



**TWO
RIVERS**
WISCONSIN

BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE - COMMUNITY DEVELOPMENT AUTHORITY MEETING

Friday, December 27, 2024 at 3:30 PM

Committee Room - City Hall, 3rd Floor 1717
E. Park Street, Two Rivers, WI 54241

AGENDA

1. CALL TO ORDER

2. ROLL CALL

BIDC Members: Thomas Christensen, Gregory Coenen, Elizabeth Bittner, Keith Lyons, Daniel Wettstein, David Kalista, Tracey Koach, Shannon Derby, Scott Stechmesser

CDA Members: Elizabeth Bittner, Gregory Coenen, Tracey Koach, David Kalista, Keith Lyons, Shannon Derby, Scott Stechmesser

3. APPROVAL OF MEETING MINUTES

A. August 26, 2024 Joint BIDC and CDA Regular Meeting

B. September 24, 2024 Joint BIDC and CDA Regular Meeting

C. November 26, 2024 Joint BIDC and CDA Regular Meeting

4. CDA ACTION ITEMS

A. Authorize Extension of Right of First Refusal Agreement Held by WG&R Bedding, Pertaining to 2 Acre Parcel at the Woodland Industrial Park

B. Authorize Release of Mortgage on Block 3, Lot 10 of Sandy Bay Highlands Subdivision No. 2, in Return for Payment of Deferred Purchase Price by Fresh Coast Construction, LLC (Spec House Constructed by Fresh Coast Construction, LLC is Being Sold, With Planned Closing Date of December 31, 2024)

5. INFORMATION ONLY

A. Closing on Sale of Industrial Park Parcel to Driver Solutions, LLC/Rush Logistics is Slated for December 30, 2024

B. Status of Sandy Bay Highlands Phase 3

C. Staff Updates on Local Economic Development Projects

6. NEXT REGULARLY SCHEDULED MEETING

Next Regular Meeting Date is January 27, 2024, 5:15 PM

7. ADJOURNMENT

In accordance with the requirements of Title II of the Americans with Disabilities Act (ADA), the City of Two Rivers will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the

ADA, please call the City Clerk's office at 920-793-5526 or email clerk@two-rivers.org at least 48 hours prior to the scheduled meeting or event to request an accommodation. For additional assistance, individuals with hearing or speech disabilities can call 711 and be connected to a telephone relay system.

It is possible that members of and possibly a quorum of governmental bodies of the municipality may be in attendance at the above stated meeting to gather information; no other action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

**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.

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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.

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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

**CITY OF TWO RIVERS
BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE
AND
COMMUNITY DEVELOPMENT AUTHORITY
Tuesday, September 24, 2024, 5:15 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 Greg Coenen, Shannon Derby, Tracey Koach, Keith Lyons, Scott Steckmesser and Dan Wettstein. BIDC members absent and excused: Betty Bittner, Dave Kalista, and Tom Christensen. It was noted that there was a quorum of the 9-member BIDC present.

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

Others present: Greg Buckley.

CDA Items: Matters Related to Phase 3 & 4, Sandy Bay Highlands Subdivision

- A. Information/Discussion Only: Manitowoc County Homebuilders Parade of Homes, Sept. 12-14
--The City Manager reported that signage for Phase 3 was installed in time for the Parade of Homes, which included a custom home by Jim Reif Builders at the corner of Lake Breeze Way and Orchard Lane. There was also a display with copies of the preliminary Phase 3 & 4 plat, in the garage of the tour home in question. Both Mr. Reif and realtor Amy Townsend, who had an open house at a spec house in the subdivision, reported a strong interest from several parties in Phase 3 lots.
- B. Information/Discussion Only: Status of Finalizing Subdivision Plat; Conveyance
--Mr. Buckley also reported on the status of the final plat for Phase 3, which has now been filed with the State of Wisconsin; the State has 30 days to review and approve. Once approved by the State, the City Manager will be requesting City Council approval for conveyance of the Phase 3 lots to the CDA, and the CDA will be in a position to set prices and list the lots with a realtor.
- C. Action Item: Status of Realtor Listing Agreement
Mr. Buckley noted that the CDA at its August regular meeting had directed that a realtor Request for Proposals be prepared for Phase 3. He added that such an RFP has not been finalized, and he would not propose seeking proposals until the CDA officially owns the property. He requested that the CDA, in the interest of addressing any interest in Phase 3 lots as expeditiously as possible, consider authorizing a listing contract with the current listing realtor for the subdivision, Amy Townsend of Berkshire Hathaway, once the CDA owns the lots and through at least 2024 year-end. He noted that he had discussed this proposal with CDA member Betty Bittner, who seconded the motion at the August meeting, and she supports such a contract.

