. 134-21-22 / February 7, 2022: A RESOLUTION authorizing a budget transfer and appropriation in the 2022 budget to complete an interfund transfer between the Tax Incremental District 6 Debt Fund and the Redevelopment Authority Fund.
- [12.](#) Res. No. 137-21-22 / February 7, 2022: A RESOLUTION authorizing the purchase of 5509 Moenning and vacant land located East of Moenning Road for future use by the City.
- [13.](#) Res. No. 138-21-22 / February 7, 2022: A RESOLUTION authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as bond counsel with regard to General Obligation Promissory Notes.
- [14.](#) DIRECT REFERRAL Res. No. 139-21-22 / February 14, 2022: A RESOLUTION authorizing the City Administrator to execute a Master Service Agreement and Statement of Work with Language Line Services, Inc. for on-demand translation services.

ITEMS FOR DISCUSSION ONLY

- [15.](#) IT METRICS: 2021 YTD
- [16.](#) WSCS METRICS: 2021 YTD
- [17.](#) ANNUAL REPORT: City Development

DATE OF NEXT REGULAR MEETING

18. February 28, 2022

ADJOURN

19. Motion to Adjourn

In compliance with Wisconsin's Open Meetings Law, this agenda was posted in the following locations more than 24 hours prior to the time of the meeting:

*City Hall • Mead Public Library
Sheboygan County Administration Building • City's website*

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: R.O. No. 23-21-22 is a claim from Randy Roth for alleged damages to his skid steer glass door when a stone hit it from a City worker’s lawnmower.

REPORT PREPARED BY: Jessica Huss, Deputy Finance Director

REPORT DATE: February 10, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

R.O. No. 23-21-22 is a claim from Randy Roth for alleged damages to his skid steer glass door when a stone hit it from a City worker’s lawnmower.

STAFF COMMENTS:

City staff have reviewed the above claim and under authorization of the Common Council granted in Resolution No. 64-17-18, passed on September 5, 2017, City Administrator Todd Wolf in consultation with the City Attorney and the Finance Department have denied the claim listed above.

ACTION REQUESTED:

Motion to recommend the Common Council receive and file the following documents:
R.O. No. 23-21-22

ATTACHMENTS:

- I. R.O. No. 23-21-22

II

Item 6.

R. O. No. 23 - 21 - 22. By CITY CLERK. June 7, 2021.

Submitting a notice of claim from Randy Roth for alleged damages to his skid steer glass door when a stone hit it from a City worker's lawnmower.

FAP

CITY CLERK

DATE RECEIVED MAY 28 2021

RECEIVED BY JW

Item 6.

CLAIM NO. 4-21

CITY OF SHEBOYGAN NOTICE OF DAMAGE OR INJURY

INSTRUCTIONS: TYPE OR PRINT IN BLACK INK

- 1. Notice of death, injury to persons or to property must be filed not later than 120 days after the occurrence.
- 2. Attach and sign additional supportive sheets, if necessary.
- 3. This notice form must be signed and filed with the Office of the City Clerk.

4. TWO ESTIMATES MUST BE ATTACHED IF YOU ARE CLAIMING DAMAGE TO A VEHICLE.

1. Name of Claimant: RANDY ROTH R2R RENTAL LLC

2. Home address of Claimant: 6626 PARADISE LANE SHEB. FALLS WI.

3. Home phone number: 920 946-4173

4. Business address and phone number of Claimant: SAME

5. When did damage or injury occur? (date, time of day) 5-19-21 9:00 AM

6. Where did damage or injury occur? (give full description) DOOR OF SKIDSTEER WAS BROKEN FROM A STONE THAT SHATTERED THE GLASS STONE CAME FROM CITY LAWN MOWER

7. How did damage or injury occur? (give full description) STONE SHATTERED GLASS DOOR ON SKIDSTEER

8. If the basis of liability is alleged to be an act or omission of a City officer or employee, complete the following:

(a) Name of such officer or employee, if known: _____

(b) Claimant's statement of the basis of such liability: STONE CAME FROM CITY WORKERS LAWN MOWER AND SHATTERED SKID STEER DOOR

9. If the basis of liability is alleged to be a dangerous condition of public property, complete the following:

(a) Public property alleged to be dangerous: _____

(b) Claimant's statement of basis for such liability: _____

10. Give a description of the injury, property damage or loss, so far as is known at time. (If there were no injuries, state "NO INJURIES").

"NO INJURIES" DAMAGE TO SKID STEER CLASS DOOR WAS SHATTERED FROM STONE OF CITY WORKER'S LAWN MOWER

11. Name and address of any other person injured: NONE

12. Damage estimate: (You are not bound by the amounts provided here.)

Auto: SKID STEER \$ GETTING LOST TOGETHER

Property: \$ NONE

Personal injury: \$ NONE

Other: (Specify below) \$

TOTAL \$

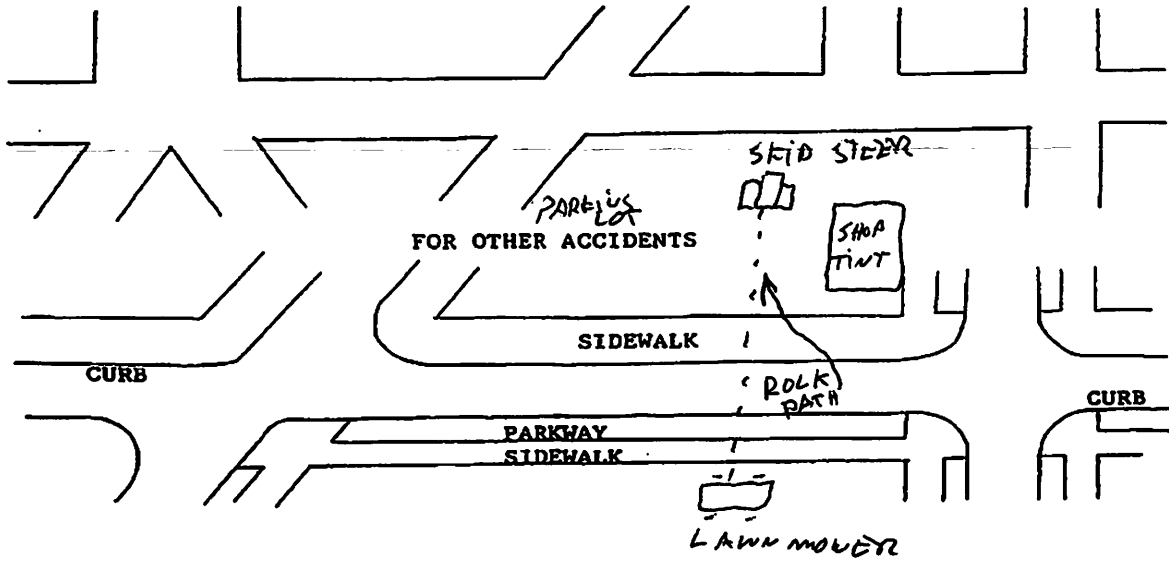
Damaged vehicle (if applicable)

Make: CASE Model: TR 340 Year: 2020 Mileage: 30 HRS.

Names and addresses of witnesses, doctors and hospitals:

FOR ALL ACCIDENT NOTICES, COMPLETE THE FOLLOWING DIAGRAM IN DETAIL. BE SURE TO INCLUDE NAMES OF ALL STREETS, HOUSE NUMBERS, LOCATION OF VEHICLES, INDICATING WHICH IS CITY VEHICLE (IF APPLICABLE), WHICH IS CLAIMANT VEHICLE, LOCATION OF INDIVIDUALS, ETC.

NOTE: If diagrams below do not fit the situation, attach proper diagram and sign.



SIGNATURE OF CLAIMANT _____ DATE _____

DATE RECEIVED MAY 28 2021

RECEIVED BY JW

Item 6.

CLAIM NO. 4-21

CLAIM

Claimant's Name: _____

Auto \$ _____

Claimant's Address: _____

Property \$ _____

Personal Injury \$ _____

Claimant's Phone No. _____

Other (Specify below) \$ _____

TOTAL \$ _____

PLEASE INCLUDE COPIES OF ALL BILLS, INVOICES, ESTIMATES, ETC.

**WARNING: IT IS A CRIMINAL OFFENSE TO FILE A FALSE CLAIM.
(WISCONSIN STATUTES 943.395)**

The undersigned hereby makes a claim against the City of Sheboygan arising out of the circumstances described in the Notice of Damage or Injury. The claim is for relief in the form of money damages in the total amount of \$ UNKNOWN.

SIGNED Rory Reed

DATE: 5-25-21

ADDRESS: 6626 PARADISE LANE SHEB. FALLS WI 53085

MAIL TO: CLERK'S OFFICE
828 CENTER AVE #100
SHEBOYGAN WI 53081

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: R.O. No. 123-21-22 is a negotiated settlement by the City Administrator on City of Sheboygan invoice number 6880 with Brian Dehne.

REPORT PREPARED BY: Kaitlyn Krueger, Finance Director

REPORT DATE: January 19, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin: N/A
Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

R.O. No. 123-21-22 is a negotiated settlement by the City Administrator with Brian Dehne on City of Sheboygan Invoice 6880 in the amount of \$4,000.00. The original amount of the invoice was \$4,611.23.

STAFF COMMENTS:

The City Administrator has negotiated the above settlement under the authority granted by Res. No. 66-20-21. This is to notify the Common Council of the negotiated settlement.

ACTION REQUESTED:

Motion to recommend the Common Council accept and file document R.O. No. 123-21-22.

ATTACHMENTS:

- I. R.O. No. 123-21-22

II

R. O. No. 123 - 21 - 22. By FINANCE DIRECTOR. February 7, 2022.

Reporting that, pursuant to Res. No. 66-20-21 authorizing the City Administrator to negotiate settlement of certain claims made by the City of Sheboygan, City Invoice No. 6880, in the amount of \$4,611.23, billed to Brian Dehne, regarding damage to a street light/sign located at the corner of 8th Street and Erie Avenue on April 4, 2018, has been settled with a payment to the City of Sheboygan in the amount of \$4,000.00.

FAP

FINANCE DIRECTOR



City of Sheboygan
 828 Center Ave, Suite 110
 Sheboygan, WI 53081

PHONE
 (920) 459-3371
FAX
 (920) 459-3967

WEBSITE
www.sheboyganwi.gov

IN Item 7.
 Customer Copy

CUSTOMER	INVOICE DATE	INVOICE NUMBER	AMOUNT PAID	DUE DATE	INVOICE TOTAL DUE		
DEHNE, BRIAN J.	11/02/2018	6880	\$0.00	12/02/2018	\$4,611.23		
DESCRIPTION	QUANTITY	PRICE	UOM	ORIGINAL BILL	ADJUSTED	PAID	AMOUNT DUE
WORK ORDER 95868 SALARIES	1	\$510.00	EACH	\$510.00	\$0.00	\$0.00	\$510.00
EQUIPMENT RENTAL	1	\$340.00	EACH	\$340.00	\$0.00	\$0.00	\$340.00
MATERIALS STREET LIGHT/SIGN DAMAGED 8TH & ERIE 4/4/18	1	\$3,761.23	EACH	\$3,761.23	\$0.00	\$0.00	\$3,761.23
Invoice Total:					\$4,611.23		

PAYMENTS MADE IN PERSON MAY BE DONE AT 1211 N 23RD ST

✂ DETACH AND RETURN THE PORTION BELOW WITH YOUR PAYMENT ✂

Promptly Send Payment To:



City of Sheboygan
 828 Center Ave, Suite 110
 Sheboygan, WI 53081
 (920) 459-3371 Fax (920) 459-3967

40109
 DEHNE, BRIAN J.
 808 N WISCONSIN DR
 HOWARDS GROVE, WI 53083-1039

INVOICE

Remit Portion

Invoice Date	11/02/2018
Invoice Number	6880
Customer Number	40109
Amount Paid	\$0.00
Due Date	12/02/2018
Invoice Total Due	\$4,611.23

Please put Invoice Number on your check.
 Make Checks Payable to: City of Sheboygan

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: A Resolution authorizing the sale of City Parking Lot No. 11 located adjacent to and immediately east of 513 North 8th Street to James T. Passmore.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: February 7, 2022 MEETING DATE: February 14, 2022

FISCAL SUMMARY:

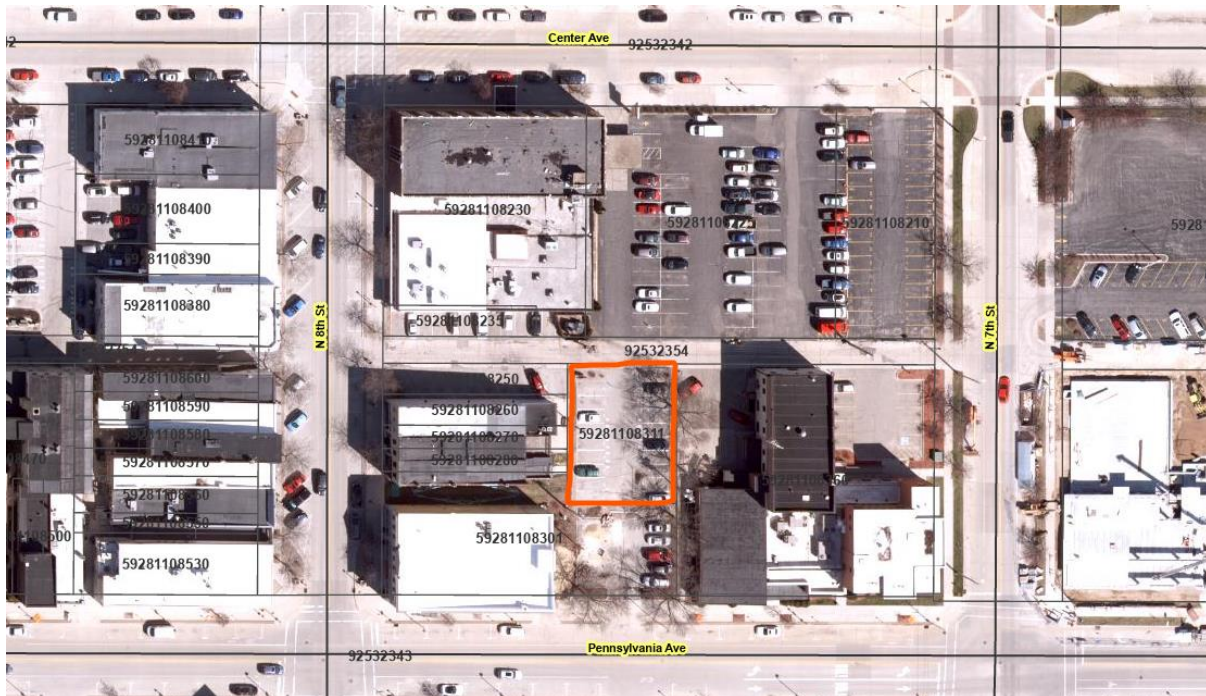
Budget Line Item:
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The City of Sheboygan previously sold the southern portion of this parking lot to Toby Watson. The Sheboygan Transit Commission has authorized the sale of the northern portion of the lot to James T. Passmore, an owner of the GM's (George Michaels). The subject lot includes about 18 stalls. The Parking Utility consents with the sale with limited access and snow storage all winter plowing needs to be trucked away.



City staff has required the purchaser to contact adjacent businesses. This has already occurred and GM's plans to work with these businesses to provide parking as needed.

STAFF COMMENTS:

The original offer for the lot was \$23,000. After connecting with the City offer, the price was negotiated to be \$30,000 which is consistent to the southern portion sale a few years ago. This will be cash offer.

Item 8.

ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 127-21-22 authorizing the sale of City Parking Lot No. 11 located to and immediately east of 513 North 8th Street to James T. Passmore.

ATTACHMENTS:

- I. Res. No. 127-21-22

III

Res. No. 127 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 7, 2022.

A RESOLUTION authorizing the sale of City Parking Lot No. 11 located adjacent to and immediately east of 513 North 8th Street to James T. Passmore.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the attached Vacant Land Offer to Purchase between the City of Sheboygan and James T. Passmore, and authorizes City staff to make any modifications to the Offer to Purchase that may be appropriate, thereby authorizing the sale of the property.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan to sell the property.

FAP

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Approved by the Wisconsin Department of Regulation and Licensing
7-1-99 (Optional Use Date)
1-1-00 (Mandatory Use Date)

WB-13 VACANT LAND OFFER TO PURCHASE

1 **BROKER DRAFTING THIS OFFER ON** 1/21/22 [DATE] IS ~~(AGENT OF SELLER)~~ (AGENT OF BUYER) ~~(DUAL AGENT)~~ **STRIKE TWO**

2 **GENERAL PROVISIONS**: The Buyer, James T. Passmore
3 offers to purchase the Property known as [Street Address] Lot 11, located adjacent to and immediately East of
4 513 N. 8th in the City of Sheboygan, County of Sheboygan,
5 Wisconsin, (Insert additional description, if any, at lines 179 - 187 or attach as an addendum, line 188), on the following terms:

6 **PURCHASE PRICE**: Thirty thousand and no/100 Dollars (\$ 30,000.00).

7 **EARNEST MONEY** of \$ N/A accompanies this Offer and earnest money of \$ N/A
8 will be paid within N/A days of acceptance.

9 **THE BALANCE OF PURCHASE PRICE** will be paid in cash or equivalent at closing unless otherwise provided below.
10 **ADDITIONAL ITEMS INCLUDED IN PURCHASE PRICE**: Seller shall include in the purchase price and transfer, free and clear of
11 encumbrances, all fixtures, as defined at lines 15 - 18 and as may be on the Property on the date of this Offer, unless excluded at line 14,
12 and the following additional items: None.

13 **ITEMS NOT INCLUDED IN THE PURCHASE PRICE**: None.
14 **"Fixture"** is defined as an item of property which is physically attached to or so closely associated with land so as to be treated as part
15 of the real estate, including, without limitation, physically attached items not easily removable without damage to the Property, items
16 specifically adapted to the Property, and items customarily treated as fixtures including but not limited to all: perennial crops; garden
17 bulbs; plants; shrubs and trees. CAUTION: Annual crops are not included in the purchase price unless otherwise agreed at line 13.

18 **ZONING**: Seller represents that the Property is zoned _____.
19 **ACCEPTANCE**: Acceptance occurs when all Buyers and Sellers have signed an identical copy of the Offer, including signatures on
20 separate but identical copies of the Offer. CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider
21 whether short term deadlines running from acceptance provide adequate time for both binding acceptance and performance.

22 **BINDING ACCEPTANCE**: This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on or
23 before January 22, 2022. CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.
24 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES**: Unless otherwise stated in this Offer, delivery of documents and written notices
25 to a Party shall be effective only when accomplished by one of the methods specified at lines 27 - 36.

26 (1) By depositing the document or written notice postage or fees prepaid in the U.S. Mail or fees prepaid or charged to an account with
27 a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery designated at lines 30 or 32 (if any),
28 for delivery to the Party's delivery address at lines 31 or 33.
29 Seller's recipient for delivery (optional): _____
30 Seller's delivery address: _____

31 Buyer's recipient for delivery (optional): _____
32 Buyer's delivery address: _____
33 (2) By giving the document or written notice personally to the Party or the Party's recipient for delivery if an individual is designated at lines 30 or 32.
34 (3) By fax transmission of the document or written notice to the following telephone number: _____
35 Buyer: (_____) Seller: (_____) _____

36 **OCCUPANCY**: Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this Offer (lines
37 179 - 187 or in an addendum per line 188). Occupancy shall be given subject to tenant's rights, if any. CAUTION: Consider an agreement
38 which addresses responsibility for clearing the Property of personal property and debris, if applicable.
39 **LEASED PROPERTY**: If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights under said
40 lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the (written) (oral) **STRIKE ONE**
41 lease(s), if any, are None.

42 **PLACE OF CLOSING**: This transaction is to be closed at the place designated by Buyer's mortgagee or
43 _____ no later than February 1, 2022 unless another date or place is agreed to in writing.
44 **CLOSING PRORATIONS**: The following items shall be prorated at closing: real estate taxes, taxes on water and municipal charges,
45 _____, and _____.

46 Any income, taxes or expenses shall accrue to Seller, and be prorated, through the day prior to closing.
47 Net general real estate taxes shall be prorated based on (the net general real estate taxes for the current year, if known, otherwise on
48 the net general real estate taxes for the preceding year) (N/A). **STRIKE AND COMPLETE AS APPLICABLE**
49 _____

50 **CAUTION: If proration on the basis of net general real estate taxes is not acceptable (for example, completed/pending
51 reassessment, changing mill rate, lottery credits), insert estimated annual tax or other formula for proration.**
52 **PROPERTY CONDITION PROVISIONS**
53 **PROPERTY CONDITION REPRESENTATIONS**: Seller represents to Buyer that as of the date of acceptance Seller has no notice
54 or knowledge of conditions affecting the Property or transaction (see below) other than those identified in Seller's Real Estate Condition
55 Report dated N/A, which was received by Buyer prior to Buyer signing this Offer and which is made a part of this Offer
56 by reference **COMPLETE DATE OR STRIKE AS APPLICABLE** and
57 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE CONDITION REPORT.**
58 _____

59 A "condition affecting the Property or transaction" is defined as follows:

60 (a) planned or commenced public improvements which may result in special assessments or otherwise materially affect the Property
61 or the present use of the Property;

62 (b) completed or pending reassessment of the Property for property tax purposes;

63 (c) government agency or court order requiring repair, alteration or correction of any existing condition;

64 (d) any land division involving the subject Property, for which required state or local approvals had not been obtained;

65 (e) any portion of the Property being in a 100 year floodplain, a wetland or a shoreland zoning area under local, state or federal laws;

66 (f) conditions constituting a significant health or safety hazard for occupants of Property;

67 (g) underground or aboveground storage tanks on the Property for storage of flammable or combustible liquids including but not limited to
68 gasoline and heating oil which are currently or which were previously located on the Property; **NOTE: Wis. Adm. Code, Chapter**
69 **Comm 10 contains registration and operation rules for such underground and aboveground storage tanks.**

70 (h) material violations of environmental laws or other laws or agreements regulating the use of the Property;

71 (i) high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the Property;

72 (j) any portion of the Property being subject to, or in violation of, a Farmland Preservation Agreement under a County Farmland Preservation
73 Plan or enrolled in, or in violation of, a Forest Crop, Woodland Tax, Managed Forest, Conservation Reserve or comparable program;

74 (k) boundary disputes or material violation of fence laws (Wis. Stats. Chapter 90) which require the erection and maintenance of legal
75 fences between adjoining properties where one or both of the properties is used and occupied for farming or grazing purposes;

76 (l) wells on the Property required to be abandoned under state regulations (Wis. Adm. Code NR 112.26) but which are not abandoned;

77 (m) cisterns or septic tanks on the Property which are currently not servicing the Property;

78 (n) subsurface conditions which would significantly increase the cost of the development proposed at lines 271-272, if any, including, but not limited
79 to, subsurface foundations, organic or non-organic fill, dumpsites or containers on Property which contained or currently contain toxic or
80 hazardous materials, high groundwater, soil conditions (e.g. low load bearing capacity) or excessive rocks or rock formations on the Property;

81 (o) a lack of legal vehicular access to the Property from public roads;

82 (p) prior reimbursement for corrective action costs under the Agricultural Chemical Cleanup Program; (Wis. Stats. §94.73.)

83 (q) other conditions or occurrences which would significantly increase the cost of the development proposed at lines 271 to 272 or
84 reduce the value of the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.

85 ■ **PROPERTY DIMENSIONS AND SURVEYS:** Buyer acknowledges that any land dimensions, total square footage/acreage figures,
86 or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of rounding or other
87 reasons, unless verified by survey or other means. **CAUTION: Buyer should verify land dimensions, total square footage/acreage**
88 **figures or allocation of acreage information if material to Buyer's decision to purchase.**

89 ■ **ISSUES RELATED TO PROPERTY DEVELOPMENT:** WARNING: If Buyer contemplates developing Property or a use other than the
90 current use, there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and zoning
91 ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses and therefore should
92 be reviewed. Building permits, zoning variances, Architectural Control Committee approvals, estimates for utility hook-up expenses, special
93 assessments, charges for installation of roads or utilities, environmental audits, subsurface tests, or other development related fees may need
94 to be obtained or verified in order to determine the feasibility of development of, or a particular use for, a property. Optional contingencies
95 which allow Buyer to investigate certain of these issues can be found at lines 271 - 314 and Buyer may add contingencies as needed in
96 addenda (see line 188). Buyer should review any plans for development or use changes to determine what issues should be addressed
97 in these contingencies.

98 ■ **INSPECTIONS:** Seller agrees to allow Buyer's inspectors reasonable access to the Property upon reasonable notice if the inspections
99 are reasonably necessary to satisfy the contingencies in this Offer. Buyer agrees to promptly provide copies of all such inspection
100 reports to Seller, and to listing broker if Property is listed. Furthermore, Buyer agrees to promptly restore the Property to its original
101 condition after Buyer's inspections are completed, unless otherwise agreed in this Offer. An "inspection" is defined as an observation
102 of the Property which does not include testing of the Property, other than testing for leaking LP gas or natural gas used as a fuel source,
103 which are hereby authorized.

104 ■ **TESTING:** Except as otherwise provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.
105 A "test" is defined as the taking of samples of materials such as soils, water, air or building materials from the Property and the laboratory
106 or other analysis of these materials. If Buyer requires testing, testing contingencies must be specifically provided for at lines 179 - 187 or
107 in an addendum per line 188. Note: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose
108 of the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other material terms of
109 the contingency (e.g., Buyer's obligation to return the Property to its original condition). Seller acknowledges that certain inspections or tests
110 may detect environmental pollution which may be required to be reported to the Wisconsin Department of Natural Resources.

111 ■ **PRE-CLOSING INSPECTION:** At a reasonable time, pre-approved by Seller or Seller's agent, within 3 days before closing, Buyer shall
112 have the right to inspect the Property to determine that there has been no significant change in the condition of the Property, except for
113 changes approved by Buyer.

114 ■ **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING:** Seller shall maintain the Property until the earlier of closing or
115 occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary wear and tear. If, prior
116 to closing, the Property is damaged in an amount of not more than five per cent (5%) of the selling price, Seller shall be obligated to repair
117 the Property and restore it to the same condition that it was on the day of this Offer. If the damage shall exceed such sum, Seller shall
118 promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer. Should Buyer elect to carry out this
119 Offer despite such damage, Buyer shall be entitled to the insurance proceeds relating to the damage to the Property, plus a credit towards
120 the purchase price equal to the amount of Seller's deductible on such policy. However, if this sale is financed by a land contract or a
121 mortgage to Seller, the insurance proceeds shall be held in trust for the sole purpose of restoring the Property.

122 ■ **FENCES** Wisconsin Statutes section 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal
123 shares where one or both of the properties is used and occupied for farming or grazing purposes. **CAUTION: Consider an agreement**
124 **addressing responsibility for fences if Property or adjoining land is used and occupied for farming or grazing purposes.**

125 ■ **DELIVERY/RECEIPT** Unless otherwise stated in this Offer, any signed document transmitted by facsimile machine (fax) shall be treated
126 in all manner and respects as an original document and the signature of any Party upon a document transmitted by fax shall be considered
127 an original signature. Personal delivery to, or actual receipt by, any named Buyer or Seller constitutes personal delivery to, or actual receipt
128 by Buyer or Seller. Once received, a notice cannot be withdrawn by the Party delivering the notice without the consent of the Party receiving
129 the notice. A Party may not unilaterally reinstate a contingency after a notice of a contingency waiver has been received by the other Party.
130 The delivery provisions in this Offer may be modified when appropriate (e.g., when mail delivery is not desirable (see lines 25 - 36)).
131 Buyer and Seller authorize the agents of Buyer and Seller to distribute copies of the Offer to Buyer's lender, appraisers, title insurance companies
132 and any other settlement service providers for the transaction as defined by the Real Estate Settlement Procedures Act (RESPA).

133 PROPERTY ADDRESS: Lot 11 located East of 513 N. 8th St., Sheboygan, WI [page 3 of 5, WB-13]

134 TIME IS OF THE ESSENCE: "Time is of the Essence" as to: ~~(1) Payment of money, (2) Performance of any obligation, (3) Acceptance of any~~
135 ~~date of closing, (4) Payment of taxes, (5) Payment of interest, (6) Payment of any other amount, (7) Payment of any~~
136 ~~cost, (8) Payment of any other amount, (9) Payment of any other amount, (10) Payment of any other amount~~ STRIKE AS APPLICABLE and all other dates and deadlines in this Offer except: None.

137 If "Time is of the Essence" applies to a date or deadline, failure to perform by the exact date or deadline is a breach of contract. If "Time is of the Essence" does
138 not apply to a date or deadline, then performance within a reasonable time of the date or deadline is allowed before a breach occurs.

139 DATES AND DEADLINES: Deadlines expressed as a number of "days" from an event, such as acceptance, are calculated by excluding
140 the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day. Deadlines
141 expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under Wisconsin or Federal
142 law, and other day designated by the President such that the postal service does not receive registered mail or make regular deliveries
143 on that day. Deadlines expressed as a specific number of "hours" from the occurrence of an event, such as receipt of a notice, are
144 calculated from the exact time of the event, and by counting 24 hours per calendar day. Deadlines expressed as a specific day of the
145 calendar year or as the day of a specific event, such as closing, expire at midnight of that day.

