

**AGENDA**  
**REDEVELOPMENT AUTHORITY FOR THE CITY OF SUPERIOR**  
**SUPERIOR, WISCONSIN**  
**Thursday, February 6, 2020**  
**12:00 p.m. – Government Center Room 201**

**ROLL CALL**


**APPROVAL OF MINUTES**            January 13, 2020

**NEW BUSINESS**

1. Resolution of the Redevelopment Authority of the City of Superior, Wisconsin, Approving a Second Amendment to Development Agreement with Superior Hotel Group, LLC
  - a. Form of Second Amendment to Development Agreement

**OTHER BUSINESS**

**ADJOURNMENT**



\_\_\_\_\_  
Jason Serck,  
Executive Director

Notice is hereby given that a majority of the members of the common council may be present at the meeting, and although this may constitute a quorum of the common council, the council will not take any action at this meeting.

In compliance with Wisconsin Open Meetings Law, this agenda was: Posted in Government Center, Mailed and Media Notified January 31, 2020.

**REDEVELOPMENT AUTHORITY FOR THE CITY OF SUPERIOR  
MEETING MINUTES  
Monday, January 13, 2020**

The Redevelopment Authority of the City of Superior meeting was called to order by Chair Mike McCoshen at 12:07 p.m. in the Government Center Room 204.

**ROLL CALL**

Members present: Mayor Paine, Doug Finn, Deb Emery, Mike McCoshen, Anne Porter, Jenny Van Sickle, Andy Merritt

Members excused:

Staff present: Jason Serck, Allison Johnson, Bob Toftey

Others present: Shelley Nelson

There being a quorum present, the meeting was in order.

**APPROVAL OF MINUTES**

**MOTION by Board Member Paine, seconded by Porter, and carried, to approve the minutes of September 11, 2019.**

**NEW BUSINESS**

1. Public Hearing
  - a. Resolution of the Redevelopment Authority of the City of Superior, Wisconsin Approving a Purchase Agreement with Hallett Dock No. 8, LLC
    - i. Draft Purchase Agreement

**Mike McCoshen voiced the need to abstain from the discussion and vote because of a conflict of interest. Vice-Chair Paine chaired the meeting. There being a quorum the meeting continued.**

Vice-Chair Paine opened the public hearing for consideration of the purchase agreement with Hallett Dock No. 8, LLC. No one spoke for or against the purchase and the public hearing was closed.

Executive Director Serck explained that Hallett Dock was recently sold and through that process they learned there is a small parcel owned by the Redevelopment Authority that restricts their access to their property and railroad switch. To ensure clear title and continued use of the area, the Redevelopment Authority is selling the parcel to Hallett Dock No. 8, LLC for \$30,000.

**MOTION by Board Member Finn, seconded by Van Sickle, and carried to approve the Resolution of the Redevelopment Authority of the City of Superior, Wisconsin Approving a Purchase Agreement with Hallett Dock No. 8, LLC**

2. Resolution of the Redevelopment Authority of the City of Superior, Wisconsin, Approving an Assignment, Assumption, Release and Consent Agreement with Genesis Attachments, LLC, B. Bacon Properties LLC and Silver Creek Holdings, LLC
  - i. Draft Assignment, Assumption, Release and Consent Agreement

Serck briefly explained the history of the property. It was built in 1997 and in 2004 there was a small expansion made with the help of the Redevelopment Authority. Genesis Attachments has been the operator since that time, but not the landowner. Genesis Attachments is now purchasing the land, as well as continuing operations. They have fulfilled all of their financial obligations to the Redevelopment Authority but there is one year left on the Development Agreement so that is the need for the Assignment, Assumption, Release and Consent Agreement.

**MOTION by Board Member Porter, seconded by Emery, and carried to approve the Resolution of the Redevelopment Authority of the City of Superior, Wisconsin, Approving an Assignment, Assumption, Release and Consent Agreement with Genesis Attachments, LLC, B. Bacon Properties LLC and Silver Creek Holdings, LLC**

#### OTHER BUSINESS

Serck requested the next meeting be scheduled for Monday, February 3, 2020 at Noon.

