

**CITY OF TWO RIVERS
BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE
.AND
COMMUNITY DEVELOPMENT AUTHORITY
Tuesday, August 27, 2024, 5:00 PM
3rd Floor City Council Chamber – City Hall**

Call to Order

The meeting was called to order by BIDC and CDA Chair Greg Coenen at 5:15 PM.

Roll Call

BIDC members present were Betty Bittner, Greg Coenen, David Kalista, Keith Lyons. BIDC members absent and excused: Dan Wettstein, Tom Christensen, Shannon Derby and Scott Steckmesser. It was noted that there was not a quorum of the BIDC present. Mr. Buckley stated that Scott Steckmesser was on route to the meeting, and upon his arrival there would be a quorum for the BIDC; he also noted that there were no action items for the BIDC on this agenda.

CDA members present were Betty Bittner, Greg Coenen, David Kalista and Keith Lyons. CDA members absent and excused: Tracey Koach, Shannon Derby and Scott Stechmesser. It was noted that there was a quorum of the 7-member CDA in attendance.

Others present were Gregory Buckley, City Manager, Ty Hove of Rush Logistics and Mark Liska, owner of Lot 16 Block 2 in the Sandy Bay Highlands Subdivision.

CDA Action Item: Consider Proposal for Sale of 2.5 Acre Parcel at the Woodland Industrial Park to Driver Solutions, LLC (DBA Rush Logistics) for Construction of a New 6,000 SF Facility

Mr. Buckley introduced Ty Hove, Chief Financial Officer for the company, who provided a brief history and overview of Rush Logistics. He described the company's plans to construct this new facility and relocate to the Woodland Industrial Park in 2025. Per Mr Hove's comments, Rush Logistics currently has 15 full-time employees and 20-plus part-time employees, based in leased quarters in Manitowoc. The planned new facility will represent an investment of \$650,000 to \$750,000 and will be constructed by ACE Building Services of Manitowoc.

Mr. Buckley distributed a copy of the draft certified survey map depicting the lot split that would create the parcel in question, to be located with frontage on Brown's Drive just south of the property owned by Brown's of Two Rivers.

Following discussion, Ms. Bittner moved, supported by Mr. Lyons, to authorize the preparation and execution of a purchase agreement for sale of the property, at a cost of \$27,500, representing a price of \$11,000 per acre for 2.5 acres, subject to:

--The CDA's waiver of the industrial park protective covenant requiring construction of a minimum of 2,500 SF of building per acre of land, to allow construction of a 6,000 SF building where those covenants would otherwise require a minimum of 6,250 SF;

--All other industrial park covenants to apply, including site and architectural review and approval requirements; and

--Reservation by the City of a 25 foot-wide utility easement running east-west across the subject parcel, as depicted on the draft certified survey map.

Scott Steckmesser arrived at this point in the meeting (5:25 PM), resulting in a quorum (5 of 9 members present) for the BIDC and increasing attendance for the 7-member CDA to 5 members.

The motion was approved by voice vote, without dissent.

CDA Action Item: Consider Property Owner Request Related to CDA's Exercise of Repurchase Rights Under Sandy Bay Highlands Subdivision Phase 2 Protective Covenants (Lot 16, Block 2)

Mr. Buckley welcomed Mark Liska, the owner of Lot 16, Block 2, and invited him to join the committees at the table. Mr. Buckley went on to note that Mr Liska and his wife had purchased this property in August 2020 and have not yet constructed anything on the property. At the direction of the CDA, the Community Development Director sent a letter to Mr. and Mrs. Liska in April 2024, stating that the CDA would proceed with the process of repurchasing the property for its original sale price, per the protective covenants, if home building plans were not approved and a building permit issued by September 1, 2024. (Note: the referenced provision of the covenants allows the CDA to repurchase a lot if the owner does not obtain a building permit and commence construction within 24 months following purchase of the lot.)

Mr. Liska addressed the CDA, stating that he and his wife have invested in house plans, but have not been able to get a surveyor lined up for a final survey of the lot, needed for his final plans and building permit, prior to the September 1 deadline. He requested a one-month extension of that deadline.

Following discussion, Mr. Lyons moved, supported by Mr. Kalista, to authorize a 30-day extension, to October 1, 2024, of the deadline for approval of building plans and issuance of a building permit, provided that Mr. Liska enter into an agreement with the CDA that further provides that a new house must be constructed on the lot, with the exterior of the building to be fully completed in accordance with the approved plans, including paved driveway completion, not later than October 1, 2025. Provided further that failure to comply with that completion deadline would trigger a requirement for a \$10,000 payment by Mr. Liska to the CDA. Mr. Liska indicated that he could agree to such terms for the requested extension.

The motion was approved by voice vote, without dissent.

CDA Action Item: Adopt Covenants for Sandy Bay Highlands Subdivision No. 3 and No. 4

Mr. Buckley indicated that he wished to defer this item to a future meeting, after the anticipated conveyance of these properties from the City to the CDA. That will occur after final State approval of the subdivision plat and the recording of that plat with the Register of Deeds. There was no action taken.

CDA Action Item: Authorize Realtor Listing Agreement for Sandy Bay Highlands Subdivision No. 3 and No. 4

Mr. Buckley reported that he has recently had discussions with Amy Townsend of Berkshire Hathaway Starck Real Estate, listing realtor for the Phase 2 properties, regarding a listing contract for the Phase 3 and 4 properties. He stated that he would recommend such a contract, with a reduction of the commission percentage from the current 20 percent to 15 percent, and with an exclusion for any properties that might be repurchased by the CDA, under provisions of the covenants, after being sold.

He noted that Ms. Townsend and her office have done an outstanding job of marketing the lots in Phase 2 and that he advocated continuing to use that office. Further, with the upcoming Manitowoc County Homebuilders' Parade of Homes in mid-September to feature a custom home in the Sandy Bay Subdivision, he recommended having the realtor for Phases 3-4 designated in advance of that event.

In the discussion that followed, CDA members expressed the opinion that the CDA should again solicit proposals from area realtors before designating a realtor for Phases 3-4.

Mr. Kalista moved, supported by Ms. Bittner, to issue an RFP for realtor services in marketing and selling the Phase 3-4 lots, such proposals to be reviewed as soon as possible by the CDA. The motion was approved by voice vote, without dissent.

BIDC and CDA Informational Items

Mr. Buckley provided updates on the following:

--Pop-Start Restaurant Group, LLC project at 1033 22nd Street—Mr. Ulness of Pop-Start has provided an update, indicating that the closing date on the real estate has been extended to October 11, 2024, which should allow sufficient time to wrap up the environmental review and other remaining details associated with the SBA loan for this project. (Note: A \$63,000 City loan to assist this project was approved by the BIDC on August 13, 2024.)

--U.S. Bank downtown property. This branch bank will be closing in September; the City has been unable to get any more information from US Bank about plans for the property.

--Starbucks on Washington Street. Anticipates opening mid-October. Developer reports there has been discussion with the owner of Casa Mexico regarding aesthetic treatment of the exterior wall of the Casa Mexico building that was exposed by demolition of the building that stood on the Starbucks site.

Adjournment

Motion was made by Betty Bittner, supported by Scott Stechmesser, to adjourn the meeting at 5:50 PM. Motion carried by voice vote, without dissent.

Respectfully Submitted,



Greg Buckley
City Manager