146 THE FINANCING CONTINGENCY PROVISIONS AT LINES 148 - 162 ARE A PART OF THIS OFFER IF LINE 148 IS MARKED,
147 SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF LINE 148 IS MARKED N/A OR IS NOT MARKED.

148 FINANCING CONTINGENCY: This Offer is contingent upon Buyer being able to obtain a
149 INSERT LOAN PROGRAM OR SOURCE first mortgage loan commitment as described below, within ___ days of acceptance of this
150 Offer. The financing selected shall be in an amount of not less than \$ ___ for a term of not less than ___ years,
151 amortized over not less than ___ years. Initial monthly payments of principal and interest shall not exceed \$ _____.
152 Monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private
153 mortgage insurance premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay a loan fee not to exceed
154 ___% of the loan. (Loan fee refers to discount points and/or loan origination fee, but DOES NOT include Buyer's other closing
155 costs.) If the purchase price under this Offer is modified, the financed amount, unless otherwise provided, shall be adjusted
156 to the same percentage of the purchase price as in this contingency and the monthly payments shall be adjusted as necessary to maintain
157 the term and amortization stated above. CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 158 OR 159.

158 FIXED RATE FINANCING: The annual rate of interest shall not exceed ___%.

159 ADJUSTABLE RATE FINANCING: The initial annual interest rate shall not exceed ___%. The initial interest rate shall
160 be fixed for ___ months, at which time the interest rate may be increased not more than ___% per year. The maximum
161 interest rate during the mortgage term shall not exceed ___%. Monthly payments of principal and interest may be adjusted
162 to reflect interest changes.

163 LOAN COMMITMENT: Buyer agrees to pay all customary financing costs (including closing fees), to apply for financing promptly, and
164 to provide evidence of application promptly upon request by Seller. If Buyer qualifies for the financing described in this Offer or other
165 financing acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no later than the deadline for loan
166 commitment at line 149. Buyer's delivery of a copy of any written loan commitment to Seller (even if subject to conditions) shall
167 satisfy the Buyer's financing contingency unless accompanied by a notice of unacceptability. CAUTION: BUYER, BUYER'S LENDER
168 AND AGENTS OF BUYER OR SELLER SHOULD NOT DELIVER A LOAN COMMITMENT TO SELLER WITHOUT BUYER'S PRIOR
169 APPROVAL OR UNLESS ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.

170 SELLER TERMINATION RIGHTS: If Buyer does not make timely delivery of said commitment, Seller may terminate this Offer if Seller
171 delivers a written notice of termination to Buyer prior to Seller's actual receipt of a copy of Buyer's written loan commitment.

172 FINANCING UNAVAILABILITY: If financing is not available on the terms stated in this Offer (and Buyer has not already delivered an
173 acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of same including copies
174 of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is named in this Offer, Seller shall then
175 have 10 days to give Buyer written notice of Seller's decision to finance this transaction on the same terms set forth in this Offer and this
176 Offer shall remain in full force and effect, with the time for closing extended accordingly. If Seller's notice is not timely given, this Offer shall
177 be null and void. Buyer authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit worthiness
178 for Seller financing.

179 ADDITIONAL PROVISIONS/CONTINGENCIES:
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188 ADDENDA: The attached _____ is/are made part of this Offer.

189 TITLE EVIDENCE

190 CONVEYANCE OF TITLE: Upon payment of the purchase price, Seller shall convey the Property by warranty deed (or other
191 conveyance as provided herein) free and clear of all liens and encumbrances, except: municipal and zoning ordinances and
192 agreements entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
193 restrictions and covenants, general taxes levied in the year of closing ~~XXX~~

194 _____
195 _____ (provided none of the foregoing prohibit present use of the Property), which constitutes merchantable title
196 for purposes of this transaction. Seller further agrees to complete and execute the documents necessary to record the conveyance.

197 **FORM OF TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the
198 purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. **CAUTION: IF TITLE**
199 **EVIDENCE WILL BE GIVEN BY ABSTRACT, STRIKE TITLE INSURANCE PROVISIONS AND INSERT ABSTRACT PROVISIONS.**

200 **PROVISION OF MERCHANTABLE TITLE:** Seller shall pay all costs of providing title evidence. For purposes of closing, title evidence
201 shall be acceptable if the commitment for the required title insurance is delivered to Buyer's attorney or Buyer not less than 3 business
202 days before closing, showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be
203 merchantable, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements and
204 exceptions, as appropriate. **CAUTION: BUYER SHOULD CONSIDER UPDATING THE EFFECTIVE DATE OF THE TITLE**
205 **COMMITMENT PRIOR TO CLOSING OR A "GAP ENDORSEMENT" WHICH WOULD INSURE OVER LIENS FILED BETWEEN THE**
206 **EFFECTIVE DATE OF THE COMMITMENT AND THE DATE THE DEED IS RECORDED.**

207 **TITLE ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of objections to title by
208 the time set for closing. In such event, Seller shall have a reasonable time, but not exceeding 15 days, to remove the objections, and
209 the time for closing shall be extended as necessary for this purpose. In the event that Seller is unable to remove said objections, Buyer
210 shall have 5 days from receipt of notice thereof, to deliver written notice waiving the objections, and the time for closing shall be extended
211 accordingly. If Buyer does not waive the objections, this Offer shall be null and void. Providing title evidence acceptable for closing does
212 not extinguish Seller's obligations to give merchantable title to Buyer.

213 **SPECIAL ASSESSMENTS:** Special assessments, if any, for work actually commenced or levied prior to date of this Offer shall be
214 paid by Seller no later than closing. All other special assessments shall be paid by Buyer. **CAUTION: Consider a special agreement**
215 **if area assessments, property owner's association assessments or other expenses are contemplated.** "Other expenses" are one-
216 time charges or ongoing use fees for public improvements (other than those resulting in special assessments) relating to curb, gutter,
217 street, sidewalk, sanitary and stormwater and storm sewer (including all sewer mains and hook-up and interceptor charges), parks, street
218 lighting and street trees, and impact fees for other public facilities, as defined in Wis. Stat. § 66:55(1)(c) & (f).

219 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller regarding the
220 transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and inures to the benefit of
221 the Parties to this Offer and their successors in interest.

222 **DEFAULT**

223 Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and conditions of this Offer. A
224 material failure to perform any obligation under this Offer is a default which may subject the defaulting party to liability for damages or
225 other legal remedies.

226 If Buyer defaults, Seller may:

227 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
228 (2) terminate the Offer and have the option to (a) request the earnest money as liquidated damages; or (b) direct Broker to return
229 the earnest money and have the option to sue for actual damages.

230 If Seller defaults, Buyer may:

231 (1) sue for specific performance; or
232 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

233 In addition, the Parties may seek any other remedies available in law or equity.

234 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the
235 discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of
236 the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes
237 covered by the arbitration agreement.

238 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD READ**
239 **THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS OF THE OFFER BUT**
240 **ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR**
241 **HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

242 **EARNEST MONEY**

243 **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker (buyer's agent
244 if Property is not listed or seller if no broker is involved), until applied to purchase price or otherwise disbursed as provided in the Offer.

245 **CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the Parties**
246 **or an attorney. If someone other than Buyer makes payment of earnest money, consider a special disbursement agreement.**

247 **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after clearance
248 from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest
249 money shall be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according
250 to a written disbursement agreement signed by all Parties to this Offer. (Note: Wis. Adm. Code § 18.09(1)(b) provides that an offer
251 to purchase is not a written disbursement agreement pursuant to which the broker may disburse). If said disbursement agreement has
252 not been delivered to broker within 60 days after the date set for closing, broker may disburse the earnest money: (1) as directed by
253 an attorney who has reviewed the transaction and does not represent Buyer or Seller; (2) into a court hearing a lawsuit involving the
254 earnest money and all Parties to this Offer; (3) as directed by court order; or (4) any other disbursement required or allowed by law.
255 Broker may retain legal services to direct disbursement per (1) or to file an interpleader action per (2) and broker may deduct from the
256 earnest money any costs and reasonable attorneys fees, not to exceed \$250, prior to disbursement.

257 **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in relation to this
258 Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to disbursement per (1)
259 or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or Seller disagree with broker's
260 proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement. Small Claims Court has jurisdiction over
261 all earnest money disputes arising out of the sale of residential property with 1-4 dwelling units and certain other earnest money disputes.
262 Buyer and Seller should consider consulting attorneys regarding their legal rights under this Offer in case of a dispute. Both Parties
263 agree to hold the broker harmless from any liability for good faith disbursement of earnest money in accordance with this Offer or
264 applicable Department of Regulation and Licensing regulations concerning earnest money. See Wis. Adm. Code Ch. RL 18. **NOTE:**
265 **WISCONSIN LICENSE LAW PROHIBITS A BROKER FROM GIVING ADVICE OR OPINIONS CONCERNING THE LEGAL RIGHTS**
266 **OR OBLIGATIONS OF PARTIES TO A TRANSACTION OR THE LEGAL EFFECT OF A SPECIFIC CONTRACT OR CONVEYANCE.**
267 **AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS REQUIRED.**

268 PROPERTY ADDRESS: Lot 11, located East of 513 N. 8th St., Sheboygan, WI

269 OPTIONAL PROVISIONS: THE PARAGRAPHS AT LINES 271 - 314 WHICH ARE PRECEDED BY A BOX ARE A PART OF THIS OFFER IF
270 MARKED, SUCH AS WITH AN "X". THEY ARE NOT PART OF THIS OFFER IF MARKED N/A OR ARE LEFT BLANK.

271 PROPOSED USE CONTINGENCY: Buyer is purchasing the property for the purpose of: _____
272 This Offer is contingent upon Buyer obtaining the following:

273 Written evidence at (Buyer's)(Seller's) STRIKE ONE expense from a qualified soils expert that the Property is free of any subsoil
274 condition which would make the proposed development impossible or significantly increase the costs of such development.

275 Written evidence at (Buyer's)(Seller's) STRIKE ONE expense from a certified soils tester or other qualified expert that indicates that
276 the Property's soils at locations selected by Buyer and all other conditions which must be approved to obtain a permit for an acceptable private
277 septic system for: _____ [insert proposed use of Property; e.g., three

278 bedroom single family home] meet applicable codes in effect as of the date of this offer. An acceptable system includes all systems approved
279 for use by the State for the type of property identified at line 277. An acceptable system does not include a holding tank, privy, composting
280 toilet or chemical toilet or other systems (e.g. mound system) excluded in additional provisions or an addendum per lines 179 - 188.

281 Copies at (Buyer's)(Seller's) STRIKE ONE expense of all public and private easements, covenants and restrictions affecting the
282 Property and a written determination by a qualified independent third party that none of these prohibit or significantly delay or increase
283 the costs of the proposed use or development identified at lines 271 to 272.

284 Permits, approvals and licenses, as appropriate, or the final discretionary action by the granting authority prior to the issuance
285 of such permits, approvals and licenses at (Buyer's)(Seller's) STRIKE ONE expense for the following items related to the proposed
286 development _____.

287 Written evidence at (Buyer's)(Seller's) STRIKE ONE expense that the following utility connections are located as follows (e.g.,
288 on the Property, at the lot line across the street, etc.): electricity _____; gas _____; sewer
289 _____; water _____; telephone _____; other _____.

290 This proposed use contingency shall be deemed satisfied unless Buyer within _____ days of acceptance delivers
291 written notice to Seller specifying those items of this contingency which cannot be satisfied and written evidence substantiating why each
292 specific item included in Buyer's notice cannot be satisfied.

293 MAP OF THE PROPERTY: This Offer is contingent upon (Buyer obtaining)(Seller providing) STRIKE ONE a map of the Property prepared
294 by a registered land surveyor, within _____ days of acceptance, at (Buyer's)(Seller's) STRIKE ONE expense. The map shall identify the legal
295 description of the Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements,
296 if any, and: _____.

297 STRIKE AND COMPLETE AS APPLICABLE Additional map features
298 which may be added include, but are not limited to: specifying how current the map must be; staking of all corners of the Property; identifying
299 dedicated and apparent streets, lot dimensions, total acreage or square footage, easements or rights-of-way. **CAUTION: Consider the cost**
300 **and the need for map features before selecting them.** The map shall show no significant encroachment(s) or any information materially
301 inconsistent with any prior representations to Buyer. This contingency shall be deemed satisfied unless Buyer, within five days of the earlier

302 of: 1) Buyer's receipt of the map, or 2) the deadline for delivery of said map, delivers to Seller, and to listing broker if Property is listed, a copy
303 of the map and a written notice which identifies the significant encroachment or the information materially inconsistent with prior representations.
304 INSPECTION CONTINGENCY: This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s), at
305 Buyer's expense, of the Property and _____ which discloses no defects as defined below. This contingency shall be deemed satisfied
306 unless Buyer within _____ days of acceptance delivers to Seller, and to listing broker if Property is listed, a copy of the inspector's
307 written inspection report and a written notice listing the defects identified in the report to which Buyer objects. This Offer shall be null and
308 void upon timely delivery of the above notice and report. **CAUTION: A proposed amendment will not satisfy this notice requirement.**
309 Buyer shall order the inspection and be responsible for all costs of inspection, including any inspections required by lender or follow-up to
310 inspection. Note: This contingency only authorizes inspections, not testing, see lines 98 to 110. For the purposes of this contingency a defect
311 is defined as any condition of the Property which constitutes a significant threat to the health or safety of persons who occupy or use the
312 Property or gives evidence of any material use, storage or disposal of hazardous or toxic substances on the Property. Defects do not include
313 conditions the nature and extent of which Buyer had actual knowledge or written notice before signing this Offer.

314 This Offer was drafted on 1/21/22 [date] by [Licensee and Firm] Attorney Thomas W. Heinrich
315 _____

316 (X) James T. Passmore _____ Social Security No. or FEIN ▲ _____ Date ▲ 01/21/22
317 Buyer's Signature ▲ Print Name Here: ▶ James T. Passmore

318 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲ _____
319 Buyer's Signature ▲ Print Name Here: ▶

320 EARNEST MONEY RECEIPT Broker acknowledges receipt of earnest money as per line 8 of the above Offer. (See lines 242 - 267)
321 _____ Broker (By) _____

322 SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND
323 THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH
324 HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

325 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲ _____
326 Seller's Signature ▲ Print Name Here: ▶

327 (X) _____ Social Security No. or FEIN ▲ _____ Date ▲ _____
328 Seller's Signature ▲ Print Name Here: ▶

329 This Offer was presented to Seller by _____ on _____, _____, at _____ a.m./p.m.

330 THIS OFFER IS REJECTED _____ THIS OFFER IS COUNTERED [See attached counter] _____
331 Seller Initials▲ Date▲ Seller Initials▲ Date▲

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 130-21-22, A Resolution authorizing entering into a Development Agreement with CORTA Sheboygan, LLC and NS Retail Holdings, LLC.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: February 7, 2022 **MEETING DATE:** February 14, 2022

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item:
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes:
Municipal Code: N/A

BACKGROUND / ANALYSIS:

CORTA Sheboygan, LLC and NS Retail Holdings, LLC is the developer for the former Shopko store redevelopment. The project involves redevelopment of the former Shopko store into Hobby Lobby and Ross Dress for Less. The total development incentive towards the project totaled \$700,000. The Redevelopment Authority provided a \$375,000 loan based on the creation of 15 new jobs.

This development agreement provides the remaining \$325,000 for the redevelopment. Under the agreement the developer shall provide evidence that \$4,600,000 of new increment has been generated for the project. After the evidence is received, the City should pay the developer \$325,000 no later than June 30, 2022. The payment will come from the City's unrestricted general fund balance.

STAFF COMMENTS:

ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 130-21-22 a Resolution authorizing entering into a Development Agreement with CORTA Sheboygan, LLC and NS Retail Holdings, LLC.

ATTACHMENTS:

- I. Res. No. 130-21-22

III

Res. No. 130 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 7, 2022.

A RESOLUTION authorizing entering into a Development Agreement with
CORTA Sheboygan, LLC and NS Retail Holdings, LLC.

RESOLVED: That the Mayor and City Clerk are hereby authorized to execute
the Development Agreement Between CORTA Sheboygan, LLC, NS Retail Holdings,
LLC, and the City of Sheboygan regarding property located at 518 S. Taylor
Drive, a copy of which is attached hereto and incorporated herein.

FAP

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the
Common Council of the City of Sheboygan, Wisconsin, on the _____ day of
_____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

**DEVELOPMENT AGREEMENT
BETWEEN
CORTA SHEBOYGAN, LLC
NS RETAIL HOLDINGS, LLC
AND
CITY OF SHEBOYGAN**

THIS AGREEMENT made as of the ___ day of _____, 2022 (the "Agreement"), by and between CORTA Sheboygan, LLC, a Florida limited liability company, with its principal offices located at 16232 SW 92 Ave., Miami FL 33157, and a registered agent in Wisconsin located at 301 S. Bedford St., Suite 1, Madison WI 53703, (hereinafter "Developer"), NS Retail Holdings, LLC, a Delaware limited liability company, with its principal offices located at 5910 N. Central Expressway, Suite 1600, Dallas TX, 75206, and a Registered Agent in Wisconsin, Registered Agent Solutions, Inc., 901 S. Whitney Way, Madison WI 53711 (hereinafter "NS Retail"), and the City of Sheboygan, a municipal corporation of the State of Wisconsin, with its principal offices located at 828 Center Avenue, Sheboygan, WI 53081 (hereinafter "City").

RECITALS

WHEREAS, Developer is in the business of providing real estate site selection and development services; and

WHEREAS, NS Retail owns certain property located at 518 S. Taylor Drive in Sheboygan, Sheboygan County, Wisconsin, (the "Property"); said property includes land and a building that previously housed a ShopKo department store; and

WHEREAS, NS Retail has entered into an agreement with Developer to redevelop the property into a two-tenant retail box with two national retailers not currently in the Sheboygan market, and to construct an additional building on an outlot that is part of the land and will be owned by Developer in order to develop a nationally branded food or service use (referred herein collectively as the "Project"); and

WHEREAS, The City believes that the retail development project on the Property is in the vital and best interests of the City and the health, safety and welfare of its residents, in part because of the increase in the City's tax base resulting from the Project; and

WHEREAS, It is in the mutual interest of all parties to proceed with the Project, and in return for the benefits to be derived therefrom, the City is prepared to provide financial assistance to the NS Retail through a Development Incentive Payment in order to bring about the development of the Project by the Developer.

AGREEMENT

**ARTICLE I.
DEFINITIONS**

All capitalized terms used herein and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

"Agreement" means this Agreement, as the same may be from time to time modified, amended or supplemented.

“Development Incentive Payment” means a lump sum payment in the amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000) paid by the City to NS Retail pursuant to the terms in Section 201, below.

“Tax Incremental Value” means the assessed value of the Property as of January 1, 2023, less the assessed value of the Property as of January 1, 2022.

ARTICLE II. DEVELOPMENT INCENTIVE PAYMENT PROVISIONS

Section 201. *Incentive Payment.* The City agrees to make a Development Incentive Payment (defined below) as an inducement for the development of the Project. Said payment is conditioned on the completion of the project with a Tax Incremental Value of Four Million Six Hundred Thousand Dollars (\$4,600,000), of which no less than Three Million Four Hundred Thousand Dollars (\$3,400,000) of the increment shall be realized as a result of the renovation of the former ShopKo store and no less than One Million Two Hundred Thousand Dollars (\$1,200,000) realized as a result of the development of the outlot. Provided Developer has complied with the terms of the Agreement and provided reasonable evidence to the City of the same (“Increment Requirements”), the City agrees to pay the Development Incentive Payment to NS Retail. The Development Incentive Payment shall be paid by June 30, 2022. If Developer fails to provide satisfactory evidence that the Increment Requirements have been met, no payment shall occur.

Section 202. *Refund of Incentive Payment.* The Parties recognize that the City does not have the authority on its own to determine the Tax Increment Value, and that an assessed value of the Project will not be determined until after the Development Incentive Payment is made. As such the NS Retail agrees that should the Increment Requirements not be met relative to the assessed value of the Property and its constituent parcels as of January 1, 2023, it shall refund the Development Incentive Payment by January 31, 2023.

Section 203. *Purpose.* The Development Incentive Payment made under this Agreement is provided by the City as part of a negotiated, lawful contract with Developer and NS Retail in exchange for consideration, including requirements to develop the Property in a manner that inures to the benefit of the general public. Said payments are in no way tied to future property tax payments and do not provide any future tax break, nor do they refund already paid taxes.

ARTICLE III. REPRESENTATIONS AND WARRANTIES OF THE PARTIES

Section 301. *Representations and Warranties of the Developer.* The Developer makes the following representations and warranties which the City may rely upon in entering into this agreement.

(A) Developer is a duly organized and existing limited liability company in current status under the laws of the State of Florida, registered as a foreign LLC in Wisconsin, with a registered agent on file with the Wisconsin Department of Financial Institutions.

(B) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and approved by Developer, and no other or further acts or proceedings of Developer are necessary to authorize and approve the execution, delivery and performance of this Agreement and the

matters contemplated hereby. This Agreement has been duly executed and delivered by Developer and constitute the legal, valid and binding agreement and obligation of Developer, enforceable against it in accordance with their respective terms.

(C) The Project to be constructed will be fully subject to taxation under Wisconsin Property Tax Laws. Developer, for itself, its successors and assigns, shall take no action(s), and shall file no claim(s) seeking, promoting or encouraging exemption of the Project in whole or part from taxability under Property Tax Laws.

Section 302. Representations and Warranties of NS Retail Holdings. NS Retail Holdings makes the following representations and warranties which the City may rely upon in entering into agreement.

(A) NS Retail Holdings is a duly organized and existing limited liability company in current status under the laws of the State of Delaware, registered as a foreign LLC in Wisconsin, with a registered agent on file with the Wisconsin Department of Financial Institutions.

(B) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated hereby have been duly authorized and approved by NS Retail Holdings, and no other or further acts or proceedings of NS Retail Holdings are necessary to authorize and approve the execution, delivery and performance of this Agreement and the matters contemplated hereby. This Agreement, and the exhibits, documents and instruments associated herewith and made a part hereof, have been duly executed and delivered by NS Retail Holdings and constitute the legal, valid and binding agreement and obligation of NS Retail Holdings, enforceable against it in accordance with their respective terms.

(C) NS Retail Holdings is the current owner of the Property.

(D) The Project to be constructed will be fully subject to taxation under Wisconsin Property Tax Laws. NS Retail Holdings, for itself, its successors and assigns, shall take no action(s), and shall file no claim(s) seeking, promoting or encouraging exemption of the Project in whole or part from taxability under current Property Tax Laws.

ARTICLE IV. INDEMNIFICATION OF THE CITY

Section 401. Indemnified Parties. For purposes of this Agreement, the Indemnified Parties are: the City and its governing body members, officers, agents—including independent contractors, consultants, and legal counsel—servants and employees.

Section 402. Indemnification. Except for any willful misrepresentation, any willful misconduct, or negligent acts of the Indemnified Parties, the Developer and NS Retail Holdings will protect and defend the Indemnified Parties for actual damages from any claim, demand, suit, action or other proceeding whatsoever by any person or entity whatsoever arising or purportedly arising from the action or inaction of the Developer and/or NS Holdings (or other persons acting on their behalf or under its direction or control or as their principal) under this Agreement. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed

to be covenants, stipulations, promises, agreements and obligations of the City and not of any governing body member, officer, agent, servant or employee of the City.

ARTICLE V. MISCELLANEOUS

Section 501. Conflict of Interests; City Representatives Not Individually Liable. No member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is, directly or indirectly, interested. No member, official or employee of the City shall be personally liable to the parties to this agreement or any successor in interest, in the event of any default or breach by the City or for any amount which may become due to the Developer, NS Retail Holdings, or a successor or on any obligations under the terms of this Agreement.

Section 502. Titles of Articles and Sections. Any titles of the several parts, articles and sections of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 503. Successors and Assigns. This Agreement shall be binding upon the respective successors and assigns of the parties.

Section 504. Notices and Demands. A notice, demand or other communication under this Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

- (a) in the case of the Developer, is addressed to or delivered personally to the Developer at 16232 SW 92 Ave., Miami FL 33157; and
- (b) in the case of NS Retail Holdings, is addressed to or delivered personally to NS Retail Holdings at 5910 N Central Expressway, Suite 1600, Dallas, TX 75206; and
- (b) in the case of the City, is addressed to or delivered personally to the City, Attention: City Clerk, at 828 Center Avenue, Sheboygan, Wisconsin 53081;

or at such other address with respect to either such party as that party may, from time to time, designate in writing and forward to the other as provided in this section. If delivered by registered or certified mail, such notice, demand or other communication shall be deemed delivered and received upon deposit in the U.S. Mail.

Section 505. Governing Law. This Agreement shall be construed in accordance with the laws of the State of Wisconsin.

Section 506. Drafting. Each of the Parties hereto acknowledges that each Party was actively involved in the negotiation and drafting of this Agreement and that no law or rule of construction shall be raised or used in which the provisions of this Agreement shall be construed in favor or against any Party hereto because one is deemed to be the author thereof.

Section 507. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, and all of which shall constitute one and the same instrument. Signatures delivered by facsimile, email (in pdf.) or similar electronic methods shall be deemed to be original signatures for all purposes.

Section 508. Recording. This agreement or a memorandum of this Agreement shall be recorded in the Office of Sheboygan County Register of Deeds against the Property at the cost of NS Retail Holdings.

(Signature Page Follows)

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, and NS Retail Holdings has caused this Agreement to be duly executed in its name and behalf by its members on or as of the day first above written.

IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf by its Mayor and its seal to be hereunto duly affixed and attested by its City Clerk, and the Developer has caused this Agreement to be duly executed in its name and behalf by its members, on or as of the day first above written.

CITY OF SHEBOYGAN

CORTA SHEBOYGAN, LLC

BY: _____
Ryan Sorenson, Mayor

BY: _____
Cory Presnick

ATTEST: _____
Meredith DeBruin, City Clerk

NS RETAIL HOLDINGS, LLC

BY: _____
Kirk Klatt

ACKNOWLEDGMENTS

STATE OF WISCONSIN)
) ss
SHEBOYGAN COUNTY)

Personally came before me this ____ day of _____, 2021, the above named Ryan Sorenson, Mayor, and Meredith DeBruin, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My commission expires _____

STATE OF FLORIDA)
) ss
 _____ COUNTY)

Personally came before me this ____ day of _____, 2021, the above named Cory Presnick, _____ of CORTA Sheboygan, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Florida
My commission expires _____

STATE OF TEXAS)
) ss
 _____ COUNTY)

Personally came before me this ____ day of _____, 2021, the above named Kirk Klatt, _____ of NS RETAIL HOLDINGS, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Texas
My commission expires _____

Authorized pursuant to Res. No. ____-21-22.

This instrument drafted by:

City Attorney Charles Adams
828 Center Ave., Suite 210
Sheboygan, WI 53081
WI State Bar No. 1021454

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 131-21-22 by Alderpersons Mitchell and Filicky-Peneski. A resolution providing for the sale of approximately \$2,134,000 General Obligation Promissory Notes, series 2022A.

REPORT PREPARED BY: Finance Director Kaitlyn Krueger

REPORT DATE: February 8, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The City of Sheboygan is presently in need of approximately \$2,134,000 for the public purpose of refunding outstanding obligations of the city, to wit: the callable maturities of its General Obligation Corporate Purpose Notes, Series 2022A dated April 13, 2022.

STAFF COMMENTS:

The City of Sheboygan completes an annual review with its consultant, Ehlers Public Financial Advisors, Inc., in relation to borrowing needs for capital projects and TIDs. These discussions also include review of existing debt and in some instances, it is advisable for the city to call early some existing debt. The review looks at the savings opportunities related to interest rate and amount along with the structure of the new debt in relation to the city’s annual debt service.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 131-21-22 by Alderpersons Mitchell and Filicky-Peneski authorizing the city to issue sale of approximately \$2,134,000 General Obligation Refunding Notes, Series 2022A.

ATTACHMENTS:

- I. Res. No. 131-21-22
- II. Ehlers Public Financial Advisors, Inc. Pre-Sale Report

February 14, 2022

Pre-Sale Report for

City of Sheboygan, Wisconsin

\$2,215,000 General Obligation Promissory Notes,
Series 2022A



Prepared by:

Ehlers
N21W23350 Ridgeview Parkway West,
Suite 100
Waukesha, WI 53188

Advisors:

Philip Cosson, Senior Municipal Advisor
David Ferris, CPA, Senior Municipal Advisor

BUILDING COMMUNITIES. IT'S WHAT WE DO.

EXECUTIVE SUMMARY OF PROPOSED DEBT

Proposed Issue:

\$2,215,000 General Obligation Promissory Notes, Series 2022A

Purposes:

The proposed issue includes financing for the following purposes:

2022 Capital Projects

- Fire Equipment (Ambulance and Rescue Pumper). Debt service will be paid from ad valorem property taxes.
- Park Projects (Evergreen & ADA Improvements). Debt service will be paid from ad valorem property taxes.
- Storm Water Management Plan. Debt service will be paid from ad valorem property taxes.
- Streets Projects (North Avenue). Debt service will be paid from ad valorem property taxes.
- TID 16 (Street Lighting Upgrades). Debt service will be paid from ad valorem property taxes.

Authority:

The Notes are being issued pursuant to Wisconsin Statute(s):

- 67.12(12)

The Notes will be general obligations of the City for which its full faith, credit and taxing powers are pledged.

The Notes count against the City's General Obligation Debt Capacity Limit of 5% of total City Equalized Valuation. Following issuance of the Notes, the City's total General Obligation debt principal outstanding will be approximately \$62 million, which is 36% of its limit. Remaining General Obligation Borrowing Capacity will be approximately \$109 million.