#### ADJOURNMENT

**The meeting adjourned at 12:17 p.m.**

Respectfully Submitted by:  
Allison Johnson  
Planning Technician

Commissioner \_\_\_\_\_ introduced the following resolution and moved its adoption:

**RESOLUTION OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF SUPERIOR, WISCONSIN, APPROVING A SECOND AMENDMENT TO DEVELOPMENT AGREEMENT WITH SUPERIOR HOTEL GROUP, LLC**

WHEREAS, Superior Hotel Group, LLC, a Wisconsin limited liability company (the “Company”) has proposed to purchase of real property described on Exhibit A hereto from the Redevelopment Authority of the City of Superior, Wisconsin (the “Authority”) and to construct an approximately 36,800 square foot hotel (to be a Cobblestone Hotel) with at least 60 rental rooms, a restaurant and related on-site parking (the “Project”) to be owned by the Company; and

WHEREAS, the Company and the Authority entered into a Development Agreement dated April 19, 2019 (the “Original Agreement”); and

WHEREAS, due to a delay in the design, permitting processes and financing, the construction of the Project has been delayed; and

WHEREAS, the Company and the Authority amended the Original Agreement to revise the schedule for the sale of the Development Property and constructing the Project as set forth in the Amendment to Development Agreement dated August 26, 2019 (the “First Amendment”); and

WHEREAS, due to unexpected soil conditions, the costs for the Site Improvements are \$200,000 in excess of the expected costs and the Company has indicated that it cannot proceed with the Project without an additional grant of \$200,000; and

WHEREAS, the Company and the Authority desire to amend the Original Agreement, as amended by the First Amendment, to provide for an additional \$200,000 grant referred to as the “Additional Soils Correction Grant”; to further revise the schedule for the sale of the Development Property and constructing the Project; and to modify the legal description to the Development Property to a certified survey map description; and

WHEREAS, the terms and conditions of the amendment to the Original Agreement, as amended, are set forth in the Second Amendment to Development Agreement proposed to be entered into between the Authority and the Company (the “Second Amendment”), the form of which is on file in the office of the Executive Director of the Authority; and

WHEREAS, a form of Amended and Restated Cooperation Agreement between the City and the Authority relative to the development of the Project and the grants, including the Additional Soils Correction Grant, will be submitted to the Common Council and is now on file in the office of the City Clerk (the “Amended and Restated Cooperation Agreement”).

NOW, THEREFORE, BE IT RESOLVED, as follows:

1. The form of Second Amendment, as presented to the Board, is approved. The Chair and the Executive Director of the Authority is authorized and directed in the name and on behalf of the Authority to execute the Second Amendment, with such changes as do not materially change the substance thereof as the Chair and the Executive Director shall deem necessary and appropriate.

2. The form of Amended and Restated Cooperation Agreement, as presented to the Board, is approved. The Chair and the Executive Director of the Authority is authorized and directed in the name and on behalf of the Authority to execute the Amended and Restated Cooperation Agreement, with such changes as do not materially change the substance thereof as the Chair and the Executive Director shall deem necessary and appropriate.

Adopted: February 6, 2020

Attest:

\_\_\_\_\_  
Chair

\_\_\_\_\_  
Executive Director

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner \_\_\_\_\_ and, upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent:

whereupon, the resolution was declared duly passed and adopted and was approved and signed by the Chair, whose signature was attested by the Executive Director.

M:\DOCS\08493\000306\ROL\1863424.DOCX

**EXHIBIT A**  
**LEGAL DESCRIPTION OF DEVELOPMENT PROPERTY**

Lots 18 through 23, inclusive, Block 102 and Lots 1 and 2 and Lots 27 and 28, Block 123, West Superior 1<sup>st</sup> Division, Douglas County, Wisconsin, including all vacated streets and alleys abutting thereon and appurtenant thereto.