Following discussion, Keith Lyons moved, supported by Tracey Koach, to authorize a listing contract for Phase 3 lots with Amy Townsend/Berkshire Hathaway, from the time the CDA takes ownership of the lots through December 31, 2024. The motion was approved by voice vote, without dissent.

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CDA Items: Matters Related to Land Uses at Columbus Industrial Park

- A. Information/Discussion Only: Alternative Uses for Corner Parcel at 18th and Hawthorne
 --Mr. Buckley reported that his office within the past three months had received inquiries from two different parties who were interested in possible commercial uses for this approximately 2-acre parcel. He further reported that he had discussed this interest with the City Council, which had concerns about the possible negative neighborhood impacts from such uses; there was, however, some interest in residential uses for this lot, which abuts other residential properties.

- B. Information/Discussion Only: Proposed City Use of Lot for Screened Material Storage and Processing—Discussed at a Prior Meeting
 --The City Manager reported that City Engineer Matt Heckenlaible will probably be at the October or November CDA meeting with a formal proposal for this proposed use—neighboring property owners would be informed of the meeting, so they have the opportunity to attend and present any questions or concerns.

BIDC and CDA Informational Items:

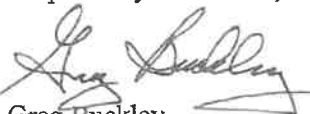
The City Manager provided updates on each of the following:

- Status of Pop-Start Restaurant Group Project at 1033 22nd Street
- Status of US Bank Washington Street Property
- Starbucks Planned Opening
- Woodland Industrial Park Lot Sale to Rush Logistics
- Other

Adjournment

Motion was made by Tracey Koach, supported by Dan Wettstein, to adjourn the meeting at 5:47 PM. Motion carried by voice vote, without dissent.

Respectfully Submitted,


 Greg Buckley
 City Manager

**CITY OF TWO RIVERS
BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE
AND
COMMUNITY DEVELOPMENT AUTHORITY
Tuesday, November 26, 2024, 5:15 PM
3rd Floor City Council Chamber – City Hall**

1. Call to Order

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

2. Roll Call

BIDC members present were Greg Coenen, Shannon Derby, David Kalista, Tracey Koach, Keith Lyons, Scott Stechmesser and Dan Wettstein. BIDC members absent and excused: Betty Bittner and Tom Christensen. Mr. Buckley noted that there was a quorum of the BIDC present (7 of 9 members).

CDA members present were Greg Coenen, David Kalista, Tracey Koach, Keith Lyons, Shannon Derby and Scott Stechmesser.. CDA members absent and excused: Betty Bittner. Mr. Buckley noted that there was a quorum of CDA present (6 of 7 members).

Others present were Gregory Buckley, City Manager, and Matt Heckenlaible, City Engineer/Public Works Director.

3. CDA Action Items Pertaining to Sandv Bay Highlands Subdivision Phase 3 (Note: CDA Actions on These Items Occurred in Different Order Than They Appeared on the Agenda)

- A. Conveyance of Phase 3 Home Sites from the City to the CDA. Mr. Buckley stated that, following review by the WI Department of Administration, and upon recommendation of the City Engineer and the Plan Commission, the City Council on November 18, 2024 gave final approval to the plat for Phase 3, and approved a resolution authorizing the conveyance of the 32 residential lots comprising Phase 3 to the CDA for marketing and sales.

Mr. Heckenlaible then reviewed the layout of the Phase 3 subdivision, including the 32 lots, the three outlots to be retained in City ownership, and the easement areas impacting some of the residential lots to be offered for sale. He also described work being done under the current contract for extending utility and street infrastructure into Phase 3, noting that such infrastructure will make 26 of the 32 lots in Phase 3 available for development in the Spring of 2025.

Mr. Buckley reviewed the draft pricing plan for the lots, noting that it was the City Council’s intention that pricing for the 26 lots generate approximately \$1,700,000, a sum sufficient to recover the principal cost of \$1,476,953 for infrastructure, plus an estimated \$204,408 for realtor commissions and estimated \$13,000 for title insurance and closing costs. He noted, and members Derby and Stechmesser affirmed, that the City Council expects such cost recovery to be pursued in lot pricing, and that no significant discounting of lot prices should be pursued without first consulting with the City Council.

Following discussion, Koach moved, supported by Lyons, for the CDA to accept the conveyance of the Phase 3 lots from the City. The motion was approved by unanimous voice vote.