Term/Call Feature:

The Notes are being issued for a term of 10 years. Principal on the Notes will be due on April 1 in the years 2023 through 2032. Interest is payable every six months beginning April 1, 2023.

The Notes will be subject to prepayment at the discretion of the City on April 1, 2029 or any date thereafter.

Bank Qualification:

Because the City is issuing, or expects to issue, more than \$10,000,000 in tax-exempt obligations during the calendar year, the City will be not able to designate the Notes as “bank qualified” obligations.

Rating:

The City’s most recent bond issues were rated by Moody’s Investors Service. The current ratings on those bonds are “Aa2”. The City will request a new rating for the Notes.

If the winning bidder on the Notes elects to purchase bond insurance, the rating for the issue may be higher than the City’s bond rating if the bond rating of the insurer is higher than that of the City.

Basis for Recommendation:

Based on our knowledge of your situation, your objectives communicated to us, our advisory relationship as well as characteristics of various municipal financing options, we are recommending the issuance of Notes as a suitable option based on:

- The expectation this form of financing will provide the overall lowest cost of funds while also meeting the City’s objectives for term, structure and optional redemption.

Method of Sale/Placement:

We will solicit competitive bids for the purchase of the Notes from underwriters and banks.

We will include an allowance for discount bidding in the terms of the issue. The discount is treated as an interest item and provides the underwriter with all or a portion of their compensation in the transaction.

If the Notes are purchased at a price greater than the minimum bid amount (maximum discount), the unused allowance may be used to reduce your borrowing amount.

Premium Pricing:

In some cases, investors in municipal bonds prefer “premium” pricing structures. A premium is achieved when the coupon for any maturity (the interest rate paid by the issuer) exceeds the yield to the investor, resulting in a price paid that is greater than the face value of the bonds. The sum of the amounts paid more than face value is considered “reoffering premium.” The underwriter of the bonds will retain a portion of this reoffering premium as their compensation (or “discount”) but will pay the remainder of the premium to the City.

For this issue of Notes, any premium amount received that is more than the underwriting discount and any capitalized interest amounts must be placed in the debt service fund and

used to pay a portion of the interest payments due on the Notes. We anticipate using any premium amounts received to reduce the issue size.

The amount of premium allowed can be restricted in the bid specifications. Restrictions on premium may result in fewer bids but may also eliminate large adjustments on the day of sale and unintended results with respect to debt service payment impacts. Ehlers will identify appropriate premium restrictions for the Notes intended to achieve the City's objectives for this financing.

Other Considerations:

The Notes will be offered with the option of the successful bidder utilizing a term bond structure. By offering underwriters the option to "term up" some of the maturities at the time of the sale, it gives them more flexibility in finding a market for your Notes. This makes your issue more marketable, which can result in lower borrowing costs. If the successful bidder utilizes a term bond structure, we recommend the City retain a paying agent to handle responsibility for processing mandatory redemption/call notices associated with term bonds.

Review of Existing Debt:

We have reviewed all outstanding indebtedness for the City and find that there are no refunding opportunities at this time.

We will continue to monitor the market and the call dates for the City's outstanding debt and will alert you to any future refunding opportunities.

Continuing Disclosure:

Because the City has more than \$10,000,000 in outstanding debt (including this issue) and this issue is over \$1,000,000, the City will be agreeing to provide certain updated Annual Financial Information and its Audited Financial Statement annually, as well as providing notices of the occurrence of certain reportable events to the Municipal Securities Rulemaking Board (the "MSRB"), as required by rules of the Securities and Exchange Commission (SEC). The City is already obligated to provide such reports for its existing bonds and prepares and files its own reports. The City may continue to prepare and file its own reports or contract with Ehlers to do so.

Arbitrage Monitoring:

The City must ensure compliance with certain sections of the Internal Revenue Code and Treasury Regulations ("Arbitrage Rules") throughout the life of the issue to maintain the tax-exempt status of the Notes. These Arbitrage Rules apply to amounts held in construction, escrow, reserve, debt service account(s), etc., along with related investment income on each fund/account.

IRS audits will verify compliance with rebate, yield restriction and records retention requirements within the Arbitrage Rules. The City's specific arbitrage responsibilities will be detailed in the Tax Exemption Certificate (the "Tax Compliance Document") prepared by your Bond Attorney and provided at closing.

The Notes may qualify for one or more exception(s) to the Arbitrage Rules by meeting 1) small issuer exception, 2) spend down requirements, 3) bona fide debt service fund limits, 4) reasonable reserve requirements, 5) expenditure within an available period limitation, 6) investments yield restrictions, 7) de minimis rules, or 8) borrower limited requirements.

We recommend that the City review its specific responsibilities related to the Notes with an arbitrage expert to utilize one or more of the exceptions listed above. We also recommend that you establish written procedures regarding compliance with IRS rules and/or contract with Ehlers to assist you.

Investment of Note Proceeds:

Ehlers can assist the City in developing a strategy to invest your Note proceeds until the funds are needed to pay project costs.

Risk Factors:

GO with Planned Abatement: The City expects to abate a portion of the City debt service with tax incremental revenues. In the event these revenues are not available, the City is obligated to levy property taxes in an amount sufficient to make all debt payments.

Other Service Providers:

This debt issuance will require the engagement of other public finance service providers. This section identifies those other service providers, so Ehlers can coordinate their engagement on your behalf. Where you have previously used a particular firm to provide a service, we have assumed that you will continue that relationship. For services you have not previously required, we have identified a service provider. Fees charged by these service providers will be paid from proceeds of the obligation, unless you notify us that you wish to pay them from other sources. Our pre-sale bond sizing includes a good faith estimate of these fees, but the final fees may vary. If you have any questions pertaining to the identified service providers or their role, or if you would like to use a different service provider for any of the listed services please contact us.

Bond Counsel: Quarles & Brady LLP

Paying Agent: Bond Trust Services Corporation

Rating Agency: Moody's Investors Service, Inc.

PROPOSED DEBT ISSUANCE SCHEDULE

Pre-Sale Review by Common Council:	February 14, 2022
Conference with Rating Agency:	Week of March 7, 2022
Due Diligence Call to review Official Statement:	Week of March 7, 2022
Distribute Official Statement:	March 14, 2022
Common Council Meeting to Award Sale of the Notes:	March 21, 2022
Estimated Closing Date:	April 13, 2022

Attachments

Estimated Sources and Uses of Funds
 Estimated Proposed Debt Service Schedule
 Tax Impact Analysis
 Bond Buyer Index

EHLERS' CONTACTS

Philip Cosson, Senior Municipal Advisor	(262) 796-6161
David Ferris, Senior Municipal Advisor	(262) 796-6194
Sue Porter, Senior Public Finance Analyst/Marketing Coordinator	(262) 796-6167
Kathy Myers, Senior Financial Analyst	(262) 796-6177



Existing Debt Service Sources of Repayment and Levy Impact Analysis (Base Case)

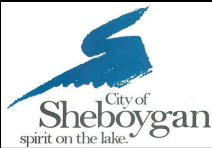
YEAR	Debt Service			Abatement Sources							Projected Rate Impact				Debt Service Tax Rate	YEAR
	General Obligation Debt	Lease Payments	Total of All Obligations	Total Paid By TID Funds	Other Transfers In	Tourism Fund	Interest Income	Misc Income	Funds Applied / Misc Difference	Total Abatement Sources	Net Debt Service Levy	Levy Change	Projected Equalized Value	% Change		
2021	6,806,484	75,497	6,881,981	(2,643,218)	(492,965)	(329,629)	(73,432)	(103,067)	601,131	(3,041,180)	3,840,801		3,080,099,100	12.86%	1.25	2021
2022	7,009,359	75,497	7,084,856	(2,708,183)			(39,000)	(103,067)	(383,554)	(3,233,804)	3,851,052	10,251	3,156,346,500	2.48%	1.22	2022
2023	5,824,689		5,824,689	(1,712,062)						(1,712,062)	4,112,626	261,574	3,229,187,030	2.31%	1.27	2023
2024	6,287,438		6,287,438	(1,809,978)						(1,809,978)	4,477,460	364,834	3,473,873,471	7.58%	1.29	2024
2025	6,408,776		6,408,776	(1,918,508)						(1,918,508)	4,490,269	12,809	3,543,350,940	2.00%	1.27	2025
2026	5,734,039		5,734,039	(1,584,413)						(1,584,413)	4,149,626	(340,643)	3,614,217,959	2.00%	1.15	2026
2027	5,512,390		5,512,390	(1,763,490)						(1,763,490)	3,748,900	(400,726)	3,686,502,318	2.00%	1.02	2027
2028	5,036,995		5,036,995	(1,719,370)						(1,719,370)	3,317,625	(431,275)	3,760,232,364	2.00%	0.88	2028
2029	4,947,570		4,947,570	(1,761,580)						(1,761,580)	3,185,990	(131,635)	3,835,437,012	2.00%	0.83	2029
2030	4,075,280		4,075,280	(1,623,235)						(1,623,235)	2,452,045	(733,945)	3,912,145,752	2.00%	0.63	2030
2031	2,850,015		2,850,015	(1,611,315)						(1,611,315)	1,238,700	(1,213,345)	3,990,388,667	2.00%	0.31	2031
2032	2,849,828		2,849,828	(1,632,068)						(1,632,068)	1,217,760	(20,940)	4,070,196,440	2.00%	0.30	2032
2033	2,986,555		2,986,555	(1,640,305)						(1,640,305)	1,346,250	128,490	4,151,600,369	2.00%	0.32	2033
2034	2,585,340		2,585,340	(1,636,490)						(1,636,490)	948,850	(397,400)	4,234,632,376	2.00%	0.22	2034
2035	1,985,300		1,985,300	(1,640,700)						(1,640,700)	344,600	(604,250)	4,319,325,024	2.00%	0.08	2035
2036	1,965,230		1,965,230	(1,632,630)						(1,632,630)	332,600	(12,000)	4,405,711,524	2.00%	0.08	2036
2037	1,953,280		1,953,280	(1,632,680)						(1,632,680)	320,600	(12,000)	4,493,825,755	2.00%	0.07	2037
2038	1,854,480		1,854,480	(1,630,880)						(1,630,880)	223,600	(97,000)	4,583,702,270	2.00%	0.05	2038
2039	1,032,268		1,032,268	(1,032,268)						(1,032,268)		(223,600)	4,675,376,315	2.00%	0.00	2039
2040	1,029,120		1,029,120							(1,029,120)			4,768,883,842	2.00%	0.00	2040
2041													4,864,261,519	2.00%	0.00	2041
TOTALS	78,734,434	150,994	78,885,428	(33,333,371)	(492,965)	(329,629)	(112,432)	(206,134)	217,577	(35,286,074)	43,599,354					TOTALS

NOTES:



Financing Plan & Issue Sizing

	GO Notes 2022				
Projects					
Street Improvement Projects	455,000				
Fire Department Equipment	932,365				
Park Projects	325,000				
TID 16 Projects	171,400				
Stormwater Projects	250,000				
	<hr/>				
Project Needs	2,133,765				
Issuance Expenses					
Municipal Advisor	23,800				
Bond Counsel	12,000				
Disclosure Counsel (Estimated)	7,200				
Rating	14,000				
Paying Agent	850				
Underwriter Fees	22,150				
	<hr/>				
Total Funds Needed	2,213,765				
Less Interest Earnings	<table border="1" style="display: inline-table; vertical-align: middle;"> <thead> <tr> <th>Rate</th> <th>Months</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">0.05%</td> <td style="text-align: center;">3</td> </tr> </tbody> </table> (267)	Rate	Months	0.05%	3
Rate	Months				
0.05%	3				
Rounding	1,502				
Size of Issue	<u>2,215,000</u>				



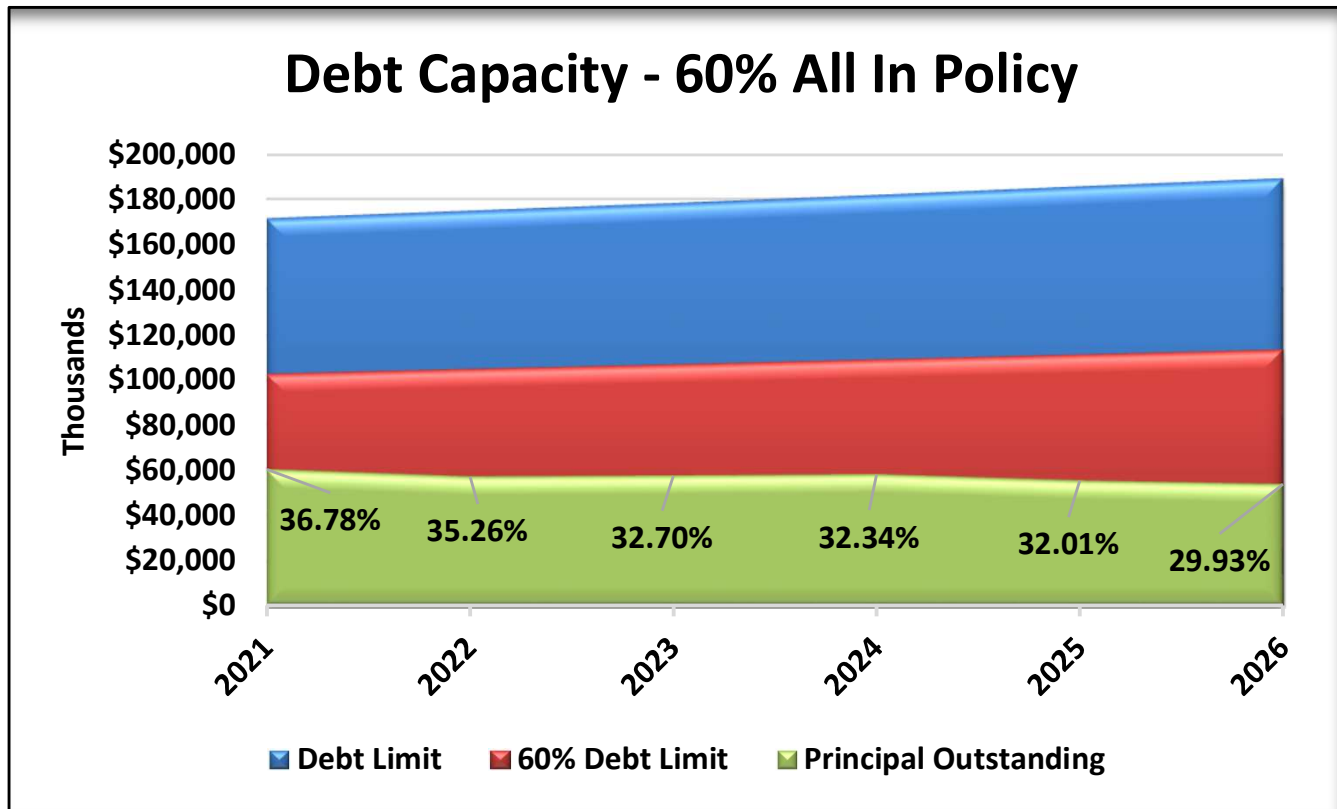
Projected Impact of Capital Financing Plan

Existing Debt Payments							Projected Debt Service												
YEAR	Equalized Value Projection	Change in Value	Total of All Obligations	Total Abatement Sources	Net Debt Service Levy	Debt Service Tax Rate	General Obligation Notes, 2022 \$2,215,000 Dated 4-13-22				Less Abatements TID 16 Projects	Total Projected Debt Service Less Abatements	Net Debt Service Levy	Levy Change	Debt Service Tax Rate	Impact on \$ 100,000 of Value		Debt Service Tax Rate @ 3% Growth	YEAR
							Prin (4/1)	Rate	Interest	Total						Taxes	Change		
2021	3,080,099,100	12.86%	6,881,981	(3,041,180)	3,840,801	1.25						3,840,801		1.25	124.70		1.25	2021	
2022	3,156,346,500	2.48%	7,084,856	(3,233,804)	3,851,052	1.22						3,851,052	10,251	1.22	122.01	(2.69)	1.22	2022	
2023	3,229,187,030	2.31%	5,824,689	(1,712,062)	4,112,626	1.27	270,000	0.95%	53,069	323,069	(14,598)	308,471	570,045	1.37	136.91	14.90	1.36	2023	
2024	3,473,873,471	7.58%	6,287,438	(1,809,978)	4,477,460	1.29	100,000	1.15%	33,918	133,918	(13,015)	120,903	177,266	1.32	132.37	(4.54)	1.30	2024	
2025	3,543,350,940	2.00%	6,408,776	(1,918,508)	4,490,269	1.27	100,000	1.35%	32,668	132,668	(12,890)	119,778	11,684	1.30	130.10	(2.27)	1.27	2025	
2026	3,614,217,959	2.00%	5,734,039	(1,584,413)	4,149,626	1.15	250,000	1.55%	30,055	280,055	(12,745)	267,310	4,416,936	1.22	122.21	(7.89)	1.18	2026	
2027	3,686,502,318	2.00%	5,512,390	(1,763,490)	3,748,900	1.02	230,000	1.65%	26,220	256,220	(12,585)	243,635	3,992,535	1.08	108.30	(13.91)	1.04	2027	
2028	3,760,232,364	2.00%	5,036,995	(1,719,370)	3,317,625	0.88	245,000	1.75%	22,179	267,179	(27,284)	239,895	3,557,520	0.95	94.61	(13.69)	0.90	2028	
2029	3,835,437,012	2.00%	4,947,570	(1,761,580)	3,185,990	0.83	220,000	1.85%	18,000	238,000	(26,834)	211,166	3,397,156	0.89	88.57	(6.04)	0.83	2029	
2030	3,912,145,752	2.00%	4,075,280	(1,623,235)	2,452,045	0.63	270,000	1.95%	13,333	283,333	(26,359)	256,974	2,709,019	0.69	69.25	(19.33)	0.64	2030	
2031	3,990,388,667	2.00%	2,850,015	(1,611,315)	1,238,700	0.31	330,000	2.00%	7,400	337,400	(25,865)	311,535	1,550,235	0.39	38.85	(30.40)	0.36	2031	
2032	4,070,196,440	2.00%	2,849,828	(1,632,068)	1,217,760	0.30	200,000	2.05%	2,050	202,050	(30,308)	171,742	1,389,502	0.34	34.14	(4.71)	0.31	2032	
2033	4,151,600,369	2.00%	2,986,555	(1,640,305)	1,346,250	0.32						1,346,250	(43,252)	0.32	32.43	(1.71)	0.29	2033	
2034	4,234,632,376	2.00%	2,585,340	(1,636,490)	948,850	0.22						948,850	(397,400)	0.22	22.41	(10.02)	0.20	2034	
2035	4,319,325,024	2.00%	1,985,300	(1,640,700)	344,600	0.08						344,600	(604,250)	0.08	7.98	(14.43)	0.07	2035	
2036	4,405,711,524	2.00%	1,965,230	(1,632,630)	332,600	0.08						332,600	(12,000)	0.08	7.55	(0.43)	0.07	2036	
2037	4,493,825,755	2.00%	1,953,280	(1,632,680)	320,600	0.07						320,600	(12,000)	0.07	7.13	(0.42)	0.06	2037	
2038	4,583,702,270	2.00%	1,854,480	(1,630,880)	223,600	0.05						223,600	(97,000)	0.05	4.88	(2.26)	0.04	2038	
2039	4,675,376,315	2.00%	1,032,268	(1,032,268)		0.00							(223,600)	0.00		(4.88)	0.00	2039	
2040	4,768,883,842	2.00%	1,029,120	(1,029,120)		0.00								0.00		0.00	0.00	2040	
2041	4,864,261,519	2.00%				0.00								0.00		0.00	0.00	2041	
2042	4,961,546,749	2.00%				0.00								0.00		0.00	0.00	2042	
2043	5,060,777,684	2.00%				0.00								0.00		0.00	0.00	2043	
2044	5,161,993,238	2.00%				0.00								0.00		0.00	0.00	2044	
TOTALS			78,885,428	(35,286,074)	43,599,354		2,215,000		238,890	2,453,890	(202,483)	2,251,409	45,850,763					TOTALS	

NOTES Rates based on A1 1/18/22 sale + 0.35

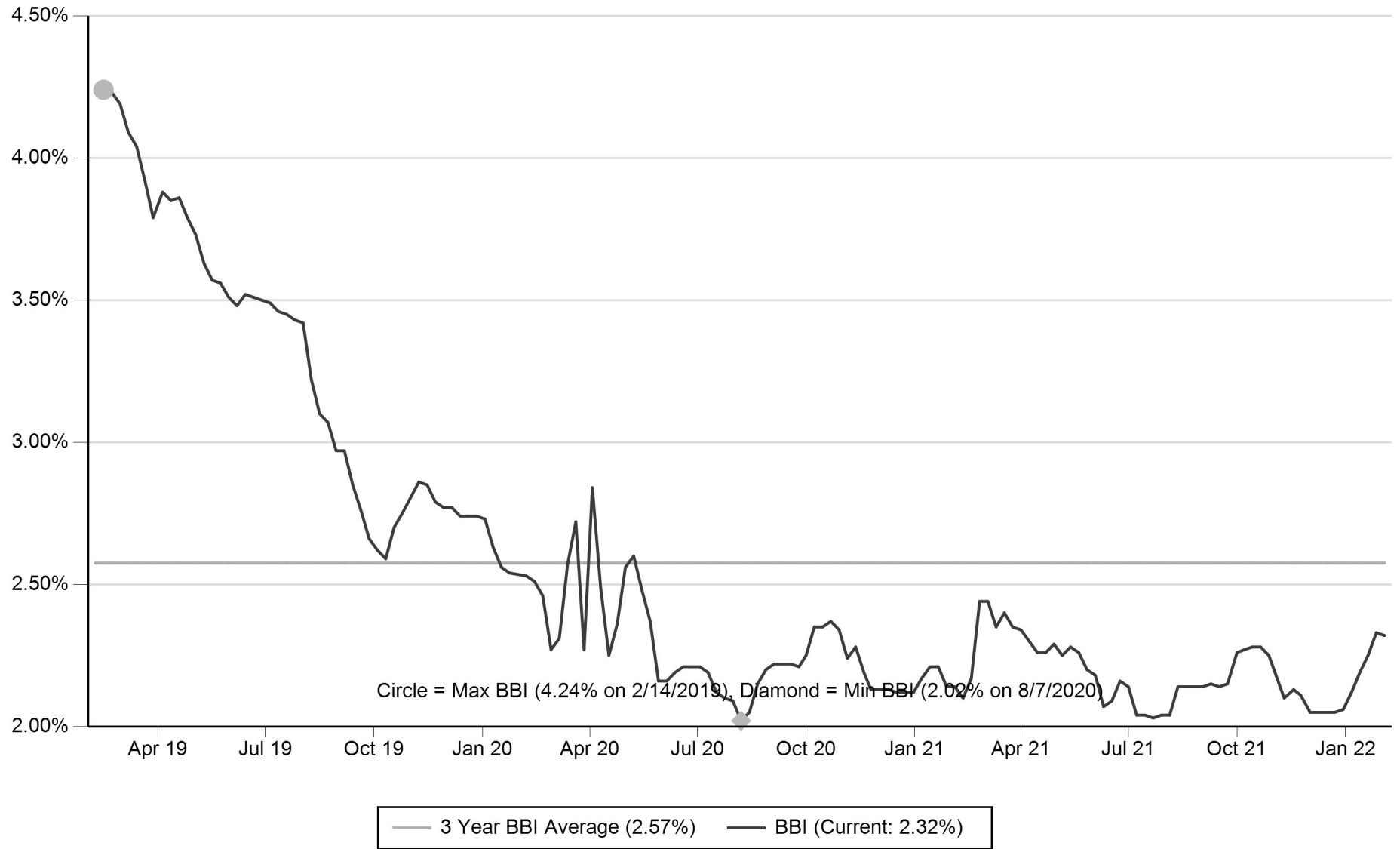


Debt Limit Calculation



3 YEAR TREND IN MUNICIPAL BOND INDICES

Weekly Rates February, 2019 - February, 2022



The Bond Buyer "20 Bond Index" (BBI) shows average yields on a group of municipal bonds that mature in 20 years and have an average rating equivalent to Moody's Aa2 and S&P's AA.

Source: The Bond Buyer

III

Res. No. 131 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 7, 2022.

RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY \$2,215,000 GENERAL OBLIGATION PROMISSORY NOTES, SERIES 2022A.

WHEREAS, the City of Sheboygan, Sheboygan County, Wisconsin (the "City") is presently in need of approximately \$2,215,000 for public purposes, including paying the cost of various construction, improvement and acquisition projects set forth in the City's 2022 Capital Improvement Plan, including street and sidewalk repair and improvements, park improvements and upgrades, storm water projects, the acquisition of vehicles and other equipment and providing financial assistance to community development projects for the City's Tax Incremental Districts; and

WHEREAS, it is desirable to borrow said funds through the issuance of general obligation promissory notes pursuant to Section 67.12(12), Wisconsin Statutes;

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. The Notes. The City shall issue its General Obligation Promissory Notes, Series 2022A (the "Notes") in an amount of approximately \$2,215,000 for the purposes above specified.

Section 2. Sale of Notes. The Common Council hereby authorizes and directs that the Notes be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Notes as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with the City's financial advisor, Ehlers & Associates, Inc. ("Ehlers")) be and hereby is directed to cause notice of the sale of the Notes to be disseminated in such manner and at such times as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

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Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall cause an Official Statement concerning this issue to be prepared by Ehlers. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Statement, such certification to constitute full authorization of such Statement under this resolution.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____, 2022. _____, City Clerk

Approved _____, 2022. _____, Mayor

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 134-21-22 by Alderpersons Mitchell and Filicky-Peneski authorizing a budget transfer and appropriation in the 2022 budget to complete an interfund transfer between the Tax Incremental District 6 Debt Fund and the Redevelopment Authority Fund

REPORT PREPARED BY: Kaitlyn Krueger, Finance Director

REPORT DATE: February 10, 2021 **MEETING DATE:** February 14, 2021

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item:	Interfund Transfer	Wisconsin	N/A
Budget Summary:	\$376,188	Statutes:	
Budgeted Expenditure:	30481400-811295	Municipal Code:	N/A
Budgeted Revenue:	29515100-492304		

BACKGROUND / ANALYSIS:

The Redevelopment Authority entered into the contract in 1992 through a TIF developer’s agreement with Heartland Properties to provide three individual loans for three properties: Leverenz, Balzer and Jung properties totaling \$840,004. Under the agreements, Heartland was to pay interest expenses equivalent to the interest rates on the city’s borrowed funds in TIF 6. The loan proceeds were used to renovate the buildings into affordable housing developments.

On December 13, 2021 the Redevelopment Authority approved the request of Heartland Properties accept a cash payoff for the loan of \$463,816. This amount was believed to be a fair payoff because Heartland Properties has paid additional increment taxes of \$283,528 for more value created above the minimum investment and \$92,660 in principal loan payments in addition to taxes. Over the years, there have been some accounting issues on both sides on how the interest was receipted and tracked. The loan was issued in the Redevelopment Authority Fund, but interest and principal payments have all been receipted in TIF 6 fund.

Heartland Properties paid the agreed upon amount of \$463,816 on December 30, 2021.

STAFF COMMENTS:

This action allows for the Redevelopment Authority to clear off the entire loan balance from their balance sheet. It is anticipated that the Redevelopment Authority will approve transferring back previous advances back to the General Fund and Capital Projects Fund with the payoff amount that was received in December.

ACTION REQUESTED:

Motion to recommend the Common Council approve Res. No. 134-21-22 authorizing a budget transfer and appropriation in the 2022 budget to complete an interfund transfer between the Tax Incremental District 6 Debt Fund and the Redevelopment Authority Fund.

Item 11.

ATTACHMENTS:

I. Res. No. 134-21-22

III

Res. No. 134 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 7, 2022.

A RESOLUTION authorizing a budget transfer and appropriation in the 2022 budget to complete an interfund transfer between the Tax Incremental District 6 Debt Fund and the Redevelopment Authority Fund.

WHEREAS, in 1992, the Redevelopment Authority entered into a developer's agreement with Heartland Properties to provide three individual loans totaling \$840,004; and

WHEREAS, under these loans, Heartland Properties was to pay interest expenses equivalent to the interest rates on the City's borrowed funds in TID 6; and

WHEREAS, Heartland Properties used the loan proceeds to renovate three buildings on South 8th Street into affordable housing developments; and

WHEREAS, during an audit of this loan, it was determined that principal payments from Heartland Properties were receipted to the Tax Incremental District 6 Debt Fund, not the Redevelopment Authority Fund, as should have occurred; and

WHEREAS, on December 15, 2021, the Redevelopment Authority approved a payoff request from Heartland Properties, in the amount of \$463,816, to close out the three loans; and

WHEREAS, at this time it is appropriate to transfer the payments made toward the loan by Heartland Properties (which included payments from Heartland Properties that were incorrectly receipted in the Tax Incremental District 6 Debt Fund and property tax payments which, pursuant to the terms of the developer's agreement counted toward the loan repayment) to the Redevelopment Authority Fund.

NOW, THEREFORE, BE IT RESOLVED: That the Finance Director is authorized to increase the previously budgeted appropriation for Redevelopment Authority Fund - Interfund Transfer from TID 6 Debt Fund (Account No. 29515100-492304) by \$376,188.

BE IT FURTHER RESOLVED: That the funding to support the transfer shall come from an increase in the previously budgeted appropriation for TID 6 Debt Fund - Interfund to Redevelopment Authority (Account No. 30481400-811295) in the same amount.

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2/3

BE IT FURTHER RESOLVED: That the Finance Director is authorized to make the corresponding transfer associated with this budget appropriation.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 137-21-22, A Resolution authorizing the purchase of 5509 Moenning Road and vacant land located East of Moenning Road for future use by the City.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: February 7, 2022 **MEETING DATE:** February 14, 2022

FISCAL SUMMARY:

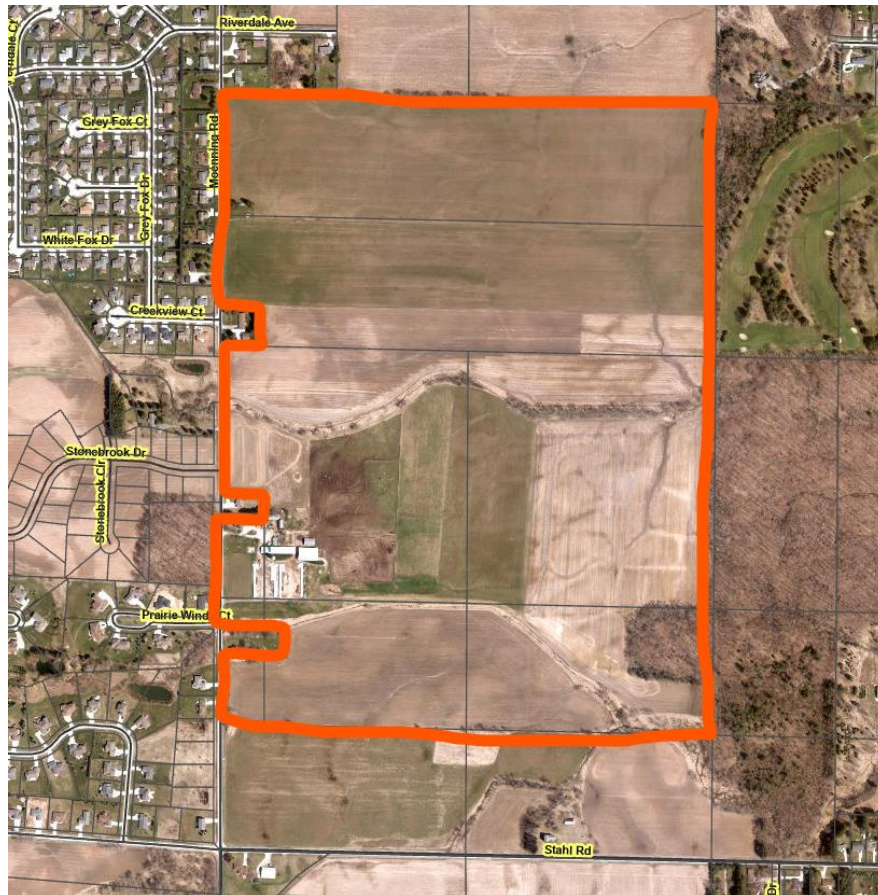
STATUTORY REFERENCE:

Budget Line Item:
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes:
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The attached vacant land offer to purchase includes approximately 195.46 acres of land including 5509 Moenning Road and land East of Moenning Road. Per the offer, the City would purchase the approximately 195.46 acres of the land for \$3,675,000 over a five-year period with payments as follows: \$900,000 paid at closing, \$693,750 paid in years 2023, 2024, 2025, 2026 at the anniversary of the closing.



Per the addendum to the offer the following conditions are being agreed to:

Item 12.

- Pay off the purchase price over a Five-year period starting in 2022
- Purchase price installments to be secured by a first mortgage and promissory note. The note will bear interest at the Applicable Federal Rate (AFR) for mid-term 5-year note. The buyer may prepay upon Seller's consent and approval.
- Seller shall have post-closing occupancy of homestead parcel at 5509 Moenning Road a rental rate of \$500 per month until David and Claire and son Kevin die or are unable to stay in the property or voluntarily decide to vacate the premises, whichever comes first. In the event that David and Claire Gartman are deceased or unable to occupy the property, Kevin Gartman would be required to vacate the Property. Seller is responsible for utilities, renter's insurance, and maintenance of the homestead parcel.
- Buyer allows Seller to lease back any farmland included in the approx. 195.46 acres. Buyer will provide a 7 month notice to remove crops and vacate the leased land in the event development is commenced.
- Seller is allowed over the five-year period to salvage and remove the outbuildings, feed bins and gravel adjacent to the homestead parcel. Seller shall defend, hold harmless and indemnify the Buyer against any and all claims.
- Upon acceptable by the Common Council, City shall be \$5,000 in earnest money.

STAFF COMMENTS:

As has been discussed in the past, this is a long-term investment for the City to provide additional housing options including single-family neighborhoods, one area identified in the City's Affordable Housing Market Study.

ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 137-21-22, a Resolution authorizing the purchase of 5509 Moenning Road and vacant land East of Moenning Road for future use by the City.

ATTACHMENTS:

- I. Res. No. 137-21-22

III

Res. No. 137 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 7, 2021.

A RESOLUTION authorizing the purchase of 5509 Moenning and vacant land located East of Moenning Road for future use by the City.

RESOLVED: That the City of Sheboygan hereby approves the terms and conditions of the attached Vacant Land Offer to Purchase between the City of Sheboygan and David L. Gartman LLC.

BE IT FURTHER RESOLVED: That the Mayor and City Clerk are hereby authorized to sign all necessary documents on behalf of the City of Sheboygan to purchase the property.

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I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

WB-13 VACANT LAND OFFER TO PURCHASE

ATTORNEY

1 LICENSEE DRAFTING THIS OFFER ON January 28, 2022 [DATE] IS (AGENT-OF-BUYER)
2 (AGENT OF SELLER/LISTING FIRM) (AGENT-OF-BUYER-AND-SELLER) STRIKE THOSE NOT APPLICABLE

3 The Buyer, City of Sheboygan, a Wisconsin municipal corporation,
4 offers to purchase the Property known as approx 195.46 acres of vacant land located East of Moenning Road, including 5509 Moenning
5 Road; see attached Addendum for additional details
6 [e.g., Street Address, Parcel Number(s), legal description, or insert additional description, if any, at lines 650-664, or
7 attach as an addendum per line 686] in the Town of Wilson
8 County of Sheboygan Wisconsin, on the following terms:

9 PURCHASE PRICE The purchase price is Three Million Six Hundred Seventy-five Thousand and NO/100; see Addendum, paragraph
10 _____ Dollars (\$ 3,675,000.00).

11 INCLUDED IN PURCHASE PRICE Included in purchase price is the Property, all Fixtures on the Property as of the date
12 stated on line 1 of this Offer (unless excluded at lines 17-18), and the following additional items: N/A

13
14 NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are included
15 or not included. Annual crops are not part of the purchase price unless otherwise agreed.

16 NOT INCLUDED IN PURCHASE PRICE Not included in purchase price is Seller's personal property (unless included at
17 lines 12-13) and the following: _____

18
19 CAUTION: Identify Fixtures that are on the Property (see lines 21-25) to be excluded by Seller or that are rented
20 and will continue to be owned by the lessor.

21 "Fixture" is defined as an item of property which is physically attached to or so closely associated with land so as to be
22 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage
23 to the premises, items specifically adapted to the premises and items customarily treated as fixtures, including, but not
24 limited to, all: perennial crops, garden bulbs; plants; shrubs and trees; fences; storage buildings on permanent foundations
25 and docks/piers on permanent foundations.

26 CAUTION: Exclude any Fixtures to be retained by Seller or that are rented on lines 17-18 or at lines 650-664 or in
27 an addendum per line 686.

28 BINDING ACCEPTANCE This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer
29 on or before Wednesday, February 23, 2022 by 4:00pm

30 Seller may keep the Property on the market and accept secondary offers after binding acceptance of this Offer.
31 CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.

32 ACCEPTANCE Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical
33 copies of the Offer.

34 CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term
35 Deadlines running from acceptance provide adequate time for both binding acceptance and performance.

36 CLOSING This transaction is to be closed on TO BE DETERMINED

37
38 at the place selected by Seller, unless otherwise agreed by the Parties in writing. If the date for closing falls on a Saturday,
39 Sunday, or a federal or a state holiday, the closing date shall be the next Business Day.

40 CAUTION: To reduce the risk of wire transfer fraud, any wiring instructions received should be independently
41 verified by phone or in person with the title company, financial institution, or entity directing the transfer. The real
42 estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or money
43 transfer instructions.

44 EARNEST MONEY

45 EARNEST MONEY of \$ _____ accompanies this Offer.
46 If Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.

47 EARNEST MONEY of \$ 5,000.00 will be mailed, or commercially, electronically
48 or personally delivered within 5 days ("5" if left blank) after acceptance.

49 All earnest money shall be delivered to and held by (listing Firm) (drafting Firm) (other identified as Seller's atty;
50 payable to "Hopp Neumann Humke LLP Trust Acct" for retention in the firm's client trust account) STRIKE THOSE NOT APPLICABLE

51 (listing Firm if none chosen; if no listing Firm, then drafting Firm; if no Firm then Seller).
52 CAUTION: If a Firm does not hold earnest money, an escrow agreement should be drafted by the Parties or an
53 attorney as lines 56-76 do not apply. If someone other than Buyer pays earnest money, consider a special
54 disbursement agreement.

55 THE BALANCE OF PURCHASE PRICE will be paid in cash or equivalent at closing unless otherwise agreed in writing.

56 ■ **DISBURSEMENT IF EARNEST MONEY HELD BY A FIRM:** If negotiations do not result in an accepted offer and the
57 earnest money is held by a Firm, the earnest money shall be promptly disbursed (after clearance from payer's depository
58 institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall
59 be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according
60 to a written disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been
61 delivered to the Firm holding the earnest money within 60 days after the date set for closing, that Firm may disburse the
62 earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
63 (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; (4)
64 upon authorization granted within this Offer; or (5) any other disbursement required or allowed by law. The Firm may retain
65 legal services to direct disbursement per (1) or to file an interpleader action per (2) and the Firm may deduct from the
66 earnest money any costs and reasonable attorneys' fees, not to exceed \$250, prior to disbursement.

67 ■ **LEGAL RIGHTS/ACTION:** The Firm's disbursement of earnest money does not determine the legal rights of the Parties
68 in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by the Firm holding the earnest
69 money. At least 30 days prior to disbursement per (1), (4) or (5) above, where the Firm has knowledge that either Party
70 disagrees with the disbursement, the Firm shall send Buyer and Seller written notice of the intent to disburse by certified
71 mail. If Buyer or Seller disagrees with the Firm's proposed disbursement, a lawsuit may be filed to obtain a court order
72 regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of
73 residential property with one-to-four dwelling units. Buyer and Seller should consider consulting attorneys regarding their
74 legal rights under this Offer in case of a dispute. Both Parties agree to hold the Firm harmless from any liability for good
75 faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and Professional
76 Services regulations concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

77 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3)
78 occupancy; (4) date of closing; (5) contingency Deadlines **STRIKE AS APPLICABLE** and all other dates and Deadlines in
79 this Offer except: NONE OTHER

80 _____ . If "Time is of the Essence" applies to a date or Deadline,
81 failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a date
82 or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

83 **VACANT LAND DISCLOSURE REPORT** Wisconsin law requires owners of real property that does not include any
84 buildings to provide Buyers with a Vacant Land Disclosure Report. Excluded from this requirement are sales exempt from
85 the real estate transfer fee and sales by certain court-appointed fiduciaries, for example, personal representatives, who
86 have never occupied the Property. The form of the Report is found in Wis. Stat. § 709.033. The law provides: "§ 709.02
87 Disclosure . . . the owner of the property shall furnish, not later than 10 days after acceptance of a contract of sale . . . , to
88 the prospective buyer of the property a completed copy of the report . . . A prospective buyer who does not receive a report
89 within the 10 days may, within 2 business days after the end of that 10-day period, rescind the contract of sale . . . by
90 delivering a written notice of rescission to the owner or the owner's agent." Buyer may also have certain rescission rights if
91 a Vacant Land Disclosure Report disclosing defects is furnished before expiration of the 10 days, but after the Offer is
92 submitted to Seller. Buyer should review the report form or consult with an attorney for additional information regarding
93 rescission rights.

94 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has
95 no notice or knowledge of Conditions Affecting the Property or Transaction (lines 101-181) other than those identified in
96 Seller's Vacant Land Disclosure Report dated January 27, 2022 , which was received by Buyer prior to Buyer
97 signing this Offer and that is made a part of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE**
98 and _____

99 _____
100 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE REPORT**

101 "Conditions Affecting the Property or Transaction" are defined to include:

- 102 a. Flooding, standing water, drainage problems, or other water problems on or affecting the Property.
- 103 b. Impact fees or another condition or occurrence that would significantly increase development costs or reduce the value
104 of the property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.
- 105 c. Brownfields (abandoned, idled, or underused land that may be subject to environmental contamination) or other
106 contaminated land on the property, or that contaminated soils on the property have been cleaned up under the Petroleum
107 Environmental Cleanup Fund Act (PECFA), a Wisconsin Department of Natural Resources (DNR) remedial or cleanup
108 program, the DATCP Agricultural Chemical Cleanup Program, or other similar program.
- 109 d. Subsoil conditions that would significantly increase the cost of development, including, but not limited to, subsurface
110 foundations or waste material; any type of fill; dumpsites where pesticides, herbicides, fertilizer, or other toxic or hazardous
111 materials or containers for these materials were disposed of in violation of manufacturer or government guidelines or other
112 laws regulating such disposal; high groundwater; adverse soil conditions, such as low load-bearing capacity, earth or soil
113 movement, settling, upheavals, or slides; excessive rocks or rock formations; or other soil problems.
- 114 e. Material violation of an environmental rule or other rule or agreement regulating the use of the Property.
- 115 f. Defects caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, lead in

- 116 soil, or other potentially hazardous or toxic substances on the Property; manufacture of methamphetamine or other
 117 hazardous or toxic substances on the Property; or high voltage electric (100 KV or greater) or steel natural gas transmission
 118 lines located on but not directly serving the Property.
- 119 g. Defects caused by unsafe concentrations of, unsafe conditions relating to, or the storage of, hazardous or toxic
 120 substances on neighboring properties.
- 121 h. The Property is served by a joint well; Defects related to a joint well serving the Property; or Defects in a well on the
 122 Property or in a well that serves the Property, including unsafe well water due to contaminants such as coliform, nitrates, or
 123 atrazine, or any out-of-service wells or cisterns that are required to be abandoned (see § NR 812.26, Wis. Adm. Code) but
 124 that are not closed or abandoned according to applicable regulations.
- 125 i. Defects in any septic system or other private sanitary disposal system on the Property; or any out-of-service septic
 126 system serving the Property not closed or abandoned according to applicable regulations.
- 127 j. Underground or aboveground fuel storage tanks presently or previously on the Property for storage of flammable or
 128 combustible liquids including, but not limited to, gasoline or heating oil; or Defects in the underground or aboveground fuel
 129 storage tanks on or previously located on the Property. Defects in underground or aboveground fuel storage tanks may
 130 include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking;
 131 corrosion; or failure to meet operating standards. (The owner, by law, may have to register the tanks with the Department
 132 of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in use
 133 or not. Department regulations may require closure or removal of unused tanks.)
- 134 k. Existing or abandoned manure storage facilities located on the property.
- 135 l. Notice of property tax increases, other than normal annual increases, or pending Property tax reassessment;
 136 remodeling that may increase the Property's assessed value; pending special assessments; or Property is within a special
 137 purpose district, such as a drainage district, that has authority to impose assessments on the Property.
- 138 m. Proposed, planned, or commenced public improvements or public construction projects that may result in special
 139 assessments or that may otherwise materially affect the Property or the present use of the Property; or any land division
 140 involving the Property without required state or local permits.
- 141 n. The Property is part of or subject to a subdivision homeowners' association; or the Property is not a condominium unit
 142 and there are common areas associated with the Property that are co-owned with others.
- 143 o. Any zoning code violations with respect to the Property; the Property or any portion thereof is located in a floodplain,
 144 wetland or shoreland zoning area under local, state or federal regulations; or the Property is subject to a mitigation plan
 145 required by Wisconsin Department of Natural Resources (DNR) rules related to county shoreland zoning ordinances, that
 146 obligates the Property owner to establish or maintain certain measures related to shoreland conditions, enforceable by the
 147 county.
- 148 p. Nonconforming uses of the Property (a nonconforming use is a use of land that existed lawfully before the current zoning
 149 ordinance was enacted or amended, but that does not conform to the use restrictions in the current ordinance); conservation
 150 easements (a conservation easement is a legal agreement in which a property owner conveys some of the rights associated
 151 with ownership of his or her property to an easement holder such as a governmental unit or a qualified nonprofit organization
 152 to protect the natural habitat of fish, wildlife, or plants or a similar ecosystem, preserve areas for outdoor recreation or
 153 education, or for similar purposes); restrictive covenants or deed restrictions on the Property; or, other than public rights-of-
 154 way, nonowners having rights to use part of the Property, including, but not limited to, private rights-of-way and easements
 155 other than recorded utility easements.
- 156 q. All or part of the Property has been assessed as agricultural land; has been assessed a use-value assessment
 157 conversion charge; or payment of a use-value assessment conversion charge has been deferred.
- 158 r. All or part of the Property is subject to, enrolled in, or in violation of a farmland preservation agreement, Forest Crop
 159 Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program.
- 160 s. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
 161 be transferred with the Property because the dam is owned collectively by a homeowners' association, lake district, or
 162 similar group of which the Property owner is a member.
- 163 t. No legal access to the Property; or boundary or lot line disputes, encroachments or encumbrances (including a joint
 164 driveway) affecting the Property. Encroachments often involve some type of physical object belonging to one person but
 165 partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages,
 166 driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of
 167 the Property or to the use of the Property such as a joint driveway, liens, and licenses.
- 168 u. Government agency, court order, or federal, state, or local regulations requiring repair, alteration or correction of an
 169 existing condition.
- 170 v. A pier attached to the Property not in compliance with state or local pier regulations; a written agreement affecting
 171 riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric operator.
- 172 w. Material damage from fire, wind, flood, earthquake, expansive soil, erosion, or landslide.
- 173 x. Significant odor, noise, water diversion, water intrusion, or other irritants emanating from neighboring property.
- 174 y. Significant crop damage from disease, insects, soil contamination, wildlife, or other causes; diseased or dying trees or
 175 shrubs; or substantial injuries or disease in livestock on the Property or neighboring property.
- 176 z. Animal, reptile, or other insect infestations; drainage easement or grading problems; excessive sliding; or any other
 177 Defect or material condition.

- 178 aa. Archeological artifacts, mineral rights, orchards, or endangered species, or one or more burial sites on the Property.
- 179 bb. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26 IRC § 1445(f).
- 180 cc. Other Defects affecting the Property such as any agreements that bind subsequent owners of the property, such as a
- 181 lease agreement or an extension of credit from an electric cooperative.
- 182 **GOVERNMENT PROGRAMS:** Seller shall deliver to Buyer, within _____ days ("15" if left blank) after acceptance
- 183 of this Offer, a list of all federal, state, county, and local conservation, farmland, environmental, or other land use programs,
- 184 agreements, restrictions, or conservation easements, which apply to any part of the Property (e.g., farmland preservation
- 185 agreements, farmland preservation or exclusive agricultural zoning, use value assessments, Forest Crop, Managed Forest,
- 186 Conservation Reserve Program, wetland mitigation, shoreland zoning mitigation plan or comparable programs), along with
- 187 disclosure of any penalties, fees, withdrawal charges, or payback obligations pending, or currently deferred, if any. This
- 188 contingency will be deemed satisfied unless Buyer delivers to Seller, within 7 days after the deadline for delivery, a notice
- 189 terminating this Offer based upon the use restrictions, program requirements, and/or amount of any penalty, fee, charge, or
- 190 payback obligation.
- 191 **CAUTION: If Buyer does not terminate this Offer, Buyer is hereby agreeing that Buyer will continue in such**
- 192 **programs, as may apply, and Buyer agrees to reimburse Seller should Buyer fail to continue any such program**
- 193 **such that Seller incurs any costs, penalties, damages, or fees that are imposed because the program is not**
- 194 **continued after sale. The Parties agree this provision survives closing.**
- 195 **MANAGED FOREST LAND:** If all, or part, of the Property is managed forest land under the Managed Forest Law (MFL)
- 196 program, this designation will continue after closing. Buyer is advised as follows: The MFL is a landowner incentive
- 197 program that encourages sustainable forestry on private woodlands by reducing and deferring property taxes. Orders
- 198 designating lands as managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the
- 199 MFL program changes, the new owner must sign and file a report of the change of ownership on a form provided by the
- 200 Department of Natural Resources and pay a fee. By filing this form, the new owner agrees to the associated MFL
- 201 management plan and the MFL program rules. The DNR Division of Forestry monitors forest management plan
- 202 compliance. Changes a landowner makes to property that is subject to an order designating it as managed forest land,
- 203 or to its use, may jeopardize benefits under the program or may cause the property to be withdrawn from the program
- 204 and may result in the assessment of penalties. For more information call the local DNR forester or visit
- 205 <https://dnr.wisconsin.gov/topic/forestry>.
- 206 **USE VALUE ASSESSMENTS:** The use value assessment system values agricultural land based on the income that
- 207 would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural
- 208 land to a non-agricultural use (e.g., residential or commercial development), that person may owe a conversion charge.
- 209 To obtain more information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's
- 210 Equalization Bureau or visit <http://www.revenue.wi.gov/>.
- 211 **FARMLAND PRESERVATION:** The early termination of a farmland preservation agreement or removal of land from such
- 212 an agreement can trigger payment of a conversion fee equal to 3 times the per acre value of the land. Contact the
- 213 Wisconsin Department of Agriculture, Trade and Consumer Protection Division of Agricultural Resource Management or
- 214 visit <http://www.datcp.state.wi.us/> for more information.
- 215 **CONSERVATION RESERVE PROGRAM (CRP):** The CRP encourages farmers, through contracts with the U.S.
- 216 Department of Agriculture, to stop growing crops on highly erodible or environmentally sensitive land and instead to plant
- 217 a protective cover of grass or trees. CRP contracts run for 10 to 15 years, and owners receive an annual rent as well as
- 218 certain incentive payments and cost share assistance for establishing long-term, resource-conserving ground cover.
- 219 Removing lands from the CRP in breach of a contract can be quite costly. For more information call the state Farm Service
- 220 Agency office or visit <http://www.fsa.usda.gov/>.
- 221 **SHORELAND ZONING ORDINANCES:** All counties must adopt uniform shoreland zoning ordinances in compliance with
- 222 Wis. Admin. Code Chapter NR 115. County shoreland zoning ordinances apply to all unincorporated land within 1,000
- 223 feet of a navigable lake, pond or flowage or within 300 feet of a navigable river or stream and establish minimum standards
- 224 for building setbacks and height limits, cutting trees and shrubs, lot sizes, water runoff, impervious surface standards (that
- 225 may be exceeded if a mitigation plan is adopted and recorded) and repairs to nonconforming structures. Buyers must
- 226 conform to any existing mitigation plans. For more information call the county zoning office or visit <https://dnr.wi.gov/>.
- 227 Buyer is advised to check with the applicable city, town or village for additional shoreland zoning or shoreland-wetland
- 228 zoning restrictions, if any.
- 229 **FENCES:** Wis. Stat. § 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares
- 230 where one or both of the properties is used and occupied for farming or grazing purposes.
- 231 **CAUTION: Consider an agreement addressing responsibility for fences if Property or adjoining land is used and**
- 232 **occupied for farming or grazing purposes.**
- 233 **PROPERTY DEVELOPMENT WARNING:** If Buyer contemplates developing Property for a use other than the current use,
- 234 there are a variety of issues that should be addressed to ensure the development or new use is feasible. Buyer is solely
- 235 responsible to verify the current zoning allows for the proposed use of the Property at lines 251-255. Municipal and zoning
- 236 ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or uses
- 237 and therefore should be reviewed. Building permits, zoning or zoning variances, Architectural Control Committee approvals,
- 238 estimates for utility hook-up expenses, special assessments, changes for installation of roads or utilities, environmental
- 239 audits, subsoil tests, or other development related fees may need to be obtained or verified in order to determine the
- 240 feasibility of development of, or a particular use for, a property. Optional contingencies that allow Buyer to investigate certain
- 241 of these issues can be found at lines 244-304 and Buyer may add contingencies as needed in addenda (see line 686).

Property Address: approx 195.46 acres of vacant land located East of Moenning Rd, including 5509 Moenning Rd; see Add. Page 5 of 12, WB-13

242 Buyer should review any plans for development or use changes to determine what issues should be addressed in these
243 contingencies.

244 **PROPOSED USE CONTINGENCIES:** This Offer is contingent upon Buyer obtaining, at Buyer's expense, the reports or
245 documentation required by any optional provisions checked on lines 256-281 below. The optional provisions checked on
246 lines 256-281 shall be deemed satisfied unless Buyer, within _____ days ("30" if left blank) after acceptance, delivers: (1)
247 written notice to Seller specifying those optional provisions checked below that cannot be satisfied and (2) written evidence
248 substantiating why each specific provision referred to in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice,
249 this Offer shall be null and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingency provisions
250 checked at lines 256-281.

251 **Proposed Use:** Buyer is purchasing the Property for the purpose of: _____
252 _____

253 _____ [insert proposed use
254 and type or style of building(s), size and proposed building location(s), if a requirement of Buyer's condition to
255 purchase, e.g.1400-1600 sq. ft. three-bedroom single family ranch home in northwest corner of lot].

256 **ZONING:** Verification of zoning and that the Property's zoning allows Buyer's proposed use described at lines
257 251-255.

258 **SUBSOILS:** Written evidence from a qualified soils expert that the Property is free of any subsoil condition that
259 would make the proposed use described at lines 251-255 impossible or significantly increase the costs of such
260 development.

261 **PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY:** Written evidence from a
262 certified soils tester that: (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must
263 be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of
264 the Property as stated on lines 251-255. The POWTS (septic system) allowed by the written evidence must be one of
265 the following POWTS that is approved by the State for use with the type of property identified at lines 251-255 **CHECK**

266 **ALL THAT APPLY:** conventional in-ground; mound; at grade; in-ground pressure distribution; holding
267 tank; other: _____.

268 **EASEMENTS AND RESTRICTIONS:** Copies of all public and private easements, covenants and restrictions
269 affecting the Property and a written determination by a qualified independent third party that none of these prohibit or
270 significantly delay or increase the costs of the proposed use or development identified at lines 251-255.

271 **APPROVALS/PERMITS:** Permits, approvals and licenses, as appropriate, or the final discretionary action by the
272 granting authority prior to the issuance of such permits or building permit, approvals and licenses, for the following items
273 related to Buyer's proposed use: _____
274 _____

275 **UTILITIES:** Written verification of the location of the following utility service connections (e.g., on the Property, at
276 the lot line, across the street, etc.) **CHECK AND COMPLETE AS APPLICABLE:**

277 electricity _____; gas _____; sewer _____;
278 water _____; telephone _____; cable _____;
279 other _____.

280 **ACCESS TO PROPERTY:** Written verification that there is legal vehicular access to the Property from public
281 roads.

282 **LAND USE APPROVAL/PERMITS:** This Offer is contingent upon (Buyer)(Seller) **STRIKE ONE** ("Buyer" if neither
283 stricken) obtaining the following, including all costs: a **CHECK ALL THAT APPLY** rezoning; conditional use permit;
284 variance; other _____ for the Property for its proposed use described at lines 251-255.
285 Seller agrees to cooperate with Buyer as necessary to satisfy this contingency. Buyer shall deliver, within _____ days of
286 acceptance, written notice to Seller if any item cannot be obtained, in which case this Offer shall be null and void.

287 **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) **STRIKE ONE** ("Seller
288 providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared by
289 a registered land surveyor, within _____ days ("30" if left blank) after acceptance, at (Buyer's) (Seller's) **STRIKE ONE**
290 ("Seller's" if neither is stricken) expense. The map shall show minimum of _____ acres, maximum of _____
291 acres, the legal description of the Property, the Property's boundaries and dimensions, visible encroachments upon the
292 Property, the location of improvements, if any, and: _____
293 _____

294 **STRIKE AND COMPLETE AS APPLICABLE.** Additional map features that may
295 be added include but are not limited to: staking of all corners of the Property; identifying dedicated and apparent streets; lot
296 dimensions; total acreage or square footage; easements or rights-of-way.

297 **CAUTION: Consider the cost and the need for map features before selecting them. Also consider the time required
298 to obtain the map when setting the deadline.**

299 This contingency shall be deemed satisfied unless Buyer, within 5 days after the deadline for delivery of said map, delivers
300 to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information materially
301 inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency. Upon delivery of
302 Buyer's notice, this Offer shall be null and void. Once the deadline for delivery has passed, if Seller was responsible to

Property Address: approx 195.46 acres of vacant land located East of Moenning Rd, including 5509 Moenning Rd; see Add. Page 6 of 12. WB-13

303 provide the map and failed to timely deliver the map to Buyer, Buyer may terminate this Offer if Buyer delivers a written
304 notice of termination to Seller prior to Buyer's Actual Receipt of said map from Seller.