- B. Consider Pricing Structure for Phase 3 Lots. Mr. Buckley noted that the prices for lots,

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as listed on the sheet distributed to committee members, reflected input from realtor Amy Townsend, as well as the revenue expectations identified by the City Council. Following discussion, Koach moved, supported by Derby, to approve the lot prices as presented. There was consensus that any incentives for spec home construction would need to be considered by the CDA on a case-by-case basis.

- C. Consider Listing Agreement for the Phase 3 Lots. Mr. Buckley distributed a list of “Key Points” of a proposed listing agreement for the Phase 3 lots with Amy Townsend of Berkshire Hathaway/Starck Real Estate. Chairman Coenen requested that the CDA vote first on whether to enter into a listing agreement with Ms. Townsend of Berkshire Hathaway/Starck Real Estate, then address the required exclusions to the listing and the commission/fee structure separately.

Lyons moved, supported by Koach, to authorize the City Manager to enter into a listing agreement with Berkshire Hathaway/Starck Real Estate for a period starting as soon as possible and ending on March 31, 2025 for the Phase 3 lots, with additional direction for the City Manager to issue a request for proposals for realtor services, to allow consideration of alternative realtor proposals by the CDA prior to the end of the identified listing period. The motion was approved by a unanimous voice vote.

Chairman Coenen asked for a separate motion on exclusions to the listing agreement. Koach moved, supported by Lyons, to specify that exclusions shall include offers from any licensed builders who intend to build spec homes, for lots priced at \$57,900 or \$62,900 that are addressed in purchase contracts signed by representatives of the CDA and the buyers not later than January 15, 2015. The motion was approved by a unanimous voice vote.

Chairman Coenen asked for a separate motion on the commission/fee structure to be included in the listing agreement. Stechmesser moved, supported by Koach, to approve a commission structure calling for payment of 9 percent to the listing realtor/6 percent to the buyer’s realtor, on split commissions and payment of 12 percent on sales where the listing realtor, Ms. Townsend, procures the buyer. In addition, an administrative fee of \$295 is to apply to all sales that go through the realtor. The motion was approved by a unanimous voice vote.

- D. Consider Protective Covenants to be Applicable to the Phase 3 Lots. Mr. Buckley and Mr. Heckenlaible reviewed a mark-up of the Phase 2 Covenants, modified to serve as covenants for Phase 3. They noted that, while the covenants generally provide for development of traditional single-family homes on all of the lots in Phase 3, there is language allowing the CDA the options of pursuing a residential Planned Unit Development to include Block 2, Lots 17, 18 and 19, located at the far northwest corner of the subdivision.

Following discussion, Lyons moved, supported by Koach, to approve the proposed Phase 3 Protective Covenants, subject to review by the City Attorney, and to authorize revisions by the City Attorney, subject to approval by the City Manager on behalf of the CDA, if such revisions are not considered substantive as to the nature of development allowed in the subdivision. The motion was approved by a unanimous voice vote.

BIDC and CDA
November 26, 2024
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4. Updates on Various Community Development Projects

The City Manager provided brief updates on the following projects:

- A. Sauve’s Auto Service Expansion Project
- B. Violet Inn Project
- C. Pop-Start Pizza Project
- D. Proposed Apartment Development at 3000 Forest Avenue
- E. Rush Logistics Project at Woodland Industrial Park
- F. Energy Storage Project at Woodland Industrial Park
- G. Other

5. Adjournment

Derby moved, supported by Stechmesser, to adjourn the meeting at 6:20 PM. The motion was approved by voice vote, without dissent.

Respectfully submitted,



Gregory E. Buckley
City Manager

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|---|----------------------|-----------------------|
| | | City Manager's Office |
| | | 26-Nov-24 |
| Sandy Bay Highlands Phase 3 Lot Pricing | | |
| # of Lots | Price Per Lot | Total |
| 7 | \$57,900 | \$ 405,300 |
| 5 | \$62,900 | \$ 314,500 |
| 4 | \$64,900 | \$ 259,600 |
| 5 | \$69,900 | \$ 349,500 |
| 5 | \$74,900 | \$ 374,500 |
| TOTAL 26 | | \$ 1,703,400 |
| Less: Infrastructure Cost (Principal) | | \$ 1,476,953 |
| Less: Real Estate Commission Avg. 12%) | | \$ 204,408 |
| Less: Title Ins. and Closing | | \$ 13,000 |
| Total Costs to be Recovered | | \$ 1,694,361 |
| Average Price Per Lot | \$ 65,515.38 | |
| Does not includes: | | |
| Cost of land | | |
| About \$220,000 in stormwater management features | | |
| Interest cost on borrowed funds | | |