305 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a
306 part of this Offer. An "inspection" is defined as an observation of the Property, which does not include an appraisal or testing
307 of the Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel
308 source, which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or
309 building materials from the Property for laboratory or other analysis of these materials. Seller agrees to allow Buyer's
310 inspectors, testers and appraisers reasonable access to the Property upon advance notice, if necessary, to satisfy the
311 contingencies in this Offer. Buyer or licensees or both may be present at all inspections and testing. Except as otherwise
312 provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.

313 **NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of**
314 **the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any**
315 **other material terms of the contingency.**

316 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed
317 unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to
318 Seller. Seller acknowledges that certain inspections or tests may detect environmental pollution that may be required to be
319 reported to the Wisconsin Department of Natural Resources.

320 **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 305-319).

321 (1) This Offer is contingent upon a qualified independent inspector conducting an inspection of the Property after the date
322 on line 1 of this Offer that discloses no Defects.

323 (2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing an
324 inspection of _____

325 _____ (list any Property component(s)
326 to be separately inspected, e.g., dumpsite, timber quality, invasive species, etc.) that discloses no Defects.

327 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection, provided
328 they occur prior to the Deadline specified at line 333. Inspection(s) shall be performed by a qualified independent
329 inspector or independent qualified third party.

330 Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).

331 **CAUTION: Buyer should provide sufficient time for the Property inspection and/or any specialized inspection(s),**
332 **as well as any follow-up inspection(s).**

333 This contingency shall be deemed satisfied unless Buyer, within _____ days ("15" if left blank) after acceptance, delivers
334 to Seller a copy of the written inspection report(s) dated after the date on line 1 of this Offer and a written notice listing the
335 Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

336 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

337 For the purposes of this contingency, Defects do not include structural, mechanical or other conditions the nature and extent
338 of which Buyer had actual knowledge or written notice before signing this Offer.

339 **NOTE: "Defect" as defined on lines 553-555 means a condition that would have a significant adverse effect on the**
340 **value of the Property; that would significantly impair the health or safety of future occupants of the Property; or**
341 **that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life**
342 **of the premises.**

343 **RIGHT TO CURE:** Seller (shall)(shall not) ~~STRIKE ONE~~ ("shall" if neither is stricken) have the right to cure the Defects.
344 If Seller has the right to cure, Seller may satisfy this contingency by:

345 (1) delivering written notice to Buyer within _____ ("10" if left blank) days after Buyer's delivery of the Notice of Defects
346 stating Seller's election to cure Defects;

347 (2) curing the Defects in a good and workmanlike manner; and

348 (3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

349 This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and:

350 (1) Seller does not have the right to cure; or

351 (2) Seller has the right to cure but:
352 (a) Seller delivers written notice that Seller will not cure; or
353 (b) Seller does not timely deliver the written notice of election to cure.

354 **IF LINE 355 IS NOT MARKED OR IS MARKED N/A LINES 403-414 APPLY.**

355 **FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain a written
356 _____ [loan type or specific lender, if any] first mortgage loan commitment as described
357 below, within _____ days after acceptance of this Offer. The financing selected shall be in an amount of not less than \$
358 _____ for a term of not less than _____ years, amortized over not less than _____ years. Initial
359 monthly payments of principal and interest shall not exceed \$ _____. Buyer acknowledges that lender's
360 required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance
361 premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium. Buyer agrees
362 to pay discount points in an amount not to exceed _____% ("0" if left blank) of the loan. If Buyer is using multiple loan

363 sources or obtaining a construction loan or land contract financing, describe at lines 650-664 or in an addendum attached
364 per line 686. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination fees, to promptly
365 apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller agrees to allow
366 lender's appraiser access to the Property.

367 ■ **LOAN AMOUNT ADJUSTMENT:** If the purchase price under this Offer is modified, any financed amount, unless otherwise
368 provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments
369 shall be adjusted as necessary to maintain the term and amortization stated above.

370 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 371 or 372.**

371 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____%.

372 **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed _____%. The initial interest rate
373 shall be fixed for _____ months, at which time the interest rate may be increased not more than _____% ("2" if
374 left blank) at the first adjustment and by not more than _____% ("1" if left blank) at each subsequent adjustment.
375 The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus _____% ("6" if
376 left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

377 ■ **SATISFACTION OF FINANCING COMMITMENT CONTINGENCY:** If Buyer qualifies for the loan described in this Offer
378 or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of a written loan commitment.
379 This contingency shall be satisfied if, after Buyer's review, Buyer delivers to Seller a copy of a written loan commitment
380 (even if subject to conditions) that is:

- 381 (1) signed by Buyer; or,
- 382 (2) accompanied by Buyer's written direction for delivery.

383 Delivery of a loan commitment by Buyer's lender or delivery accompanied by a notice of unacceptability shall not satisfy
384 this contingency.

385 **CAUTION: The delivered loan commitment may contain conditions Buyer must yet satisfy to obligate the lender to
386 provide the loan. Buyer understands delivery of a loan commitment removes the Financing Commitment
387 Contingency from the Offer and shifts the risk to Buyer if the loan is not funded.**

388 ■ **SELLER TERMINATION RIGHTS:** If Buyer does not deliver a loan commitment on or before the Deadline on line 357.
389 Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of
390 written loan commitment from Buyer.

391 ■ **FINANCING COMMITMENT UNAVAILABILITY:** If a financing commitment is not available on the terms stated in this
392 Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall
393 promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of
394 unavailability.

395 **SELLER FINANCING:** Seller shall have 10 days after the earlier of:

- 396 (1) Buyer delivery of written notice of evidence of unavailability as noted in lines 391-394; or
- 397 (2) the Deadline for delivery of the loan commitment on line 357,

398 to deliver to Buyer written notice of Seller's decision to (finance this transaction with a note and mortgage under the same
399 terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended accordingly.
400 If Seller's notice is not timely given, the option for Seller to provide financing shall be considered waived. Buyer agrees to
401 cooperate with and authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit
402 worthiness for Seller financing.

403 **IF THIS OFFER IS NOT CONTINGENT ON FINANCING COMMITMENT** Within _____ days ("7" if left blank) after
404 acceptance, Buyer shall deliver to Seller either:

- 405 (1) reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at
406 the time of verification, sufficient funds to close; or
- 407 (2) _____

408 _____ [Specify documentation Buyer agrees to deliver to Seller].
409 If such written verification or documentation is not delivered, Seller has the right to terminate this Offer by delivering written
410 notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not obtain
411 mortgage financing but does not need the protection of a financing commitment contingency. Seller agrees to allow Buyer's
412 appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject
413 to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of
414 access for an appraisal constitute a financing commitment contingency.

415 **APPRAISAL CONTINGENCY:** This Offer is contingent upon Buyer or Buyer's lender having the Property appraised
416 at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated
417 subsequent to the date stated on line 1 of this Offer, indicating an appraised value for the Property equal to or greater than
418 the agreed upon purchase price.

419 This contingency shall be deemed satisfied unless Buyer, within _____ days after acceptance, delivers to Seller a copy
420 of the appraisal report indicating an appraised value less than the agreed upon purchase price, and a written notice objecting
421 to the appraised value.

422 ■ **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

423 If Seller has the right to cure, Seller may satisfy this contingency by delivering written notice to Buyer adjusting the purchase
424 price to the value shown on the appraisal report within _____ days ("5" if left blank) after Buyer's delivery of the appraisal

425 report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an amendment initiated
426 by either party after delivery of Seller's notice, solely to reflect the adjusted purchase price.

427 This Offer shall be null and void if Buyer makes timely delivery of the notice objecting to appraised value and the written
428 appraisal report and:

429 (1) Seller does not have the right to cure; or

430 (2) Seller has the right to cure but:

431 (a) Seller delivers written notice that Seller will not adjust the purchase price; or

432 (b) Seller does not timely deliver the written notice adjusting the purchase price to the value shown on the appraisal
433 report.

434 **NOTE: An executed FHA, VA or USDA Amendatory clause may supersede this contingency.**

435 **CLOSING OF BUYER'S PROPERTY CONTINGENCY:** This Offer is contingent upon the closing of the sale of
436 Buyer's property located at _____

437 no later than _____ (the Deadline). If closing does not occur by the Deadline, this Offer shall
438 become null and void unless Buyer delivers to Seller, on or before the Deadline, reasonable written verification from a
439 financial institution or third party in control of Buyer's funds that Buyer has, at the time of verification, sufficient funds to close
440 or proof of bridge loan financing, along with a written notice waiving this contingency. Delivery of verification or proof of
441 bridge loan shall not extend the closing date for this Offer.

442 **BUMP CLAUSE:** If Seller accepts a bona fide secondary offer, Seller may give written notice to Buyer that another
443 offer has been accepted. If Buyer does not deliver to Seller the documentation listed below within _____ hours ("72" if
444 left blank) after Buyer's Actual Receipt of said notice, this Offer shall be null and void. Buyer must deliver the following:

445 (1) Written waiver of the Closing of Buyer's Property Contingency if line 435 is marked;

446 (2) Written waiver of _____ (name other contingencies, if any); and

447
448 (3) Any of the following checked below:

449 Proof of bridge loan financing.

450 Proof of ability to close from a financial institution or third party in control of Buyer's funds which shall provide
451 Seller with reasonable written verification that Buyer has, at the time of verification, sufficient funds to close.

452 Other: _____
453 _____

454 [insert other requirements, if any (e.g., payment of additional earnest money, etc.)]

455 **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
456 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer
457 notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of other
458 secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to
459 delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days ("7"
460 if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the time this
461 Offer becomes primary.

462 ~~**HOMEOWNERS ASSOCIATION** If this Property is subject to a homeowners association, Buyer is aware the Property may
463 be subject to periodic association fees after closing and one-time fees resulting from transfer of the Property. Any one-time
464 fees resulting from transfer of the Property shall be paid at closing by (Seller) (Buyer) **STRIKE ONE** ("Buyer" if neither is
465 stricken).~~

466 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values:
467 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners or homeowners
468 association assessments, fuel and NONE OTHER

469 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

470 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

471 Real estate taxes shall be prorated at closing based on **CHECK BOX FOR APPLICABLE PRORATION FORMULA:**

472 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
473 taxes are defined as general property taxes after state tax credits and lottery credits are deducted.) NOTE: THIS CHOICE
474 APPLIES IF NO BOX IS CHECKED.

475 Current assessment times current mill rate (current means as of the date of closing).

476 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
477 year, or current year if known, multiplied by current mill rate (current means as of the date of closing).

478 _____
479 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be
480 substantially different than the amount used for proration especially in transactions involving new construction,
481 extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local
482 assessor regarding possible tax changes.**

483 Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
484 the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5

485 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
486 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
487 and is the responsibility of the Parties to complete, not the responsibility of the real estate Firms in this transaction.

488 **TITLE EVIDENCE**

489 ■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
490 (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
491 provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
492 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
493 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's Vacant Land
494 Disclosure Report and in this Offer, general taxes levied in the year of closing and NONE OTHER

495 _____
496 _____ (insert other allowable exceptions from title, if
497 any) that constitutes merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete and execute
498 the documents necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

499 **WARNING: Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements**
500 **may prohibit certain improvements or uses and therefore should be reviewed, particularly if Buyer contemplates**
501 **making improvements to Property or a use other than the current use.**

502 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of
503 the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall
504 pay all costs of providing title evidence to Buyer. Buyer shall pay the costs of providing the title evidence required by Buyer's
505 lender and recording the deed or other conveyance.

506 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's)
507 **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded
508 after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance
509 policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or
510 equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 516-
511 523).

512 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's attorney
513 or Buyer not more than _____ days after acceptance ("15" if left blank), showing title to the Property as of a date no more
514 than 15 days before delivery of such title evidence to be merchantable per lines 489-498, subject only to liens which will be
515 paid out of the proceeds of closing and standard title insurance requirements and exceptions, as appropriate.

516 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
517 objections to title within _____ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In
518 such event, Seller shall have _____ days ("15" if left blank) from Buyer's delivery of the notice stating title objections, to
519 deliver notice to Buyer stating Seller's election to remove the objections by the time set for closing. If Seller is unable to
520 remove said objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving the
521 objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer shall deliver
522 written notice of termination and this Offer shall be null and void. Providing title evidence acceptable for closing does not
523 extinguish Seller's obligations to give merchantable title to Buyer.

524 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced
525 prior to the date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments
526 shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution
527 describing the planned improvements and the assessment of benefits.

528 **CAUTION: Consider a special agreement if area assessments, property owners association assessments, special**
529 **charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are**
530 **one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments)**
531 **relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all**
532 **sewer mains and hook-up/connection and interceptor charges), parks, street lighting and street trees, and impact**
533 **fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).**

534 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights
535 under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the
536 (written) (oral) **STRIKE ONE** lease(s), if any, are _____

537 _____
538 _____ Insert additional terms, if any, at lines 650-664 or attach as an addendum per line 686.

539 **DEFINITIONS**

540 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document
541 or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written notice
542 is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

543 ■ **BUSINESS DAY:** "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under
544 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive

545 registered mail or make regular deliveries on that day.

546 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by
547 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on the
548 last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner
549 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of
550 "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by
551 counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific
552 event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Time.

553 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would
554 significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would
555 significantly shorten or adversely affect the expected normal life of the premises.

556 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

557 ■ **PARTY:** "Party" means the Buyer or the Seller; "Parties" refers to both the buyer and the Seller.

558 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-8.

559 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
560 this offer ONLY if the box is marked such as with an "X". They are not part of this offer if marked "N/A" or are left blank.

561 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land dimensions, or total acreage or square
562 footage figures, provided to Buyer by Seller or by a Firm or its agents, may be approximate because of rounding, formulas
563 used or other reasons, unless verified by survey or other means.

564 **CAUTION: Buyer should verify total square footage formula, total square footage/acreage figures, and land
565 dimensions, if material.**

566 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of
567 the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the
568 transaction as defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession
569 data to multiple listing service sold databases; (iii) provide active listing, pending sale, closed sale and financing concession
570 information and data, and related information regarding seller contributions, incentives or assistance, and third party gifts,
571 to appraisers researching comparable sales, market conditions and listings, upon inquiry; and (iv) distribute copies of this
572 Offer to the seller or seller's agent of another property that Seller intends on purchasing.

573 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the earlier
574 of closing or Buyer's occupancy, in materially the same condition it was in as of the date on line 1 of this Offer, except for
575 ordinary wear and tear.

576 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** If, prior to closing, the Property is damaged in an
577 amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify Buyer
578 in writing, and will be obligated to restore the Property to materially the same condition it was in as of the date on line 1 of
579 this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later than
580 closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in writing of
581 the damage and this Offer may be terminated at option of Buyer. Should Buyer elect to carry out this Offer despite such
582 damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Property, plus a credit
583 towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this sale is financed
584 by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring
585 the Property.

586 **BUYER'S PRE-CLOSING WALK-THROUGH** Within three days prior to closing, at a reasonable time pre-approved by
587 Seller or Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no
588 significant change in the condition of the Property, except for ordinary wear and tear and changes approved by Buyer, and
589 that any Defects Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

590 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
591 this Offer at lines 534-538 or in an addendum attached per line 686, or lines 650-664 if the Property is leased. At time of
592 Buyer's occupancy, Property shall be free of all debris, refuse, and personal property except for personal property belonging
593 to current tenants, or sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

594 **DEFAULT** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and
595 conditions of this Offer. A material failure to perform any obligation under this Offer is a default that may subject the defaulting
596 party to liability for damages or other legal remedies.

597 If **Buyer defaults**, Seller may:

- 598 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
599 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for actual
600 damages.

601 If **Seller defaults**, Buyer may:

- 602 (1) sue for specific performance; or
603 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

604 In addition, the Parties may seek any other remedies available in law or equity. The Parties understand that the availability
605 of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party
606 defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above.
607 By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the
608 arbitration agreement.

609 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES**
610 **SHOULD READ THIS DOCUMENT CAREFULLY. THE FIRM AND ITS AGENTS MAY PROVIDE A GENERAL**
611 **EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR**
612 **OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT**
613 **CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

614 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller
615 regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds
616 and inures to the benefit of the Parties to this Offer and their successors in interest.

617 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
618 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.doc.wi.gov>
619 or by telephone at (608) 240-5830.

620 **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)** Section 1445 of the Internal Revenue Code (IRC)
621 provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the
622 total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA withholding
623 applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign
624 estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property transferred, and the
625 amount of any liability assumed by Buyer.

626 **CAUTION: Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer**
627 **may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed**
628 **upon the Property.**

629 Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a
630 condition report incorporated in this Offer per lines 94-97, or (2) no later than 10 days after acceptance, Seller delivers
631 notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines 637-639 apply.

632 **IF SELLER IS A NON-FOREIGN PERSON.** Seller shall, no later than closing, execute and deliver to Buyer, or a qualified
633 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's
634 non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller's non-foreign status,
635 Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) declare Seller in default of this
636 Offer and proceed under lines 601-608.

637 **IF SELLER IS A FOREIGN PERSON.** If Seller has represented that Seller is a Foreign Person, Buyer shall withhold the
638 amount required to be withheld pursuant to IRC § 1445 at closing unless the Parties have amended this Offer regarding
639 amounts to be withheld, any withholding exemption to be applied, or other resolution of this provision.

640 **COMPLIANCE WITH FIRPTA.** Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument,
641 affidavit, or statement needed to comply with FIRPTA, including withholding forms. If withholding is required under IRC
642 §1445, and the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction, Seller shall
643 deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement. Seller also
644 shall pay to Buyer an amount not to exceed \$1,000 for actual costs associated with the filing and administration of forms,
645 affidavits, and certificates necessary for FIRPTA withholding and any withholding agent fees.

646 **Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.**
647 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA exemption
648 applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors regarding
649 FIRPTA.

650 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____
651 _____
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664 _____

Property Address: approx 195.46 acres of vacant land located East of Moenning Rd, including 5509 Moenning Rd; see Add. Page 12 of 12. WB-13

DELIVERY OF DOCUMENTS AND WRITTEN NOTICES

Unless otherwise stated in this Offer, delivery of documents and written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines 688-683.

(1) Personal: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at line 670 or 671.

Name of Seller's recipient for delivery, if any: Attorney J. Phil Mueller, Hopp Neumann Humke LLP

Name of Buyer's recipient for delivery, if any: Chad Pelishek, City of Sheboygan Director of Planning and Development

(2) Fax: fax transmission of the document or written notice to the following number:

Seller: (920) 457-8411 Buyer: ()

(3) Commercial: depositing the document or written notice, fees prepaid or charged to an account, with a commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's address at line 679 or 680.

(4) U.S. Mail: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's address.

Address for Seller: 5509 Moenning Road, Sheboygan, WI 53081, with a copy to Atty J. Phil Mueller, Hopp Neumann Humke LLP *

Address for Buyer:

(5) Email: electronically transmitting the document or written notice to the email address.

Email Address for Seller: davidgartman@outlook.com, with a copy to phil.mueller@hopplaw.com

Email Address for Buyer: chad.pelishek@sheboyganwi.gov

PERSONAL DELIVERY/ACTUAL RECEIPT

Personal delivery to, or Actual Receipt by, any named Buyer or Seller constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

ADDENDA: The attached Addendum is/are made part of this Offer.

This Offer was drafted by [Licensee and Firm] Attorney J. Phil Mueller, Hopp Neumann Humke LLP

CITY OF SHEBOYGAN

Buyer's Signature Print Name Here By: Date

Buyer's Signature Print Name Here By: Date

SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.

DAVID L. GARTMAN LLC

Seller's Signature Print Name Here By: David L. Gartman, Member Date

Seller's Signature Print Name Here Date

This Offer was presented to Seller by [Licensee and Firm] on at a.m./p.m.

This Offer is rejected Seller Initials Date This Offer is countered [See attached counter] Seller Initials Date

**ADDENDUM TO
VACANT LAND OFFER TO PURCHASE**

This Addendum supplements the following terms and provisions set out in the Vacant Land Offer to Purchase dated **January 28, 2022**, and is an important part thereof, between the **City of Sheboygan**, a Wisconsin municipal corporation (hereinafter referred to as the "Buyer") and **David L. Gartman LLC**, a Wisconsin limited liability company (hereinafter referred to as the "Seller") for approximately 195.46± acres of Vacant Land situated East of Moenning Road, including Seller's homestead parcel located at 5509 Moenning Road, Sheboygan, WI 53081. The preprinted Vacant Land Offer to Purchase and this Addendum are collectively referred to herein as the "Offer".

1. Property/Parcel Numbers. The parcel numbers that are subject to this Offer are as follows:

- 59030-454900 (40.00 acres)
- 59030-454910 (37.59 acres)
- 59030-454911 (2.41 acres; in sanitary district)
- 59030-454920 (16.13 acres; not in sanitary district)
- 59030-454921 (0.82 acres; in sanitary district)
- 59030-454950 (20.00 acres)
- 59030-454870 (39.00 acres)
- 59030-454881 (40.00 acres)

2. Purchase Price. The parties agree that the Purchase Price for the Property as referenced above in paragraph 1, shall be payable in five (5) annual installments, as follows:

Year	Amount	
2022	\$900,000.00	Paid at closing
2023	\$693,750.00	Paid on the 2023 anniversary of closing
2024	\$693,750.00	Paid on the 2024 anniversary of closing
2025	\$693,750.00	Paid on the 2025 anniversary of closing
2026	\$693,750.00	Paid on the 2026 anniversary of closing

3. Note & Mortgage. The Purchase Price installments shall be secured by a first position mortgage and promissory note acceptable to both parties. The note will bear interest at the Applicable Federal Rate ("AFR") for a mid-term (5-year note) loan. The Buyer may prepay upon Seller's consent and approval. Buyer to execute the note and mortgage at Closing.

4. Post-Closing Occupancy of Homestead Parcel. Seller shall have post-closing occupancy of the homestead parcel located at 5509 Moenning Road, Sheboygan, WI 53081 at a rental rate of \$500.00 per month until David Gartman and his wife Clare Gartman, and son Kevin Gartman, die or are unable to the stay in the Property, or voluntarily decide to vacate the premises, whichever comes first. In the event, David and Clare Gartman are deceased or are unable to occupy the Property or have voluntarily decided to vacate the Property, Kevin Gartman would be required to vacate the Property. Seller shall be responsible for utilities, renter's insurance, and

maintenance of the homestead parcel. Seller and Buyer will enter into a mutually acceptable lease agreement at Closing.

5. **Farmland Lease Back.** Buyer shall allow Seller, at Seller's option, to lease back any farmland included in the 195.46± acres sold to Buyer not under development by Buyer. Buyer will provide Seller a 7-month notice to remove crops and vacate the leased land in the event development is commenced. Buyer and Seller to negotiate lease terms in good faith once it is determined that Seller is interested in leasing the vacant land not under development.

6. **Removal of Property.** Seller, at its option and cost, shall be entitled to salvage and remove the outbuildings, feed bins, and gravel from the barn area adjacent to the homestead parcel over the 5-year period following Closing. Seller shall defend, hold harmless, and indemnify the Buyer against any and all claims, liabilities, judgments, causes of action, costs, loss, and expense including reasonable attorneys' fees imposed upon or incurred by the Seller arising from or related to the negligent or intentional tortuous acts or omissions of Seller and its agents in performing the actions listed above.

7. **Conflicting Terms.** In the event of any conflict between the provisions of this Addendum and the provisions of the preprinted Offer, the provisions of this Addendum shall control.

8. **Counterparts; Signatures.** This Offer may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. Buyer and Seller agree that facsimile and/or electronically transmitted signatures will be binding on both parties.

9. **Broker.** Each party warrants that no real estate broker has been engaged by them, and that no broker's commission is due by reason of this transaction.

BUYER:
CITY OF SHEBOYGAN

SELLER:
DAVID L. GARTMAN LLC

By: _____
Print Name: _____
Its: _____

By: _____
David L. Gartman, Member

By: _____
Print Name: _____
Its: _____

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VACANT LAND DISCLOSURE REPORT

DISCLAIMER

THIS DISCLOSURE REPORT CONCERNS THE REAL PROPERTY LOCATED AT approx. 195.46 acres of vacant land
East of Moenning Rd., including 5509 Moenning Road IN THE Town
(CITY) (VILLAGE) (TOWN) OF Wilson, COUNTY OF
Sheboygan STATE OF WISCONSIN.

THIS REPORT IS A DISCLOSURE OF THE CONDITION OF THAT PROPERTY IN COMPLIANCE WITH SECTION 709.02 OF THE WISCONSIN STATUTES AS OF January (MONTH) 27 (DAY), 2022 (YEAR). IT IS NOT A WARRANTY OF ANY KIND BY THE OWNER OR ANY AGENTS REPRESENTING ANY PARTY IN THIS TRANSACTION AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THAT THE PARTIES MAY WISH TO OBTAIN.

A buyer who does not receive a fully completed copy of this report within 10 days after the acceptance of the contract of sale or option contract for the above-described real property has the right to rescind that contract (Wis. Stat. s. 709.02), provided the owner is required to provide this report under Wisconsin Statutes chapter 709.

NOTICE TO PARTIES REGARDING ADVICE OR INSPECTIONS

Real estate licensees may not provide advice or opinions concerning whether or not an item is a defect for the purposes of this report or concerning the legal rights or obligations of parties to a transaction. The parties may wish to obtain professional advice or inspections of the property and to include appropriate provisions in a contract between them with respect to any advice, inspections, defects, or warranties.

A. OWNER'S INFORMATION

A1. In this form, "aware" means the "owner(s)" have notice or knowledge.

A2. In this form, "defect" means a condition that would have a significant adverse effect on the value of the property; that would significantly impair the health or safety of future occupants of the property; or that if not repaired, removed, or replaced would significantly shorten or adversely affect the expected normal life of the premises.

A3. In this form, "owner" means the person or persons, entity, or organization that owns the above-described real property. An "owner" who transfers real estate that does not include any buildings is required to complete this report.

Exceptions: An "owner" who is a personal representative, trustee, conservator, or fiduciary appointed by or subject to supervision by a court, and who has never occupied the property transferred is not required to complete this report. An "owner" who transfers property that has not been inhabited or who transfers property in a manner that is exempt from the real estate transfer fee is not required to complete this report. (Wis. Stat. s. 709.01)

A4. The owner represents that to the best of the owner's knowledge, the responses to the following questions have been accurately checked as "yes," "no," or "not applicable (N/A)" to the property being sold. If the owner responds to any question with "yes," the owner shall provide, in the additional information area of this form, an explanation of the reason why the response to the question is "yes."

A5. If the transfer is of a condominium unit, the property to which this form applies is the condominium unit, the common elements of the condominium, and any limited common elements that may be used only by the owner of the condominium unit being transferred.

A6. The owner discloses the following information with the knowledge that, even though this is not a warranty, prospective buyers may rely on this information in deciding whether and on what terms to purchase the property. The owner hereby authorizes the owner's agents and the agents of any prospective buyer to provide a copy of this report, and to disclose any information in the report, to any person in connection with any actual or anticipated sale of the property.

CAUTION: The lists of defects following each question below are examples only and are not the only defects that may properly be disclosed in response to each respective question.

B. ENVIRONMENTAL

- | | YES | NO | N/A |
|---|--------------------------|-------------------------------------|--------------------------|
| B1. Are you aware of a material violation of an environmental rule or other rule or agreement regulating the use of the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B2. Are you aware of a defect caused by unsafe concentrations of, or unsafe conditions relating to, radon, radium in water supplies, high voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the property, lead in soil, or other potentially hazardous or toxic substances on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B3. Are you aware of the manufacture of methamphetamine or other hazardous or toxic substances on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B4. Are you aware of subsurface conditions that would significantly increase the cost of development, including, but not limited to, subsurface foundations or waste material; any type of fill; dumpsites where pesticides, herbicides, fertilizer, or other toxic or hazardous materials or containers for these materials were disposed of in violation of manufacturer or government guidelines or other laws regulating such disposal; high groundwater; adverse soil conditions, such as low load-bearing capacity, earth or soil movement, settling, upheavals, or slides; excessive rocks or rock formations; or other soil problems? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B5. Are you aware of a defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of hazardous or toxic substances on neighboring properties? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B6. Are you aware of brownfields (abandoned, idled, or underused land that may be subject to environmental contamination) or other contaminated land on the property, or that contaminated soils on the property have been cleaned up under the Petroleum Environmental Cleanup Fund Act (PECFA), a Wisconsin Department of Natural Resources (DNR) remedial or cleanup program, the DATCP Agricultural Chemical Cleanup Program, or other similar program? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| B7. Explanation of "yes" responses _____ | | | |

C. WELLS, SEPTIC SYSTEMS, STORAGE TANKS

- | | YES | NO | N/A |
|--|-------------------------------------|-------------------------------------|-------------------------------------|
| C1. Are you aware of underground storage tanks presently or previously on the property for storage of flammable or combustible liquids, including, but not limited to, gasoline or heating oil? (If "yes," the owner, by law, may have to register the tanks with the Wisconsin Department of Agriculture, Trade and Consumer Protection at P.O. Box 8911, Madison, Wisconsin, 53708, whether the tanks are in use or not. Wisconsin Department of Agriculture, Trade and Consumer Protection regulations may require the closure or removal of unused tanks.) | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| C2. Are you aware of defects in the underground or aboveground fuel storage tanks on or previously located on the property? Defects in underground or aboveground fuel storage tanks may include items such as abandoned tanks not closed in conformance with applicable local, state, and federal law; leaking; corrosion; or failure to meet operating standards. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C3. Are you aware of defects in a well on the property or a well that serves the property, including unsafe well water due to contaminants such as coliform, nitrates, or atrazine, or any out-of-service wells or cisterns that are required to be abandoned (see s. NR 812.26, Wis. Adm. Code) but that are not closed or abandoned according to applicable regulations? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C4. Are you aware of a joint well serving this property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C5. Are you aware of a defect relating to a joint well serving this property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input checked="" type="checkbox"/> |
| C6. Are you aware of defects in any septic system or other private sanitary disposal system on the property or any out-of-service septic system that serves the property and that is not closed or abandoned according to applicable regulations? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| C7. Explanation of "yes" responses <u>C.1 underground tanks removed by order of State (DNR)</u> | | | |

D. TAXES, SPECIAL ASSESSMENTS, PERMITS, ETC.

	YES	NO	N/A
D1. Have you received notice of a property tax increase, other than normal annual increases, or are you aware of a pending property tax reassessment?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D2. Are you aware of pending special assessments?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D3. Are you aware of the property being located within a special purpose district, such as a drainage district, that has the authority to impose assessments against the real property located within the district?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D4. Are you aware of any land division involving the property for which required state or local permits were not obtained?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D5. Are you aware of impact fees or another condition or occurrence that would significantly increase development costs or reduce the value of the property to a reasonable person with knowledge of the nature and scope of the condition or occurrence?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D6. Are you aware of proposed, planned, or commenced public improvements or public construction projects that may result in special assessments or that may otherwise materially affect the property or the present use of the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
D7. Explanation of "yes" responses _____			

E. LAND USE

	YES	NO	N/A
E1. Are you aware of the property being part of or subject to a subdivision homeowners' association?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E2. If the property is not a condominium unit, are you aware of common areas associated with the property that are co-owned with others?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E3. Are you aware that all or a portion of the property is in a floodplain, wetland, or shoreland zoning area under local, state or federal regulations?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E4. Are you aware of any zoning code violations with respect to the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E5. Are you aware of nonconforming uses of the property? A nonconforming use is a use of land, a dwelling, or a building that existed lawfully before the current zoning ordinance was enacted or amended, but that does not conform to the use restrictions in the current ordinance.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E6. Are you aware of conservation easements on the property? A conservation easement is a legal agreement in which a property owner conveys some of the rights associated with ownership of his or her property to an easement holder such as a governmental unit or a qualified nonprofit organization to protect the natural habitat of fish, wildlife, or plants or a similar ecosystem, preserve areas for outdoor recreation or education, or for similar purposes.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E7. Are you aware of restrictive covenants or deed restrictions on the property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E8. Are you aware of nonowners having rights to use part of the property, including, but not limited to, rights-of-way and easements other than recorded utility easements?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E9. Are you aware of the property being subject to a mitigation plan required under administrative rules of the Wisconsin Department of Natural Resources related to county shoreland zoning ordinances, which obligates the owner of the property to establish or maintain certain measures related to shoreland conditions and which is enforceable by the county?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
E10. The use value assessment system values agricultural land based on the income that would be generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a non agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. For more information visit https://www.revenue.wi.gov/Pages/FAQS/slf-useassmt.aspx or (608) 266-2486.			
a. Are you aware of all or part of the property having been assessed as agricultural land under Wis. Stat. s. 70.32 (2r) (use value assessment)?	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Are you aware of the property having been assessed a use-value assessment conversion charge relating to this property? (Wis. Stat. s. 74.485 (2))	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
c. Are you aware of the payment of a use-value assessment conversion charge having been deferred relating to this property? (Wis. Stat. s. 74.485 (4))	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>

- | | YES | NO | N/A |
|---|--------------------------|-------------------------------------|--------------------------|
| E11. Is all or part of the property subject to or in violation of a farmland preservation agreement?
Early termination of a farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to 3 times the class 1 "use value" of the land. Visit https://datcp.wi.gov/Pages/Programs_Services/FPAgreements.aspx for more information. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E12. Is all or part of the property subject to, enrolled in, or in violation of the Forest Crop Law, Managed Forest Law, the Conservation Reserve Program, or a comparable program? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E13. Are you aware of a dam that is totally or partially located on the property or that an ownership in a dam that is not located on the property will be transferred with the property because it is owned collectively by members of a homeowners' association, lake district, or similar group? (If "yes," contact the Wisconsin Department of Natural Resources to find out if dam transfer requirements or agency orders apply.) | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E14. Are you aware of boundary or lot line disputes, encroachments, or encumbrances (including a joint driveway) affecting the property?
Encroachments often involve some type of physical object belonging to one person but partially located on or overlapping on land belonging to another; such as, without limitation, fences, houses, garages, driveways, gardens, and landscaping. Encumbrances include, without limitation, a right or claim of another to a portion of the property or to the use of the property such as a joint driveway, liens, and licenses. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E15. Are you aware there is not legal access to the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E16. Are you aware of a pier attached to the property that is not in compliance with state or local pier regulations? See http://dnr.wi.gov/topic/waterways for more information. | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E17. Are you aware of one or more burial sites on the property? (For information regarding the presence, preservation, and potential disturbance of burial sites, contact the Wisconsin Historical Society at 800-342-7834 or www.wihist.org/burial-information). | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E18. Are you aware of archeological artifacts, mineral rights, orchards, or endangered species on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E19. Are you aware of existing or abandoned manure storage facilities located on the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E20. Are you aware that all or part of the property is enrolled in the managed forest land program?
The managed forest land program is a landowner incentive program that encourages sustainable forestry on private woodlands by exempting the landowner from the payment of property taxes in exchange for the payment of a lower acreage share payment and compliance with certain conservation practices. Orders designating lands as managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the managed forest land program changes, the new owner must sign and file a report of the change of ownership on a form provided by the Wisconsin Department of Natural Resources (DNR) and pay a fee. By filing this form, the new owner agrees to comply with the management plan for the land and the managed forest land program rules. The DNR Division of Forestry monitors forest management plan compliance. Changes that a landowner makes to property that is subject to an order designating it as managed forest land, or to its use, may jeopardize benefits under the program or cause the property to be withdrawn from the program and may result in the assessment of penalties. For more information, call your local DNR forester or visit http://dnr.wi.gov/topic/forestry.html . | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| E21. Explanation of "yes" responses _____

_____ | | | |

F. ADDITIONAL INFORMATION

- | | YES | NO | N/A |
|--|--------------------------|-------------------------------------|--------------------------|
| F1. Are you aware of high voltage electric (100 kilo volts or greater) or steel natural gas transmission lines located on, but not directly serving, the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F2. Are you aware of flooding, standing water, drainage problems, or other water problems on or affecting the property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F3. Are you aware of material damage from fire, wind, flood, earthquake, expansive soil, erosion, or landslide? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| F4. Are you aware of significant odor, noise, water diversion, water intrusion, or other irritants emanating from neighboring property? | <input type="checkbox"/> | <input checked="" type="checkbox"/> | <input type="checkbox"/> |

	YES	NO	N/A
F5. Are you aware of significant crop damage from disease, insects, soil contamination, wildlife, or other causes; diseased or dying trees or shrubs; or substantial injuries or disease in livestock on the property or neighboring property?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F6. Utility Connections. Are you aware that the property is connected to the following utilities on the property or at the lot line? (If "yes," indicate where the utility is located.)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
a. Electricity _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
b. Municipal water _____	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
c. Telephone _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
d. Cable television _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
e. Natural gas _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
f. Municipal sewer _____	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F7. Are you aware of any agreements that bind subsequent owners of the property, such as a lease agreement or an extension of credit from an electric cooperative?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F8. Are you aware of other defects affecting the property? Other defects may include items such as animal, reptile, or insect infestation; drainage easement or grading problems; excessive sliding; or any other defect or material condition.	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F9. Are you aware of a government agency, court order, or federal, state, or local regulations requiring repair, alteration, or correction of an existing condition?	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
F10. The owner has owned the property for <u>10</u> years.			
F11. Explanation of "yes" responses _____			

Notice: You may obtain information about the sex offender registry and persons registered with the registry by contacting the Wisconsin Department of Corrections at <http://www.doc.wi.gov> or by phone at 608-240-5830.

OWNER'S CERTIFICATION

NOTE: Wisconsin Statute section 709.035 requires owners who, prior to acceptance of a purchase contract or an option to purchase, obtain information that would change a response on this report to submit a complete amended report or an amendment to the previously completed report to the prospective buyer within 10 days of acceptance.

The owner certifies that the information in this report is true and correct to the best of the owner's knowledge as of the date on which the owner signs this report.

Owner David Gartmann, LLC Date _____

Owner x David Gartmann MEMBER Date 1-27-2022

Owner _____ Date _____

CERTIFICATION BY PERSON SUPPLYING INFORMATION

A person other than the owner certifies that the person supplied information on which the owner relied for this report and that the information is true and correct to the best of the person's knowledge as of the date on which the person signs this report.

Person _____ Items _____ Date _____

Person _____ Items _____ Date _____

Person _____ Items _____ Date _____

BUYER'S ACKNOWLEDGEMENT

The prospective buyer acknowledges that technical knowledge such as that acquired by professional inspectors may be required to detect certain defects such as the presence of asbestos, building code violations, and floodplain status.

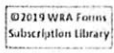
I acknowledge receipt of a copy of this statement.

Prospective buyer _____ Date _____

Prospective buyer _____ Date _____

Prospective buyer _____ Date _____

Information appearing in italics is supplemental in nature and is not required pursuant to Section 709.03 of the Wisconsin Statutes.



CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. No. 138-21-22 by Alderpersons Mitchell and Filicky-Peneski. A resolution authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as bond counsel with regard to General Obligation Promissory Notes.

REPORT PREPARED BY: Finance Director Kaitlyn Krueger

REPORT DATE: February 8, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The City of Sheboygan is process of issuing General Obligation Promissory Notes, Series 2022A. General bond counsel services for the legal opinion with respect to the authorization and issuance of said notes are conducted by Quarles & Brady LLP. City staff is entering a special counsel engagement with Quarles & Brady LLP for the above-mentioned services.

STAFF COMMENTS:

The City of Sheboygan has utilized the services of Quarles & Brady LLP formerly in connection with Wisconsin Public Finance Professionals, LLC, and currently with Ehlers Public Financial Advisors, Inc. with regards to its debt offerings. The limited legal advice and support provided by Quarles & Brady LLP has enabled the city’s debt offerings to be complete and accurate including guidance on all required communications.

ACTION REQUESTED:

Motion to recommend the Common Council adopt Res. No. 138-21-22 by Alderpersons Mitchell and Filicky-Peneski authorizing the appropriate city officials to execute an engagement letter with Quarles & Brady LLP to serve as bond counsel with regard to General Obligation Promissory Notes.

ATTACHMENTS:

- I. Res. No. 138-21-22

III

Other Matters

Item 13.

Res. No. 138 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 7, 2022.

A RESOLUTION authorizing the appropriate City Officials to execute an engagement letter with Quarles & Brady LLP to serve as bond counsel with regard to General Obligation Promissory Notes.

RESOLVED: That the appropriate City officials are hereby authorized to enter into the attached engagement letter with Quarles & Brady LLP to serve as bond counsel for the City of Sheboygan regarding the issuance of \$2,215,000 in General Obligation Promissory Notes, Series 2022A.

FAP

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor



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 Suite 2400
 Milwaukee, Wisconsin 53202-4428
 414.277.5000
 Fax 414.271.3552
 www.quarles.com

Attorneys at Law in
 Chicago
 Indianapolis
 Madison
 Milwaukee
 Minneapolis
 Naples
 Phoenix
 Tampa
 Tucson
 Washington, D.C.

February 4, 2022

VIA EMAIL

Ms. Meredith DeBruin
 City Clerk
 City of Sheboygan
 City Hall
 828 Center Avenue
 Sheboygan, WI 53081-4442

Scope of Engagement Re: Proposed Issuance of \$2,215,000 City of Sheboygan (the "City") General Obligation Promissory Notes, Series 2022A (the "Securities")

Dear Ms. DeBruin:

We are pleased to be working with you again as the City's bond counsel. Thank you for your confidence in us.

The purpose of this letter is to set forth the role we propose to serve and responsibilities we propose to assume as bond counsel in connection with the issuance of the above-referenced Securities. If you have any questions about this letter or the services we will provide, or if you would like to discuss modifications, please contact me.

Role of Bond Counsel

Our bond counsel engagement is a limited, special counsel engagement. Bond counsel is engaged as a recognized independent expert whose primary responsibility is to render an objective legal opinion with respect to the authorization and issuance of municipal obligations. If you desire additional information about the role of bond counsel, we would be happy to provide you with a copy of a brochure prepared by the National Association of Bond Lawyers.

As bond counsel we will: examine applicable law; prepare authorizing and closing documents; consult with the parties to the transaction, including the City's financial advisor or underwriter or placement agent, prior to the issuance of the Securities; review certified proceedings; and undertake such additional duties as we deem necessary to render the bond

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Ms. Meredith DeBruin
February 4, 2022
Page 2

counsel opinion described below. While we will represent the City in this engagement, as stated above, as bond counsel our primary responsibility is to render an objective independent legal opinion with respect to the issuance and authorization of the Securities.

Subject to the completion of proceedings to our satisfaction, we will render our opinion that:

- 1) the Securities are valid and binding general obligations of the City;
- 2) all taxable property in the territory of the City is subject to ad valorem taxation without limitation as to rate or amount to pay the Securities; and
- 3) the interest paid on the Securities will be excludable from gross income for federal income tax purposes (subject to certain limitations which may be expressed in the opinion).

The bond counsel opinion will be executed and delivered by us in written form on the date the Securities are exchanged for their purchase price (the "Closing") and will be based on facts and law existing as of its date.

Upon delivery of the opinion, our responsibilities as bond counsel will be concluded with respect to this financing; specifically, but without implied limitation, we do not undertake (unless separately engaged) to provide any post-closing compliance services including any assistance with the City's continuing disclosure commitment, ongoing advice to the City or any other party concerning any actions necessary to assure that interest paid on the Securities will continue to be excluded from gross income for federal income tax purposes, or participating in an Internal Revenue Service, Securities Exchange Commission or other regulatory body survey or investigation regarding or audit of the Securities.

In rendering the opinion, we will rely upon the certified proceedings and other certifications of public officials and other persons furnished to us without undertaking to verify the same by independent investigation.

The services we will provide under this engagement are strictly limited to legal services. We are neither qualified nor engaged to provide financial advice and we will make no representation about the desirability of the proposed plan of finance, the feasibility of the projects financed or refinanced by the Securities, or any related matters.

Ms. Meredith DeBruin
February 4, 2022
Page 3

A form of our opinion and a form of a Continuing Disclosure Certificate (which we may prepare) may be included in the Official Statement or other disclosure document for the Securities. However, as bond counsel, we will not assume or undertake responsibility for the preparation of an Official Statement or other disclosure document with respect to the Securities, nor are we responsible for performing an independent investigation to determine the accuracy, completeness or sufficiency of any such document. If an Official Statement or other disclosure document is prepared and adopted or approved by the City, we will either prepare or review any description therein of: (i) Wisconsin and federal law pertinent to the validity of the Securities and the tax treatment of interest paid thereon and (ii) our opinion.

Diversity of Practice; Consent to Unrelated Engagements

Because of the diversity of practice of our firm, members of our firm other than those who serve you may be asked to represent other clients who have dealings with the City regarding such matters as zoning, licensing, land division, real estate, property tax or other matters which are unrelated to our bond counsel work. Ethical requirements sometimes dictate that we obtain the City's consent to such situations even though our service to you is limited to the specialized area of bond counsel. We do not represent you in legal matters regularly, although we may be called upon for special representation occasionally, and our bond counsel work does not usually provide us information that will be disadvantageous to you in other representations. We do not believe that such representations of others would adversely affect our relationship with you, and we have found that local governments generally are agreeable to the type of unrelated representation described above. We would like to have an understanding with you that the City consents to our firm undertaking representations of this type. Your approval of this letter will serve to confirm that the City has no objection to our representation of other clients who have dealings with the City, unrelated to the borrowing and finance area or any other area in which we have agreed to serve it. If you have any questions or would like to discuss this consent further, please call us.

We also want to advise you that from time to time we represent underwriters and purchasers of municipal obligations, as well as other bond market participants. In past transactions or matters that are not related to the issuance of the Securities and our role as bond counsel, we may have served as counsel to the financial institution that has or will underwrite, purchase or place the Securities or that is serving as the City's financial advisor. We may also be asked to represent financial institutions and other market participants, including the underwriter, purchaser or placement agent of the Securities or the City's financial advisor, in future transactions or matters that are not related to the issuance of the Securities or our role as bond counsel. By engaging our services under the terms of this letter, the City consents to our firm undertaking representations of this type.

Ms. Meredith DeBruin
February 4, 2022
Page 4

Fees

Based upon: (i) our current understanding of the terms, structure, size and schedule of the financing, (ii) the duties we will undertake pursuant to this letter, (iii) the time we anticipate devoting to the financing, and (iv) the responsibilities we assume, we estimate that our fee will be \$12,000. Such fee and expenses may vary: (i) if the principal amount of Securities actually issued differs significantly from the amount stated above, (ii) if material changes in the structure of the financing occur, or (iii) if unusual or unforeseen circumstances arise which require a significant increase in our time, expenses or responsibility. If at any time we believe that circumstances require an adjustment of our original fee estimate, we will consult with you. It is our understanding that our fee will be paid out of proceeds of the Securities at Closing.

If, for any reason, the financing is not consummated or is completed without the rendition of our opinion as bond counsel, we will expect to be compensated at our normal hourly rates for time actually spent, plus out-of-pocket expenses. Our fee is usually paid either at the Closing out of proceeds of the Securities or pursuant to a statement rendered shortly thereafter. We customarily do not submit any statement until the Closing unless there is a substantial delay in completing the financing.

Terms of Engagement

Either the City or Quarles & Brady may terminate the engagement at any time for any reason by written notice, subject on our part to applicable rules of professional conduct. If the City terminates our services, the City is responsible for promptly paying us for all fees, charges, and expenses incurred before the date we receive termination. We reserve the right to withdraw from representing the City if, among other things, the City fails to honor the terms of this engagement letter – including the City's failing to pay our bills, the City's failing to cooperate or follow our advice on a material matter, or our becoming aware of any fact or circumstance that would, in our view, render our continuing representation unlawful or unethical.

Unless previously terminated, our representation will terminate when we send to the City (or its representative) our final bill for services rendered. If the City requests, we will promptly return the City's original papers and property to you, consistent with our need to ensure payment of any outstanding bills. We may retain copies of the documents. We will keep our own files, including attorney work product, pertaining to our representation of the City. For various reasons, including the minimization of unnecessary storage expenses, we may destroy or otherwise dispose of documents and materials a reasonable time after termination of the engagement.

Ms. Meredith DeBruin
February 4, 2022
Page 5

City Responsibilities

We will provide legal counsel and assistance to the City in accordance with this letter and will rely upon information and guidance the City and its personnel provide to us. We will keep the City reasonably informed of progress and developments, and respond to the City's inquiries. To enable us to provide the services set forth in this letter, the City will disclose fully and accurately all facts and keep us apprised of all developments relating to this matter. The City agrees to pay our bills for services and expenses in accordance with this engagement letter. The City will also cooperate fully with us and be available to attend meetings, conferences, hearings and other proceedings on reasonable notice, and stay fully informed on all developments relating to this matter.

Limited Liability Partnership

Our firm is a limited liability partnership ("LLP"). Because we are an LLP, no partner of the firm has personal liability for any debts or liabilities of the firm except as otherwise required by law, and except that each partner can be personally liable for his or her own malpractice and for the malpractice of persons acting under his or her actual supervision and control. As an LLP we are required by our code of professional conduct to carry at least \$10,000,000 of malpractice insurance; currently, we carry coverage with limits substantially in excess of that amount. Please call me if you have any questions about our status as a limited liability partnership.

Conclusion and Request for Signed Copy

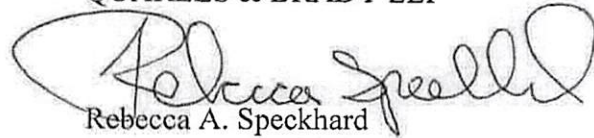
If the foregoing terms of this engagement are acceptable to you, please so indicate by returning a copy of this letter dated and signed by an appropriate officer, retaining the original for your files. If we do not hear from you within thirty (30) days, we will assume that these terms are acceptable to you, but we would prefer to receive a signed copy of this letter from you.

Ms. Meredith DeBruin
February 4, 2022
Page 6

We are looking forward to working with you and the City in this regard.

Very truly yours,

QUARLES & BRADY LLP


Rebecca A. Speckhard

RAS:SMW:bea

- cc: Mr. Todd Wolf (via email)
- Ms. Kaitlyn Krueger (via email)
- Ms. Melissa Clevenger (via email)
- Charles C. Adams, Esq. (via email)
- Thomas Cameron, Esq. (via email)
- Mr. Philip L. Cosson (via email)
- Ms. Kathy Myers (via email)
- Mr. David Ferris (via email)

Accepted and Approved:

CITY OF SHEBOYGAN

By: _____

Its: _____
Title

Date: _____

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Res. 139-21-22, a Resolution authorizing the City Administrator to execute a Master Service Agreement and Statement of Work with Language Line Services, Inc. for on-demand translation services.

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: February 7, 2022 **MEETING DATE:** February 14, 2022

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item:		Wisconsin	N/A
Budget Summary:	N/A	Statutes:	
Budgeted Expenditure:	N/A	Municipal Code:	N/A
Budgeted Revenue:	N/A		

BACKGROUND / ANALYSIS:

The City of Sheboygan recently completed a Title VI Plan. Title VI of the Civil Rights Act of 1964 prohibits discrimination on the basis of race, color, or national origin in any program or activity that receives Federal funds or other Federal financial assistance.

One of the requirements of the plan is for the city to provide a listing of the city employees that can provide translation services to the general public as well as contracting with a service to provide on-demand services should the need arise. The Municipal Court has been working with Language Line for court related translation services, so city staff connected with them to provide services for all city departments as needed.

Language Line Solutions provides on-demand and onsite language interpretation and document translation services worldwide in over 240 languages. Each call is a three-way conversation between the interpreter, the client, and the limited English-speaking person the client serves. This Master Agreement will be a yearly expense for the city, and can be utilized by all city departments as needed. Charges are \$0.72 per minute for a variety of the languages. The City will receive reports on the usage by other departments.

STAFF COMMENTS:

None

ACTION REQUESTED:

Motion to recommend Common Council to approve Res. No. 139-21-22 authorizing the City Administrator to execute a Master Service Agreement and Statement of Work with Language Line Services, Inc. for on-demand translation services.

ATTACHMENTS:

- I. Res. No. 139-21-22

III

DIRECT REFERRAL TO FINANCE & PERSONNEL COMMITTEE

Res. No. 139 - 21 - 22. By Alderpersons Mitchell and Filicky-Peneski.
February 14, 2022.

A RESOLUTION authorizing the City Administrator to execute a Master Service Agreement and Statement of Work with Language Line Services, Inc. for on-demand translation services.

WHEREAS, the City of Sheboygan has drafted a Title VI Program, which is aimed at, among other things, ensuring meaningful access to the City's programs, activities, and services for persons with Limited English Proficiency (LEP); and

WHEREAS, in order to provide meaningful access to the City's programs, activities, and services, it is in the best interest of the City of Sheboygan to enter into an agreement with Language Line Services, Inc. for on-demand phone-based translation services.

NOW, THEREFORE, BE IT RESOLVED: That the City Administrator is authorized to execute the Master Service Agreement and Statement of Work with Language Line Services, Inc. for on-demand translation services (the "Agreement"), a copy of which is attached hereto and incorporated herein.

BE IT FURTHER RESOLVED: That for the avoidance of doubt, as the Agreement has a Term that continues until termination by one of the parties, unless the Agreement is terminated by Language Line Services, Inc. or the Common Council, the City Administrator may, if the City Administrator determines that termination is in the best interest of the City, terminate the Agreement in the manner set forth in the Agreement.

BE IT FURTHER RESOLVED: That the appropriate City officials may draw funds, to the extent they are budgeted, to make payment from the appropriate account to Language Line Services, Inc. pursuant to the terms of the Agreement.

I HEREBY CERTIFY that the foregoing Resolution was duly passed by the Common Council of the City of Sheboygan, Wisconsin, on the _____ day of _____, 20____.

Dated _____ 20____. _____, City Clerk

Approved _____ 20____. _____, Mayor

Master Service Agreement

Client Name ("Customer"): City of Sheboygan	Client # (if applicable):
--	---------------------------

Language Line Services, Inc. ("LanguageLine") and Customer (together, the "Parties" and each a "Party") agree that the terms and conditions below apply to the Services provided by LanguageLine to Customer under this Agreement.

TERMS OF SERVICE

- 1. TERM OF AGREEMENT.** This Agreement is the Master Services Agreement for all the services currently offered by LanguageLine (the "Services"). Fees and any additional terms and conditions for each of the Services are identified in the respective Statement(s) of Work, each of which is made a part of this Agreement. This Agreement and each of the Services the Customer chooses to receive from LanguageLine will become effective upon signing by both Parties and will continue in effect until terminated under Section 11 ("Termination"), provided that if LanguageLine is requested to and provides any Services to Customer prior to Customer's signing this Agreement, the terms and conditions of this Agreement will apply as if the Agreement had been signed by Customer. If Customer continues to request and receive Services after this Agreement has been terminated for any reason, this Agreement and the applicable Statement(s) of Work will continue in full force and effect.
- 2. PAYMENT TERMS.** Customer agrees to pay all undisputed invoiced charges for Services in full within thirty (30) days of the invoice date. Any disputed charges in an invoice must be identified to LanguageLine within thirty (30) days of the invoice issue date or the right to dispute will be waived by Customer. Amounts subject to dispute once resolved will be (i) credited to Customer on the next invoice (if resolved in favor of Customer), (ii) added to the next invoice (if resolved in favor of LanguageLine) or (iii) as otherwise mutually agreed upon. Invoices will be sent to the most current address or e-mail provided by Customer to LanguageLine, which may be updated by Customer upon written request to CustomerCare@languageline.com. If Customer will not be paying for any specific affiliate(s), those affiliate(s) must be identified on **Schedule A** of this Agreement and each such affiliate must enter into a separate Master Service Agreement with LanguageLine. An "affiliate" is any entity under Customer's full or partial control or otherwise related to Customer.
- 3. USE OF SERVICES.** Customer warrants that it will **not** (i) resell the Services to any third Parties; however, Customer may charge its own customers, clients or patients for the Services and/or (ii) use the Services in any manner that may violate any applicable law, rule or regulation. Customer and each affiliate will be assigned a Client Identification Number ("CID") for use in ordering Services. Customer shall be solely and fully responsible for charges resulting from the use of these CIDs, whether or not such use is authorized by Customer.
- 4. CONFIDENTIALITY.** Both parties understand that the Customer is a municipal entity and subject to all applicable laws regarding public entities, including the Wisconsin Public Records Law. Nothing in this section or in this Agreement shall be interpreted as prohibiting the Customer from complying with its obligations under the Wisconsin Public Records Law (or any other applicable law). With that said, the parties recognize that, in the course of performance of this Agreement, it may be necessary and desirable for them to exchange confidential information ("Confidential Information"). Such information shall be clearly identified as "Confidential Information." To the extent permitted by law, each party shall treat the other party's Confidential Information as confidential, provided that—in the case of written material—the material is (1) marked as confidential or proprietary at the time of disclosure and (2) not otherwise publicly or otherwise known or available from a lawful source. In the case of non-written material, each party shall treat the other party's Confidential Information as confidential so long as it is (1) made clear that the information is confidential and (2) not otherwise publicly or otherwise known or available from a lawful source. Each party represents and warrants that it will only use Confidential Information from the other party for the performance of this Agreement. Customer shall only disclose Company's Confidential Information in response to a Public Records Request, discovery request, or similar process (a "Request") after following the process in this Section. In the event Customer receives Confidential Information from the Company, and Customer receives a Request for any or all of the Confidential Information received, the Customer shall email the Company at customercare@languageline.com with a copy to contractadministrator@languageline.com. Company

Master Service Agreement

acknowledges and recognizes that under Wisconsin Public Records Law, Customer is to respond to a Public Records Request within ten days of receipt. Company may provide guidance to Customer regarding whether requested information is Confidential Information. Any such guidance shall be provided to Customer within five (5) business days of receipt of notice of the Request. Receipt of notice shall be deemed to occur upon receipt of the email. If no guidance is provided to Customer, Company shall be deemed to have waived any assertion that records in question are Confidential Information under this Agreement. In the event Customer follows Company's guidance, and Customer is subject to any legal challenge regarding Customer's assertion of Company's guidance, Company shall indemnify, defend, and hold the Customer harmless from any and all resulting claims and damage, which is not subject to the limitations in Section 7. Company shall only disclose Customer's Confidential Information in response to a discovery request or similar process after following the process in this Section. In the event Company receives Confidential Information from the Customer, and Company receives a discovery request or similar process for any or all of the Confidential Information received, the Company shall email the Customer at chad.pelishkek@sheboyganwi.gov. Customer may provide guidance to Company regarding whether requested information is Confidential Information and whether a statute or other provision may govern or limit its release. Nothing in this Section shall prevent either party from—at that party's sole cost—taking any other step permitted by law, such as asserting an objection, challenging the validity of a request, or seeking a protective order in a court of competent jurisdiction, to protect its Confidential Information. The parties recognize that any step permitted by law must take place within the deadlines required by any applicable statute, rules, or regulations. This Agreement cannot and does not extend the timeline for such action.

5. **LANGUAGELINE PERSONNEL.** Customer understands and acknowledges that in providing the Services, LanguageLine's linguist workforce consists of its own employees, individual independent contractor linguists and linguists provided through trusted professional linguist staffing agencies, which are located within and outside of the United States (collectively, "LanguageLine Personnel"). All LanguageLine Personnel are subject to LanguageLine's stringent quality control standards, confidentiality and privacy obligations and certification criteria, and LanguageLine is solely responsible for ensuring that the terms and conditions of this Agreement are met by LanguageLine Personnel. Customer hereby consents to the use of all LanguageLine Personnel by LanguageLine.
6. **RELATIONSHIP OF PARTIES.** The Parties are independent contractors, and nothing in this Agreement will be deemed to place the Parties in the relationship of employer-employee, principal-agent, partners or joint venturers. Each Party will be responsible for paying its own payroll taxes, disability insurance payments, unemployment taxes, employee benefits (if applicable) and other similar taxes, benefits or charges.
7. **LIMITED WARRANTIES AND LIABILITY.** LANGUAGELINE WILL PERFORM ALL OF THE SERVICES IN A PROFESSIONAL MANNER CONSISTENT WITH INDUSTRY STANDARDS. LANGUAGELINE MAKES NO OTHER REPRESENTATION, WARRANTY OR GUARANTEE, EXPRESS OR IMPLIED, OF ANY KIND, AND LANGUAGELINE SPECIFICALLY DISCLAIMS ANY WARRANTY OR CONDITION OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. CUSTOMER ACKNOWLEDGES THAT INTERPRETATIONS, TRANSLATIONS, AND LOCALIZATIONS MAY NOT BE ENTIRELY ACCURATE IN ALL CASES AND THAT EVENTS OUTSIDE OF THE CONTROL OF LANGUAGE LINE MAY RESULT IN UNCOMPLETED OR INTERRUPTED SERVICE. EXCEPT FOR THE PARTIES' OBLIGATIONS UNDER SECTIONS 4 (CONFIDENTIALITY), 8 (INDEMNIFICATION) AND CUSTOMER'S OBLIGATIONS UNDER SECTION 2 (PAYMENT TERMS), AND TO THE EXTENT NOT PROHIBITED BY APPLICABLE LAW, EACH PARTY'S AGGREGATE LIABILITY TO THE OTHER FOR CLAIMS RELATING TO THIS AGREEMENT, WHETHER FOR BREACH OR IN TORT AND INCLUDING BUT NOT LIMITED TO NEGLIGENCE, SHALL BE LIMITED TO THE GREATER OF THE AMOUNT INVOICED TO OR PAID BY CUSTOMER TO LANGUAGELINE WITHIN THE PREVIOUS 12 MONTHS, AND EXCEPT AS IS PROHIBITED BY LAW OR SUBJECT TO A PARTY'S OBLIGATIONS UNDER SECTION 8 (INDEMNIFICATION), NEITHER PARTY WILL BE LIABLE FOR ANY INDIRECT, PUNITIVE, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGE IN CONNECTION WITH OR ARISING OUT OF THIS AGREEMENT (INCLUDING LOSS OF BUSINESS, REVENUE, PROFITS, USE, DATA OR OTHER ECONOMIC ADVANTAGE), HOWEVER IT ARISES, WHETHER FOR BREACH OR IN TORT,

Master Service Agreement

EVEN IF THAT PARTY HAS BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGE.

8. **INDEMNIFICATION.** The Parties each agree to defend, hold harmless and indemnify the other Party and their respective officers, directors, employees, affiliates and agents from and against any claims, causes of action, damages, costs, fees, expenses, settlement or any other form of damage or expense relating to (a) a third Party claim for an intellectual property violation or a breach of Section 4 of this Agreement (“Confidentiality”), (b) a claim by an employee, vendor or agent of one Party asserted against the other Party, or (c) the fraudulent or intentionally wrongful act of any kind by an employee or agent of one Party resulting in damages to the other Party. LanguageLine will not be liable for intellectual property infringement arising merely from LanguageLine’s interpretation or translation of Customer communications or documents, respectively. LanguageLine maintains extensive global insurance coverage for all its Services. A copy of the Certificate of Insurance will be supplied to Customer upon request.
9. **ASSIGNMENT.** Neither Party may assign this Agreement without the prior written consent of the other Party, except that LanguageLine may assign its right to payment to an affiliated company and, either Party may assign this Agreement to a successor company without consent, provided that the successor company ratifies and assumes this Agreement in its entirety and provides notice of the assignment to the other Party.
10. **ACQUISITION OR MERGER OF CUSTOMER.** If Customer is (a) acquired by or merged into or with an existing LanguageLine customer, or (b) acquires an existing LanguageLine customer, the terms and conditions of this Agreement and that of the other LanguageLine customer, including pricing as set out in the applicable Statements of Work, shall remain unaffected unless the Parties otherwise agree in a signed, written amendment to this Agreement.
11. **TERMINATION.** Either Party may terminate this Agreement (a) on one hundred twenty (120) days’ notice for any reason, or (b) on thirty (30) days’ written notice if the other Party has not cured the breach in 30 days, or if the breach cannot be cured in thirty (30) days, on the date agreed on by the Parties for cure to be completed. Upon termination of this Agreement for any reason, Customer shall pay the final invoice from LanguageLine within thirty (30) days of the receipt of the final invoice. Any disputed charges must be identified by Customer within the thirty (30) day period. The Parties will use good faith efforts to resolve any disputed charges within the thirty (30) day period and any adjustment paid or credited will be made within thirty (30) days after the dispute has been resolved.
12. **ADDITIONAL TERMS.**
 - a. **WAIVER OR DELAY.** Any express waiver or failure to exercise promptly any right under this Agreement will not create a continuing waiver or any expectation of non-enforcement.
 - b. **SURVIVAL OF OBLIGATIONS.** The obligations of the Party under this Agreement which by their nature should continue beyond the termination or expiration of this Agreement will remain in effect after termination or expiration.
 - c. **NO THIRD-PARTY BENEFICIARIES.** Neither this Agreement nor the provision of Services shall be construed to create any duty or obligation on the part of LanguageLine to any third parties, including, without limitation, any persons participating in or the subject of communications for which Services are provided, and except as provided by law, does not provide any third party with any right, privilege, remedy, claim or cause of action against LanguageLine, its affiliates or their respective successors.
 - d. **CHOICE OF LAW.** Any action arising out of this Agreement, as well as the validity, construction and interpretation of this Agreement, will be governed by Wisconsin law relating to contracts made in the State of Wisconsin and controlling U.S. federal law. No choice of law rules of any jurisdiction will apply.
 - e. **BINDING EFFECT.** This Agreement shall be binding upon the Parties hereto, their successors, or assigns, and upon any and all others acting by or through them, or in privity with them, or under their direction.
 - f. **CONSTRUCTION.** This Agreement is deemed to have been drafted jointly by the Parties. Any uncertainty or ambiguity shall not be construed against either Party based on the attribution of drafting by either Party.

Master Service Agreement

- g. **COUNTERPARTS; HEADINGS.** This Agreement may be executed in counterparts and as so executed shall constitute one agreement, binding on all Parties. The Headings have no substantive effect and are used merely for convenience.
- h. **FORCE MAJEURE.** A Party is not liable under this Agreement for non-performance or delayed or interrupted performance caused by events or conditions beyond that Party's control if the Party makes reasonable efforts to perform. This provision does not relieve Customer of its obligation to make all payments when due.
- i. **NOTICES.** All notices to be given under this Agreement must be in writing and addressed as follows: (a) to LanguageLine at One Lower Ragsdale Drive, Bldg. 2, Monterey, CA 94930 Attn: Contract Administration, or by e-mail to CustomerCare@languageline.com with a copy to ContractAdministrationTeam@languageline.com, and (b) to Customer at the most current address or e-mail provided by Customer to LanguageLine. Any notices sent by overnight courier (such as FedEx, DHL, USPS, etc.), or by first class mail, postage prepaid, is effective upon deposit with the post office or the overnight courier and any notice sent by e-mail shall be effective on the date the e-mail is sent except that any e-mail sent on a weekend or holiday shall be effective on the next business day.
- j. **COMPLIANCE.** Language Line Services, Inc. is an equal opportunity employer and federal contractor. Consequently, as and if applicable, the Parties will abide by the requirements of Title 41 of the United States Code of Federal Regulations (CFR) §§ 60-1.4(a), 60-300.5(a) and 60-741.5(a), which are incorporated herein by reference. These regulations prohibit discrimination against qualified individuals based on their status as protected veterans or individuals with disabilities and prohibit discrimination against all individuals based on their race, color, creed, sex, sexual orientation, gender identity, or national origin. These regulations require that covered prime contractors and subcontractors take affirmative action to employ and advance in employment individuals without regard to race, color, religion, sex, sexual orientation, gender identity, national origin, protected veteran status or disability. If and as applicable, the Parties will abide by the requirements of Executive Order 13496 (29 CFR Part 471, Appendix A to Subpart A), relating to the notice of employee rights under federal labor laws.

13. ENTIRE AGREEMENT. This Agreement, including all addenda, Schedules and Statements of Work, constitute the Parties' entire agreement relating to its subject matter. It supersedes all prior or contemporaneous oral or written communications, proposals, conditions, representations and warranties and prevails over any conflicting or additional terms of any quote, order, acknowledgment, or other communication between the Parties relating to its subject matter during the term of this Agreement. No modification to this Agreement will be binding unless in writing and signed by an authorized representative of each Party. If any provision, or part thereof, in this Agreement is held to be invalid, void or illegal, it shall be severed from this Agreement and shall not affect, impair, or invalidate any other provision, or part thereof, and it shall be replaced by a provision which comes closest to the severed provision, or part thereof, in language and intent, without being invalid, void, or illegal.

The person signing this Agreement on behalf of Customer certifies that such person has read, acknowledges, and understands all of the terms and conditions, and is fully authorized to execute this Agreement on behalf of and bind the Customer to all its terms and conditions. Both Parties agree the delivery of the signed Agreement by facsimile or e-mail or use of a facsimile signature or electronic signature or other similar electronic reproduction of a signature shall have the same force and effect of execution and delivery as the original signature, and in the absence of an original signature, shall constitute the original signature.

Customer	LanguageLine
Accepted and agreed to date:	Accepted and agreed to date:
Signature:	Signature:

Master Service Agreement

Name:	Name: Bonaventura A. Cavaliere
Title:	Title: CFO

Master Service Agreement

Schedule A – Excluded Affiliates

Please identify any affiliates whose use of the Services will not be paid by the Customer:

AFFILIATE #1
Name:
Address, City, State, and Zip:
Contact Name, Phone, and E-mail:
AFFILIATE #2
Name:
Address, City, State, and Zip:
Contact Name, Phone, and E-mail:
AFFILIATE #3
Name:
Address, City, State, and Zip:
Contact Name, Phone, and E-mail:
AFFILIATE #4
Name:
Address, City, State, and Zip:
Contact Name, Phone, and E-mail:
AFFILIATE #5
Name:
Address, City, State, and Zip:
Contact Name, Phone, and E-mail:

Additional affiliates can be listed in a separate page and attached to this document.

Statement of Work

LanguageLine® PhoneSM Interpreting

Client Name ("Customer"): City of Sheboygan	Client # (if applicable):
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This Statement of Work is subject to the Master Service Agreement between Customer and Language Line Services, Inc. ("LanguageLine"). This document is the sole document that reflects pricing for these services and must be signed by an authorized representative from the Customer. Pricing is only approved upon a signature by an authorized officer of LanguageLine. Pricing changes, if any, will be reflected on next month's invoice.

1. LANGUAGELINE PHONE INTERPRETING

1.1. SCOPE OF WORK

- (a) **DESCRIPTION OF SERVICES.** LanguageLine will provide qualified and trained interpreters for Phone Interpreting to facilitate effective communication between Customer's service providers and Limited English Proficient (LEP) individuals by converting spoken language statements between English and another language.
- (b) **SERVICE DELIVERY.** Services are delivered on-demand via telephone, as initiated by Customer's service providers and invoiced monthly following service delivery. Services are available twenty-four (24) hours a day; seven (7) days a week; 365 days a year, including holidays, in over 240 spoken languages.

1.2. PHONE INTERPRETING FEES

- (a) **INITIAL ENROLLMENT** including Client Identification ("CID") service accounts Waived
- (b) **ADDITIONAL SERVICE ACCOUNTS** after initial enrollment, per CID Waived
- (c) **MONTHLY MINIMUM** per CID Waived
- (d) **PLATFORM ACCESS FEE** per call Waived
- (e) **THIRD PARTY DIAL OUT FEE** per call Waived
- (f) **TELECOMMUNICATION SURCHARGE** in accordance with the Telecommunications Act of 1996 Waived
- (g) **OPTIONAL INTERPRETER APPOINTMENT AT SPECIFIC TIME.** See 1.2(h) for Per Minute Usage Fees. No additional fees apply to schedule an interpreter appointment. Cancellation fee for any cancelled or missed appointment \$200.00
- (h) **PER MINUTE USAGE FEES** for LanguageLine Phone and InSight Audio Interpreting

Language Tiers	Languages	Per Minute Charge
1	Spanish	\$0.72
2	Chinese (Mandarin and Cantonese), French, Japanese, Korean, Russian, and Vietnamese	\$0.72
3	Armenian, German, Haitian Creole, Italian, Cambodian (Khmer), Polish, and Portuguese	\$0.72
4	Farsi, Tagalog, Thai, Urdu, and all other languages	\$0.72

1.3. PHONE INTERPRETING EQUIPMENT

- (a) **OPTIONS AND DEFINITIONS.** Equipment purchase and lease options are available for the equipment identified below for use with the Phone Interpreting services. All Equipment requests must be submitted in writing over the term of this Agreement and the appropriate fees will apply.
- (b) **PHONE INTERPRETING EQUIPMENT LEASE FEES.** A monthly lease fee per unit applies, and the Equipment remains the property of LanguageLine. The monthly fee covers the cost of equipment programming and providing any necessary replacements and maintenance.
 - 1Solution™ Analog Dual Handset Phone \$4.50
 - 1Solution Dual Handset IP Phone \$12.50

Statement of Work

LanguageLine® PhoneSM Interpreting

- Panasonic® Cordless Phone with Dual Handsets \$10.50
 - (c) **PHONE INTERPRETING LEASED EQUIPMENT ADDITIONAL TERMS.** Upon the termination of the Agreement, Customer shall, at its cost, return the Equipment to Language Line Services within thirty (30) days following the termination date. Customer acknowledges that ownership of the Equipment remains with Language Line Services, and that the Equipment must be returned upon the termination of the Agreement. If Customer fails to return the Equipment to Language Line Services within the 30-day period, Language Line Services may invoice Customer \$175.00 per each equipment item not returned and Customer agrees to pay that invoice within thirty (30) days of the invoice date.
 - (d) **PHONE INTERPRETING EQUIPMENT PURCHASES.** The following Equipment is available for purchase from LanguageLine during the life of the agreement. Upon depletion of current Equipment models and release of new Equipment models, updated pricing will automatically apply. Purchased equipment is covered by a one-year replacement warranty from the manufacturer. Standard rates at the time of purchase will apply. If applicable, proof of sales tax exemption must be provided to TaxDepartment@languageline.com and ContractAdministrationTeam@languageline.com. Details will be available from your Account Executive.
 - 1Solution Analog Dual Handset Phone \$60.00
 - 1Solution Dual Handset IP Phone \$150.00
 - Panasonic Cordless Phone with Dual Handsets \$85.00
 - Panasonic Headset \$25.00
 - Handsets \$10.00
 - Handset Splitters (price per unit) \$6.00
 - Wall Splitters (price per unit) \$6.00

2. OTHER FEES

- 2.1. **FINANCE FEE.** Finance fee is applied to any past due balance. Interest will accrue from the date on which payment is due at a rate equal to the lesser of 1.5% per month or the maximum permitted by applicable law.
- 2.2. **OPTIONAL PAPER INVOICE.** Electronic invoices are provided at no charge. Paper invoice fee is applied if a paper invoice is required by the Customer \$1.75
- 2.3. **OPTIONAL CUSTOMIZATIONS**
 - (a) Report configuration per hour Waived
 - (b) Report maintenance per month Waived
 - (c) Training assistance on site per day per training Waived
 - (d) Training materials development per hour Waived

The person signing this SOW on behalf of Customer certifies that such person has read, acknowledges, and understands all of the terms and conditions, and is fully authorized to execute this SOW on behalf of and bind the Customer to all its terms and conditions. Both Parties agree the delivery of the signed SOW by facsimile or e-mail or use of a facsimile signature or electronic signature or other similar electronic reproduction of a signature shall have the same force and effect of execution and delivery as the original signature, and in the absence of an original signature, shall constitute the original signature.

Customer	LanguageLine
Accepted and agreed to date:	Accepted and agreed to date:
Signature:	Signature:
Name:	Name: Bonaventura A. Cavaliere
Title:	Title: CFO

Statement of Work

LanguageLine® PhoneSM Interpreting

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Benchmark Measurements for Information Technology (IT) Department, for period commencing January 1, 2021 and ending December 31, 2021

REPORT PREPARED BY: Eric Bushman, Director of Information Technology

REPORT DATE: February 8, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

Budget Line Item: N/A
 Budget Summary: N/A
 Budgeted Expenditure: N/A
 Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
 Municipal Code: N/A

BACKGROUND / ANALYSIS:

These are the benchmark measurements as defined in the 2021 strategic plan for IT.

STAFF COMMENTS:

The following are the YTD measurements and 2021 goals and major accomplishments.

Measurements	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2021 Goals
<u>Efficiency</u>					
Average close time of Critical/High IT Help Tickets (Days)	4.8	3.6	3.62	.43	5
<u>Effectiveness</u>					
Percent closed within timeframe	75%	83%	89%	97%	90%
<u>Efficiency</u>					
Maintain core server/network at current -1 firmware	98%	99%	99%	99%	100%
<u>Workload</u>					
Percentage of Computers Installed with FortiGate Client Installed	99%	100%	100%	100%	100%
Number of legacy applications retired	N/A	3	2	6	5
Number of Security Audits Performed	0	1	1	0	1
System Availability	97%	99%	99%	99%	99%

Legacy Applications Retired

Applications Retired in 2021	IBMi % Usage
PD Crime	20%
Code Enforcement	10%
Human Resources	2%
Loans	2%
Finance - Parking Stalls	2%
DPW - Signs & Fuel	1%
Total	37%

Applications - Remaining	IBMi % Usage
Finance - Taxes	10%
Finance - Special Assessments	15%
Clerks - Business Licensing	15%
PD - IMS (Document Management)	10%
Planning - Zoning	2%
DPW - Inventory & Related Move to new EAM	7%
Fire Department	1%
DPW - Sidewalks Move with Special Assessments	1%
DPW - Cemetery Moving to GPS	1%
DPW - Parks Move with MUNIS Parks & Rec	1%
Total	63%

Major Accomplishments

- Upgraded our ERP system (Tyler/MINIS) from version 11.3 to 2019.1
- Upgraded Microsoft Office from 2010 to 2019
- Upgraded Microsoft Exchange (email server) from 2010 to 2019
- Installed a new email archiving system – Datacove
- Implemented Darktrace, a network cyber security defense system
- Enhanced network controls to improve our cyber security
- Infrastructure refresh of access points and switches

ACTION REQUESTED:

For informational purposes only.

ATTACHMENTS:

None

CITY OF SHEBOYGAN

REQUEST FOR FINANCE AND PERSONNEL COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Benchmark Measurements for Cable TV (WSCS) Department, for period commencing January 1, 2021 and ending December 31, 2021.

REPORT PREPARED BY: Eric Bushman, Director of Information Technology

REPORT DATE: February 8, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

Budget Line Item: N/A
 Budget Summary: N/A
 Budgeted Expenditure: N/A
 Budgeted Revenue: N/A

STATUTORY REFERENCE:

Wisconsin Statutes: N/A
 Municipal Code: N/A

BACKGROUND / ANALYSIS:

These are the benchmark measurements as defined in the 2021 strategic plan for WSCS

STAFF COMMENTS:

The following are the YTD measurements and 2021 goals.

Measurements	2018 Actual	2019 Actual	2020 Actual	2021 YTD	2020 Goals
<u>Workload</u>					
Number of Programs Produced	622	622	638	649	500
Number PSAs Produced	0	1	8	1	9
Number of televised Common Council and Committee of the Whole meetings\Missed	29	20\9	33\1	32\0	29\0
<u>Effectiveness</u>					
On-Demand Viewing	3,778	4,375	3,334	1,173	4,000
On-Demand Unique Visitors	3,254	2,359	2,924	967	3,500
Number of Film Awards	8	7	8	7	8

ACTION REQUESTED:

For informational purposes only.

ATTACHMENTS:

None

CITY OF SHEBOYGAN

REQUEST FOR FINANCE COMMITTEE CONSIDERATION

ITEM DESCRIPTION: Department of City Development 2021 Annual Report

REPORT PREPARED BY: Chad Pelishek, Director of Planning and Development

REPORT DATE: February 7, 2022

MEETING DATE: February 14, 2022

FISCAL SUMMARY:

STATUTORY REFERENCE:

Budget Line Item: N/A
Budget Summary: N/A
Budgeted Expenditure: N/A
Budgeted Revenue: N/A

Wisconsin Statutes: N/A
Municipal Code: N/A

BACKGROUND / ANALYSIS:

The Department of City Development is made of two divisions, Planning and Development division that reports to the Finance and Personnel Committee and Building Inspection. Attached for discussion is 2022 Department Annual Report. A lot of staff time in 2021 was spent on CARES (CDBG-CV2) Act funding and American Rescue Plan Act funding. A number of economic development projects were completed in 2021. The department staff also worked on continued placemaking downtown.

We also completed the Affordable Housing Market Study in March 2021. With this study, department staff has been aggressive in working with affordable housing developers. The multi-family housing projects were underway or completed: The Oscar, Kingsbury Village and Badger State Lofts.

Department staff spent a lot of the time working with HUD on Section 108 loan to fund the Uptown Social project in the former Save-A-Lot. Staff worked with the developer on redevelopment of the former Shopko Redevelopment into Hobby Lobby and Ross Dress for Less.

City Development staff administered approximately \$1.4 million in Community Development Block grants for various projects. We also implemented Neighborly Software and MUNIS code enforcement software to get away from paper applications and paper violations.

A number of the interagency cooperation initiatives were completed in 2021. See report for more information.

Building Inspection revenues were lower overall in 2022, however the number of the permits issued was comparable to other uses.

STAFF COMMENTS:

None

ACTION REQUESTED:

Discussion only.

ATTACHMENTS:

- I. 2021 Annual Report

City Development 2021 Annual Report

Item 17.

The Department of City Development Annual Report outlines current trends, explores department initiatives and highlights development-related accomplishments.





PLANNING AND DEVELOPMENT

Mission Statement

Actively promote a diverse, safe, and dynamic community and enhance the living, working, and recreational choices for all Sheboygan citizens and visitors.

Vision Statement

The vision of Planning and Development is to take a leadership role in creating opportunities for our City to continue to grow and sustain our diverse communities that define and give Sheboygan its unique character.

The Planning and Development Division Provides:

- Conditional use permits
- Site plan approval
- Zoning information and letters
- Home occupation approval
- Neighborhood association support
- GIS mapping services
- CDBG grant management
- Business loans
- Housing rehabilitation loans
- Grant writing
- Grant disbursement and management
- Plan/report writing and document design
- Sustainability initiative coordination
- Sign application approval
- Economic development services
- Business Improvement District support
- Green Tier Legacy Community representation
- Neighborhood planning services
- Landlord Training administration
- Visit Sheboygan support

Planning and Development Division Boards, Commissions, and Committees

- Architectural Review Board
- City Plan Commission
- Redevelopment Authority
- Housing Rehabilitation Loan Commission
- Historic Preservation Commission
- Sustainable Sheboygan Task Force
- Common Council
- Board of Zoning Appeals
- Joint Review Board

Planning and Development staff coordinates meetings and provides these committees with professional reports and recommendations.

Planning and Development

COVID-19

Small Business Emergency Assistance Program

The Small Business Emergency Assistance Program was rolled out in 2020 as a way to help small businesses during the pandemic. Using funding awarded by the US Department of Housing and Urban Development through the CARES Act, the City has given out a total of \$420,612.00 over the past two years to help small businesses with payroll, marketing, rent, inventory, and utility bills. In 2021, the City provided aid to 13 small businesses, bringing the total to 30 businesses assisted through the program.

Community Development Block Grant-CV2 with State DOA

In late 2020, the Department of City Development reached out to officials within the State of Wisconsin's Department of Administration. Governor Evers had tasked the agency with overseeing the state's distribution of an additional round of federal Community Development Block Grant (CDBG) funding being made available through the CARES Act. As one of the first entitlement communities to complete the state's application process, the City proposed utilizing any allocation to provide funding to nonprofit organizations working to mitigate the effects of the pandemic. In April of 2021, the City received notice that it would receive \$229,479 in CDBG-CV funds, which it awarded to the following four organizations:

- Lakeshore Community Health Center received \$60,000 to defray significantly increased expenses involved in hiring additional staff to serve as door screeners and COVID testers and obtaining cleaning supplies, personal protective equipment, and COVID tests.
- Habitat for Humanity Lakeside received \$60,000 to help with substantial income loss resulting from the closure of the ReStore, their primary source of revenue; the cancellation of the annual gala, their largest fundraiser; and program income reductions due to restrictions on volunteers and the resulting interruption to new home builds and rehabilitation projects.
- Mental Health America received \$54,979 to assist with additional expenses incurred due to a 200% increase in service requests, the need to create a new array of COVID-related resources, securing cleaning supplies and PPE and revenue loss due to funding cuts.
- The Salvation Army received \$50,000 to help with a two-fold increase in requests for services, a significant increase in costs for supplies (cleaning, PPE, mattress covers and bedding for the shelter, new boxes and bags for the food pantry) and reduced revenue due to the closing of its thrift store and cancellation of its annual fundraiser, the Salvation Ride.

Affordable Housing Market Study

In the fall of 2020, the Planning & Development Department initiated an Affordable Housing Market Study to better understand the City’s housing climate. Completed in spring 2021, the study was composed of three core activities: data collection, stakeholder input, and the production of a final report which, when completed identified housing gaps within the City of Sheboygan.

Demand Projections

Rental Units 401-1,023 by 2030 (40-102/year)	<ul style="list-style-type: none"> • 184-471 up to \$918/month • 112-287 \$1,028-\$1,465/month • 104-266 greater than \$1,284/month 	Senior-Independent Living	<ul style="list-style-type: none"> • 1,005* subsidized • 284* market rate
Owner - Occupied Units 325-715 by 2030 (33-72/year)	<ul style="list-style-type: none"> • 60-131 up to \$129,000 • 64-141 \$146,000-\$222,000 • 45-100 \$192,000-\$281,000 • 156-342 greater than \$234,000 	Senior-Assisted Living	<ul style="list-style-type: none"> • 196 additional units

CITY OF SHEBOYGAN
 Item 17.
Affordable Housing Market Study

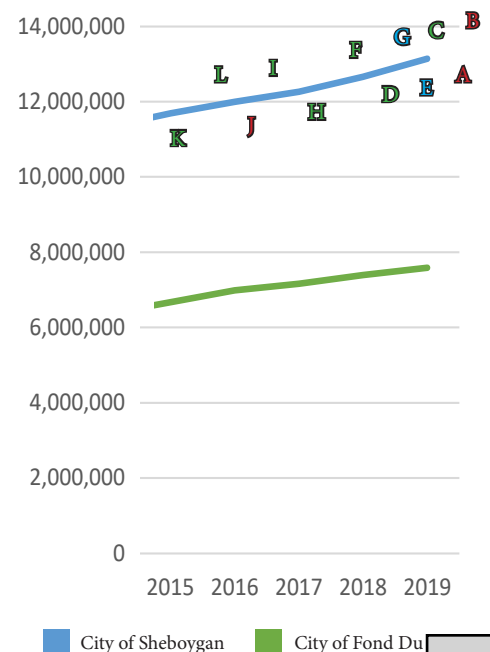
The City’s population is projected to decrease by 2% over the next 10 years, however, population in the region is projected to grow and employers are anticipating continued hiring. At the same time, there is a demonstrated need for affordable and market rate housing in the City. Currently, 50% of existing rental

units are considered affordable for a hypothetical household earning the median income in Sheboygan (\$31,589). The creation of new apartment units has varied from between 70 and 100 per year from 2015 to 2017, to none in 2018 and then 232 in 2019. Approximately half of the units built in 2019 were affordable, Section 42-funded units with the remainder at market rate. A healthy rental unit vacancy rate is between 5% and 7% which provides an appropriate balance between supply and demand. Despite the addition of almost 1,000 units constructed since 2015, the vacancy rate for the City of Sheboygan sits at 3.3% indicating a lack in rental units within the City. It is projected that the City will need an additional 401-1,023 rental units by 2030 in varying price ranges. In addition to rental units, the City will also require an additional 325-715 owner-occupied units, 196 senior assisted living units, and 1,289 senior independent living units.

The study found that the average cost to construct a single one-bedroom unit was \$130,000, requiring rent of \$1,300 per month solely to recoup the investment. In order to realize monthly rents between \$500-\$700, as residents often request, the significant gap between the rent collected and the costs incurred must be filled by other funding mechanisms. The study highlighted several recommendations in order to help with Sheboygan’s housing needs including establishing a Housing Committee, addressing funding challenges, purchasing and marketing redevelopment sites, and forming working groups with employers.

Gross Domestic Product (GDP) VS Residential Development

Project	Approx. Value	Units
A Badger State Lofts	\$30,500,000	118
B The Oscar	\$47,000,000	240
C Kingsbury Village	\$6,000,000	33
D 7Penn Apartments	\$13,000,000	66
E South Pier Riverfront Condominiums	\$6,100,000	21
F The Luxe Apartments	\$8,000,000	48
G Water’s Edge Condominium Complex	\$7,000,000	32
H Encore Apartments	\$10,100,000	81
I HighPointe Apartments	\$15,700,000	91
J Washington School Apartments	\$3,000,000	43
K Meadowland Apartments	\$4,500,000	88
L Portscape Apartments	\$11,000,000	88
Total	\$161,900,000	949



Affordable (401 Units) Market Rate (495 Units)
 Condominium (36 Units)

CONTINUED FOCUS ON HOUSING OPTIONS

Project	Approx. Value	Units	Type
Badger State Lofts	\$30,500,000	118	Affordable - Section 42
The Oscar	\$47,000,000	248	Market Rate
Kingsbury Village	\$6,000,000	33	Market Rate

Oscar Development

The Oscar Development is a 240-unit multi-family development consisting of three stand-alone buildings, each housing 80 units. There is also a 6,690 square foot community building that includes gathering areas, a kitchenette, and a pet grooming spa, among other amenities.

In many instances, an apartment building is built as a standalone development with little connection to its surroundings. The vision for the Oscar has been to develop a neighborhood that just happens to be populated by renters. The plan includes sidewalks that extend beyond the buildings, connecting to the surrounding neighborhoods and Kwik Trip. A pocket park will occupy the northeast corner of the site with access to the new bike trail that will soon run along the eastern edge of the property. The plan envisions a playground, picnic tables, grills and the construction of a new pavilion which will incorporate elements salvaged from the existing garage building.



The Oscar

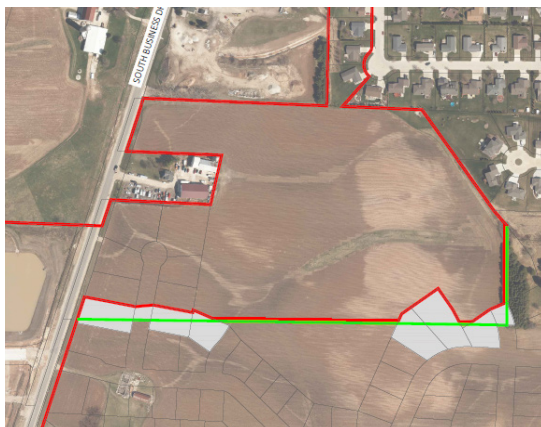


Kingsbury Village

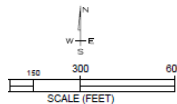


Badger State Lofts

TAX INCREMENTAL DISTRICT (TID) UPDATE



LEGEND
 NEW TID 18 BOUNDARY
 PREVIOUS TID 18 BOUNDARY
 PARCELS TO BE SUBTRACTED FROM TID 18



TID 18 Boundary Amendment

Tax Incremental District No. 18 is an Industrial District created on January 1, 2018 to promote industrial development in Sheboygan County. The City amended the boundary to remove specified parcels from the District in order to align the TID boundary with the current Stonebrook Crossing Addition No. 1 final subdivision plat. The original TID boundary followed existing parcel lines and when the subdivision plat was completed the boundary split parcels making it difficult for the city assessor. Therefore, the City removed six parcels to follow the phase 1 subdivision plat.

The City is required to maintain whole parcels within the boundaries of the tax increment district. The boundary amendment ensured the City complied with this requirement and allowed the City to implement the development envisioned in the original project plan.

ECONOMIC DEVELOPMENT

Closing of the Section 108 Loan for the Senior Community Center

Like many communities, Sheboygan expects the number of senior residents, and their needs, to grow substantially in the coming years. In early 2020, the City of Sheboygan and the Friends of the Senior Activity Center released a Request for Proposals seeking interested consultants to assist with determining how



enhanced senior services could help meet the growing needs of Sheboygan’s seniors. Through a number of focus groups, surveys, and interviews it was determined that, in order to meet future programming requirements, the senior center will require approximately 30,000 square feet of programming space. The former senior center, housed in an old school, had less than half the recommended space at 14,000 square feet. With the Common Council’s support, the City made an offer to purchase the former Save-A-Lot grocery store. Located just outside of downtown in a struggling commercial district and low to moderate income neighborhood, the community center’s home will assist the City in realizing the neighborhood revitalization goals outlined in the current Consolidated Plan.

In order to finance this project, the City of Sheboygan requested loan guarantee assistance under Section 108 of the Housing and Community Development Act of 1974. The Section 108 Program is an important public investment tool providing communities with federally-guaranteed loans enabling them to utilize a small portion of their CDBG funds for larger projects with a significant impact. The request was approved in the principal amount of \$3,200,000 plus interest for the Senior Community Center project at 1817 North 8th Street in Sheboygan’s Historic Grant Neighborhood. Of the \$3,200,000 approved, \$500,000 will be used to reimburse the City for the purchase price of the land acquisition and \$2,700,000 will be used for renovations of the building.



COMMERCIAL DEVELOPMENTS

Watershed Hotel Development

Watershed Development, LLC is constructing the Watershed Hotel at the northwest intersection of Niagara Avenue and N. 15th Street along the Sheboygan River just to the north of the River’s Edge Condominiums. The hotel will be a two-story, 9,600 square foot hotel consisting of 25 guest rooms, a small event space, and an outdoor pavilion that can accommodate 150 guests. It is anticipated that the hotel development will produce an investment value of approximately \$3.6 million.

Selected for its proximity to the Sheboygan River, the views of Kiwanis Park, and the close proximity to downtown Sheboygan, developing an old, vacant riverfront industrial site into a 25-room boutique hotel will be a good use of this property improving the vacant site, filling a need for quality hotel accommodations, and adding to the commercial quality of the surrounding properties.

ECONOMIC DEVELOPMENT

COMMERCIAL DEVELOPMENTS



Shopko Redevelopment

The Redevelopment Authority has entered into a loan agreement with NS Retail Holdings, LLC to loan the sum of \$375,000 for the redevelopment of the former Shopko site at 518 S Taylor Dr. This loan will cover working capital and soft costs, so as to allow for the creation of fifteen new permanent full-time equivalent positions, at least 51% of which are filled by persons from low to moderate income households, over the course of two years. The City will also be contributing \$325,000 towards the project.

The 98,000 square foot former Shopko facility has been vacant since May 2019. The new proposed re-development is to convert the existing one tenant facility into a three-tenant facility. Hobby Lobby will utilize approximately 61,000 square feet. Ross Dress for Less will occupy approximately 25,200 square feet. A third 12,300 square foot tenant space will be located at the southwest corner of the facility.

Popup Shop Winner - Six Turtles Boutique

The City of Sheboygan received eight applications for the 2021 Popup Shop Initiative which offers low-rate, short-term leases to entrepreneurs. Three finalists were selected by a review committee. Of the three finalists, Six Turtles Boutique was selected as the winner of the 2021 Popup Shop Initiative.

Six Turtles Boutique opened at 833 Pennsylvania Ave, Suite #102, in downtown Sheboygan, on October 15th, 2021. The store is an extension of Shop Lauren and Mike, an online boutique, owned by Sheboygan residents, Lauren & Mike Ries. They carry women’s clothing in all sizes ranging from small to 3X, as well as accessories, home goods, gourmet food, and other small gifts.

Excited to give back to the community that helped launch their brick and mortar location, the boutique launched monthly community nights in November, offering an opportunity to support local individuals and organizations in need. “Through our online community we’ve been able to raise funds for organizations and individuals in need. We’re looking forward to doing the same thing here in Sheboygan”, said Lauren.

Six Turtles Boutique was also the recipient of the Mainstreet Bounceback Grant sponsored by the Wisconsin Economic Development Corporation (WEDC) which provides financial support to businesses that move into existing vacant commercial properties. The popup shop initiative is a collaboration of the City of Sheboygan, Sheboygan County Economic Development Corporation and the Harbor Centre Business Improvement District.

six turtles boutique

By: **LAUREN & MIKE**



Planning and Development COMMUNITY DEVELOPMENT BLOCK GRANT

Item 17.

Each year, the Department of City Development receives Community Development Block Grant (CDBG) funds from the U.S. Department of Housing and Urban Development (HUD). The City can grant up to 15% of its total allocation to public service agencies to support programming and offset administrative expenses. The department can also utilize up to 20% to reduce the cost of administering this complex federal program. In 2021, remaining CDBG funds were used for housing services and public facility improvements, including the reconstruction of Georgia Avenue. In 2022, CDBG funds are slated to reconstruct the Uptown Social (formerly known as the Senior Activity Center) parking lot and complete streetscaping improvements along the North 8th Street corridor adjacent to Uptown Social and the Habitat for Humanity Restore.

Community Development Block Grant Funding Distribution	Amount	Source
Partners for Community Development	\$25,000	CDBG 2021
Salvation Army	\$38,595	CDBG 2021
Sheboygan County Interfaith Organization	\$10,000	CDBG 2021
Shoreline Metro	\$42,493	CDBG 2021
Family Service Association	\$15,438	CDBG 2021
Family Connections	\$4,894	CDBG 2021
Lakeshore CAP	\$14,859	CDBG 2021
Big Brothers/Big Sisters of Sheboygan County	\$11,719	CDBG 2021
Georgia Avenue Reconstruction	\$350,000	CDBG 2021
Senior Center Streetscaping/ Parking Lot Improvements	\$76,141	CDBG 2021
Program Administration	\$171,713	CDBG 2021
Section 108 Payment	\$160,000	CDBG 2021
Habitat for Humanity	\$60,000	CDBG-CV2
Lakeshore Community Health Center	\$60,000	CDBG-CV2
Mental Health America	\$54,979	CDBG-CV2
Salvation Army	\$50,000	CDBG-CV2
Lakeshore CAP	\$231,000	CDBG-CV2
In Partnership with Lakeshore CAP	\$100,000	CDBG-CV3



Neighborhoodly Software Launch

The City of Sheboygan's Department of Planning and Development, together with the Finance Department, implemented a new software program, Neighborhoodly, that promises to make the application process for its federally-funded loan programs more user friendly. Neighborhoodly Software is a purpose-driven company providing cloud-based software solutions to improve the administrative efficiency and regulatory compliance of

Housing, Economic and Community Development programs. Beginning April 26, 2021, low- to moderate-income City residents could begin using the new on-line portal to apply for assistance through the Housing Rehabilitation Loan Program. The Neighborhoodly Software platform is accepting applications for other federally-funded programs such as the City's Business Development Loan Program and Public Service program. The Housing Rehabilitation Loan Program provides funds to income-qualified homeowners for a variety of exterior improvements including windows, doors, siding, porch replacement, concrete driveway/pad, and roof replacement.

Planning and Development AMERICAN RESCUE PLAN ACT

American Rescue Plan Act Administration

In March 2021, the American Rescue Plan Act (ARPA) was passed into law by the Federal Government and provided \$65 billion in recovery funds for cities across the country. ARPA funds are intended to provide support to state, local, and tribal governments in responding to the impact of COVID-19. The City of Sheboygan was allocated \$22.4 million and in the first portion received \$11,003,103.



In October 2021, the Common Council approved a resolution expressing its intent to allocate the funds as follows:

Clean Water: Centralized wastewater collection and conveyance	
– Southside Interceptor Sanitary Sewer Project.....	\$9,950,000
Drinking Water: Source – Raw Water Intake Project.....	\$9,550,000
Aid to Tourism, Travel and Hospitality.....	\$563,489
Housing Support: Affordable Housing.....	\$2,076,511
Small Business Economic Assistance	\$160,000
Administrative Expenses.....	\$100,000

The Department of City Development is administering the funds on behalf the City of Sheboygan including tracking expenditures, completing required reporting, and managing programs funded by this act.

Development on the City’s Title VI Plan under the American Rescue Plan

The City of Sheboygan is committed to providing equal opportunities to all employees, applicants, residents, customers, and persons doing business with the City, and will ensure that people may participate in, enjoy the benefits of, and be free from discrimination under any program, activity, or service it administers without regard to any protected status.

Title VI of the Civil Rights Act of 1964 (Title VI) is a federal law which provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from, denied the benefits of, or subjected to discrimination under any program or activity receiving Federal financial assistance.

The City is committed to complying with the Title VI requirements for all programs, activities, and services delivered to the public. This Title VI Program serves as a guide and reflection of the City’s commitment to preserving the civil rights of all individual and group beneficiaries of City programs and services.

The City’s Title VI Coordinator, the City Administrator, is responsible for the overall Title VI Program. The Title VI Coordinator provides guidance and technical assistance on Title VI matters and has overall program responsibility for preparing reports and developing program procedures. The Department of the City Development, the City Attorney’s office and the City Administrator’s office worked collaboratively to develop the City’s Title VI plan in compliance with the American Rescue Plan Act of 2021.



Photo courtesy of Ruth Harker

ARPA Grant Application Requests

Though the City has already been awarded numerous funds through the American Rescue Plan Act, there are additional grants available through various state and federal programs that could help push some of the City's most needed projects forward.

The State of Wisconsin Neighborhood Investment Grant is one such funding opportunity. Shovel ready projects capable of meeting a December 31st, 2024 completion deadline were eligible to apply, with preference given to those within, or adjacent to, qualified census tracts. Three individual projects, the Commonwealth Affordable Housing Project, Partners for Community Development Affordable Housing Project, and Improvements at Kiwanis Park were submitted for a total request of \$15 million.

The City was also the co-applicant for two additional submissions with Visit Sheboygan; the State of Wisconsin Tourism Capital Grant and a Federal Economic Development Administration Grant, each in the amount of \$1.7 million. Both would be used to fund the Visit Sheboygan STEAM center on the City-owned property at the Visitor Center. Should either grant be awarded, the plan would be to move forward with construction in mid-2022.

In addition to the grant applications submitted by the City, the Sheboygan County Economic Development Corporation, along with United Way of Sheboygan County and Lakeland University, submitted a \$10 million application that includes the following:

- \$4.8 million for Workforce Housing (SCEDC)
- \$4.3 million for child care center (United Way)
- \$220,000 for Diversity, Equality and Inclusion Skills Programming (United Way and SCEDC)
- \$680,000 for the Co-op Program (Lakeland)

Each of these grants would provide resources and amenities vital to Sheboygan residents. The Department continues working to identify and pursue relevant funding opportunities.

Planning and Development INTERAGENCY COOPERATION

Shipwrecks!

In February of 2021 the Department of City Development sponsored *Shipwrecks!* on PBS Wisconsin by supporting Friends of PBS Wisconsin with a one-time gift of \$10,000. In consideration of the City's donation, PBS began broadcasting 15-second commercials on each of its Midwest stations in March of 2021. The



23 promotional spots highlight the City's exceptional employment opportunities and first-class tourism.

Shipwrecks!, a 60-minute documentary, premiered on PBS Wisconsin on November 30th, 2021 and takes a dive into the Great Lakes to explore these nautical museums lying submerged beneath the waves, including several wrecks off Sheboygan's shore. Sheboygan is excited to be using this platform to market the City and encourage families to relocate here.



Alliant Energy Solar Farm

Alliant Energy and the City of Sheboygan have reached an agreement to install a 1-megawatt (MW) solar facility in the Sheboygan Business Center. By adding the customer hosted solar facility, the City of Sheboygan will gain steady revenue in the form of leased land payments for the next 25 years. Renewable energy is expected to attract new businesses to the area, especially companies looking to achieve their environmental, social, and corporate governance (ESG) goals.

This unique partnership provides an opportunity for Alliant Energy and the City of Sheboygan to create a clean energy future. The solar facility is expected to be operational by March 2022. According to Alliant Energy, the Customer Hosted Renewables Program enables customers with extra land to host solar facilities and receive annual lease payments. It is part of the company’s Clean Energy Vision, advancing toward the aspirational goal to attain net-zero carbon dioxide emissions from the electricity it generates by 2050.

Bird Scooters

In April of 2021 the Common Council adopted an ordinance allowing electric scooters to be used on City streets. In May, Bird Rides Inc. deployed 50 rentable electric scooters into the City and by the end of the summer 100 scooters were available. The scooters, which may be used on City streets of no more than 25mph, can be rented through an app and then left at the rider’s destination for other riders to use.

In Bird’s first summer in Sheboygan there were 523 active commuters who took 30,418 rides totaling 55,941 miles traveled. These scooters have proven to be popular in their first season here and are a more environmentally friendly alternative to traditional modes of transportation.



Jingle & Mingle

In partnership with Visit Sheboygan and Shoreline Metro, City Development hosted the first annual Jingle & Mingle holiday event at the City Green on December 4th. From noon to 6pm, this free event brought trolley rides, a vendor marketplace, kids activity area, and entertainment to Sheboygan’s downtown. Even Santa and his elves stopped for a visit.



Event attendees were invited to enter an ugly Christmas sweater fashion show, an entertaining contest judged by the audience. A s’more station offered a great place to warm up while enjoying a tasty snack, and crafts and face-painting at the children’s activity station kept the youngest attendees entertained. Participants were invited to sit back and enjoy the sounds of the season including traditional Renaissance pieces from the Kohler Madrigals and holiday classics from Laine, Caleb Klinzing and the É Glee Club. The Jingle & Mingle was the first winter event to be held at City Green, and the City hopes the event’s success will encourage other organizations to consider hosting future winter events in the space.

Planning and Development NEIGHBORHOOD REVITALIZATION



Rock the Block 2021

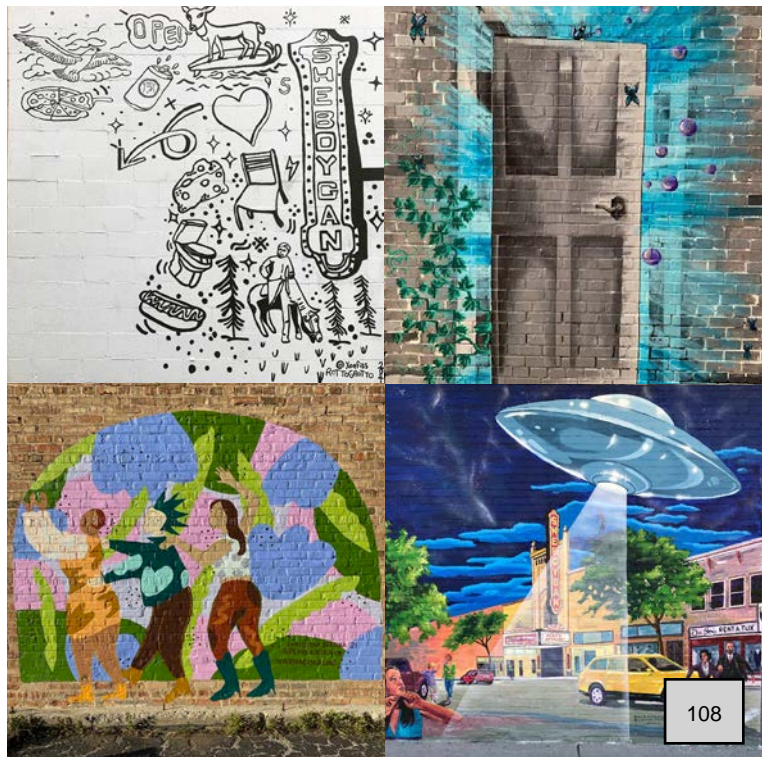
Habitat for Humanity Lakeside invited community members to join in its annual neighborhood revitalization program, Rock the Block, on September 16th, 18th, and 19th, 2021. This event brought together several community partners including the City of Sheboygan, the Sheboygan Fire Department, the Sheboygan Police Department, and the IBEW Local 494, along with local businesses, neighbors, and friends in a

concentrated effort to improve quality of life in a designated neighborhood. Through Rock the Block, Habitat provides affordable financing for exterior home repairs and community projects by engaging donors and mobilizing volunteers to have a positive impact in a focused area.

This year's efforts were focused on the Franklin Park neighborhood on Sheboygan's south side. Rock the Block was made possible by the many event volunteers and the generosity of Lowe's Home Improvement, Lead Sponsor; Associate Event Sponsors Alliant Energy, the City of Sheboygan, and the International Brotherhood of Electrical Workers Union Local 494; and several other donors.

Downtown Interactive Murals

In an initiative from the Department of City Development, during the summer of 2021 four new interactive murals were installed in Sheboygan's downtown. An interactive mural is a large-scale public painting that pedestrians can "interact" with in some way. Public Art has been a focus of the City of Sheboygan for several years, as evidenced by the JMKAC's "Sheboygan Project" and other recent public art installations in Downtown Sheboygan. The murals fit directly with the Art, Culture and Food theme the City is seeking for Downtown Sheboygan. The four murals were installed on DuBois Formalwear by Dale Knaak, Peabody's Pizza by Christina Thomas, and two on Nikki's Nex 2 New; one on the south wall by Danielle Dyksterhouse and one on the north wall by Xoe Fiss and Becca Kacanda. These murals will be landmarks beckoning visitors and locals alike to come to Sheboygan's downtown.





Division Profile:

Item 17.

BUILDING INSPECTION

The Building Inspection Division is dedicated to maintaining public safety in the construction environments throughout the City. To achieve this goal, the division develops and promotes uniform building codes, provides oversight through contractor licensing and building permits, and instructs contractors and homeowners on best practices.

Permitting

The Building Inspection Division's service window is open weekdays from 8am to 5pm. In addition to granting building permits and

contractor licenses, the Division's knowledgeable staff is available to answer questions regarding the permit application, zoning, building codes, required licensing and other construction-related concerns.

Coordination

The Building Inspection Division works closely with Planning and Zoning, Engineering, Utilities, Streets, Police, and Fire/Rescue during final inspections phase of a project, including final inspection and throughout criminal and fire investigations.

Enforcement

In order to ensure all construction within the City is code-compliant and meets State requirements, the Building Inspection Division has adopted all Wisconsin Department of Professional and Safety Services codes and standards including Building; Mechanical; Plumbing; and National Electric Code (NEC). In addition to the above, the International Property Maintenance Code provides the City's framework for property maintenance code enforcement.

Building Inspection Permits	2021 Issued	Total Fees Collected	2020	2019	2018	2017
Building	2188	\$416,160	2164 - \$505,307	1965 - \$578,249	1987 - \$402,912	2126 - \$395,216
Electrical	552	\$132,030	531 - \$195,350	444 - \$169,970	318 - \$243,815	338 - \$156,050
HVAC	562	\$151,485	499 - \$125,000	551 - \$227,500	526 - \$129,260	540 - \$153,045
Plumbing	459	\$80,480	336 - \$70,580	328 - \$89,680	436 - \$83,220	360 - \$79,400
Wrecking/Razing	20	\$3,028	22 - \$2,798	22 - \$4,062	21 - \$2,950	29 - \$4,799
Signs	73	\$8,519	69 - \$6,470	69 - \$9,308	74 - \$10,149	80 - \$10,653
Commercial Occupancy	32	\$8,250	24 - \$6,000	44 - \$11,000	32 - \$8,000	24 - \$5,100
Park Impact Fees	NA	\$47,808	\$111,908	\$144,224	\$9,846	\$72,751
Other Revenues	NA	\$18,944	\$143,961	\$65,840	\$14,032	\$225,790
Totals	3,886	\$866,704	3,645 - \$1,167,374	3,423 - \$1,299,833	3,394 - \$904,184	3,497 - \$1,102,804

Building Inspection Licensing	2021 Issued	Total Fees Collected	2020	2019	2018	2017
Weights and Measures	547	\$41,365	73 - \$30,946	76 - \$29,583	88 - \$29,435	99 - \$31,623
Contractor Licensing	803	\$88,323	291 - \$50,250	509 - \$78,415	79 - \$66,430	369 - \$78,415
Totals	1,350	\$129,688	364 - \$81,196	585 - \$107,998	167 - \$95,865	468 - \$110,038

Total Permits and Licensing	5,236	\$996,392	4,009 - \$1,248,570	4,008 - \$1,407,833	3,561 - \$1,000,049	3,961 - \$1,211,122
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Building Inspection PERMITTING

Building Inspection Division Commissions, and Committees

The Building Inspection Division staffs the Board of Zoning Appeals and the Board of License Examiners. Building Inspection staff coordinates meetings and provides these committees with professional reports and recommendations.

MUNIS Upgrade

The City of Sheboygan utilizes Munis, a completely integrated ERP (Enterprise Resource Planning) software system. Used daily by the Building Inspection Division, the platform provides streamlined management of the building permit application process and inspection reports. With support for its current version of the software ending in 2021, the City undertook an ambitious system update in early March of 2021. The update resulted in a more user-friendly, streamlined process, and provided integration with the Munis module by Code Enforcement.



The Building Inspection Division provides:

- Building inspection services
- Electrical inspection services
- Heating inspection services
- Plumbing inspection services
- Clearwater inspections
- Weights and Measures
- Residential and Commercial plan review
- Code enforcement
- Landlord/tenant concerns
- Contractor Licensing
- Occupancy inspections

Residential Housing Construction 2017-2021

Year	Housing Type	Number of Units	Percentage	Number of Buildings
2017	Single	10	5%	10
	Duplex	36	20%	18
	Multi - Apartment	91	75%	1
	Multi - Condominium	0	0%	0
		<u>137</u>	<u>100%</u>	<u>29</u>
2018	Single	6	56%	10
	Duplex	2	44%	4
	Multi - Apartment	0	0%	0
	Multi - Condominium	10	0%	0
		<u>18</u>	<u>100%</u>	<u>14</u>
2019	Single	5	2%	5
	Duplex	2	1%	1
	Multi - Apartment	232	89%	3
	Multi - Condominium	21	8%	1
		<u>260</u>	<u>100%</u>	<u>10</u>
2020	Single	3	2%	3
	Duplex	32	16%	16
	Multi - Apartment	160	82%	2
	Multi - Condominium	0	0%	0
		<u>195</u>	<u>100%</u>	<u>21</u>
2021	Single	7	8%	7
	Duplex	4	4%	2
	Multi - Apartment	80	88%	1
	Multi - Condominium	0	0%	0
		<u>91</u>	<u>100%</u>	<u>10</u>

Building Inspection CODE ENFORCEMENT

2021 Code and Nuisance Orders

A vital component of the City's neighborhood revitalization efforts, the Department of City Development employs two part-time Code Enforcement Officers. Responsible for issuing code violations and nuisance orders, and then working diligently to obtain compliance, the Code Enforcement Officers improve the condition of Sheboygan's neighborhoods and protect the integrity of housing stock within the City. Orders can stem from neighbor complaints or from the Officer's own observations.

In 2021, the Code Enforcement Officers spent time in every Sheboygan neighborhood and issued orders throughout the City. While many orders are rectified and complied with upon the first issuance of a letter, many cases require diligent follow-up, a significant portion of our Code Enforcement Officer's work.



Item 17.

Nuisance Complaint Statistics

Total Number of Orders: 367
Sanitation Orders: 249
Zoning Orders: 29
Off Street Parking Orders: 89
Nuisance Citations Issued: 108

Housing Complaint Statistics

Inspections with Violations: 275
Violations Corrected: 961
Housing Citations Issued: 326

Interdepartmental Focus on Neighborhood Issues

The Code Enforcement Officers work closely with police officers, City attorneys, and the Department of Public Works employees to follow up on issues observed in our neighborhoods which require coordination and enforcement efforts beyond the capacity of the Building Inspection Division. Through this interdepartmental cooperation, Sheboygan has made significant strides in cleaning up our neighborhoods and setting a higher standard for property maintenance throughout the City.



Building Inspection CODE ENFORCEMENT

MUNIS Code Enforcement Implementation

The City of Sheboygan Building Inspection Department with guidance from Baecore Group consultants implemented the Munis® Code Enforcement module in August 2021. The Code Enforcement Module is part of the Munis® software solutions offered by Tyler Technologies who is “Helping government and schools by creating safer, smarter communities via industry-leading technology”. Munis® Code Enforcement is designed to manage daily inspections and activities related to property code enforcement violations. The module tracks complaints and violations related to a property, manages pre-established enforcement steps by violation type, and assists in sending out violation notices. The Code Enforcement module integrates with other Munis® modules including but not limited to Permitting, Inspections, Property and Contractor.



Landlord Training Program

The City of Sheboygan runs an annual Landlord Training Program for area landlords to become more familiar with current landlord/tenant laws, police procedures, tenant screening, and property maintenance. In 2021 the Department of City Development held two landlord training sessions, one in the spring and one in the fall. The fall session was

offered during the day in hopes of reaching the landlords that work second or third shift. Both sessions were a success with a total of 25 existing and potential landlords attending. Due to its success in 2021, the Department of City Development is planning on hosting two sessions again in 2022.

CITY DEVELOPMENT



From left to right: Chad Pelishek - Director of Planning and Development, Abby Block - Grant Coordinator, Janet Duellman - Community Development Planner, Bill Borzyskowski - Code Enforcement Officer (North Side), Jeffrey Lutzke - Building Inspector (North Side), Ellise Rose - Program Assistant, Linnae Wierus - Building Inspection Specialist, Joseph Folger - Electrical Inspector, Gary Van Auken - Licensing Specialist, Dave Anderson - Code Enforcement Officer (South Side), Steve Sokolowski - Manager of Planning & Zoning, Scott Winter - Plumbing Inspector, Pat Eirch - Building Inspector (South Side), John Ader - Permit Clerk

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