Said parcel being alternatively described by metes and bounds as follows:

Commencing at the southwest corner of Lot 27, Block 123, West Superior First Division, City of Superior, Douglas County, Wisconsin (the "Plat"); thence northerly along the easterly right-of-way line of Tower Avenue a distance of 195 feet, more or less to the northwest corner of Lot 23, Block 102 of the Plat; thence easterly along the northerly lot lines of Lots 23 and 18, Block 102, a distance of 300 feet, more or less, to the westerly right-of-way line of Ogden Avenue; thence southerly along the westerly right-of-way line of Ogden Avenue a distance of 195 feet, more or less, to southeast corner of Lot 2, Block 123 of the Plat; thence westerly along the southerly lot lines of Lots 2 and 27, Block 123 of the Plat, to the point of beginning.

The Development Property as described in the certified survey map:

Lot 1 of Certified Survey Map No. 1396, located in Lots 18 through 23, Block 102, Lots 1 and 28 and part of Lots 2 and 27, Block 123, together with vacated alleys and North 11<sup>th</sup> Street, West Superior 1<sup>st</sup> Division; located in part of the NW<sup>1</sup>/<sub>4</sub> of the SE<sup>1</sup>/<sub>4</sub> and part of the NE<sup>1</sup>/<sub>4</sub> of the SE<sup>1</sup>/<sub>4</sub> of Section 15, Township 49 North, Range 14 West, City of Superior, Douglas County, Wisconsin; such Certified Survey Map 1396, filed for record in the office of the Douglas County Register of Deeds on July 18, 2019 as Document No. 904349, in Volume 10 of Certified Survey Maps, pages 227-228.

## SECOND AMENDMENT TO DEVELOPMENT AGREEMENT

This AMENDMENT TO DEVELOPMENT AGREEMENT is made and entered into this \_\_\_\_\_ day of February, 2020, by and between The Redevelopment Authority of the City of Superior, Wisconsin (hereinafter called "Authority") and Superior Hotel Group, LLC, a Wisconsin limited liability company (hereinafter called "Company"):

WHEREAS, Authority and Company have entered into that certain Development Agreement dated April 19, 2019 (the "Development Agreement") whereby Company agreed to purchase from Authority certain real property described on Exhibit B to the Development Agreement (the "Development Property") and to construct the Improvements, as defined in the Development Agreement.

WHEREAS, Authority and Company have entered into that certain Amendment to Development Agreement dated August 26, 2019 (the "First Amendment") whereby Authority and Company determined to delay the Project as set forth in the First Amendment.

WHEREAS, Authority and Company hereby desire to further amend the terms of the Development Agreement, as amended by the First Amendment, as provided herein.

NOW, THEREFORE, for good and valuable consideration the parties hereto agree as follows:

1. The definition of "Site Improvements" in Section 1.01 of the Development Agreement, as amended, is hereby deleted in the entirety and replaced with the following:

*"Site Improvements" means the improvements to be undertaken by the Company on the Development Property for site preparation and soil correction, as set forth in the Construction Plans and described in Section 4.04 hereof, the costs of such improvements are expected to be in excess of \$1,400,000.*

2. A new definition of "Additional Soils Correction Grant" is added to Section 1.01 of the Development Agreement, as amended, as follows:

*"Additional Soils Correction Grant" has the meaning as defined in Section 4.05A.*

3. The definition of "Closing Date" in Section 1.01 of the Development Agreement, as amended by the First Amendment, is hereby deleted in the entirety and replaced with the following:

*"Closing Date" mean the date upon which the Authority and the Company close on the sale of the Development Property as provided in Section 3.01, which shall be a date mutually agreed to by the parties hereto and is scheduled to be no later than July 30, 2020.*

4. A new subparagraph (ix) is added to Section 3.03A of the Development Agreement, as amended:

*(ix) The Authority and the City shall have entered into an Amended and Restated Cooperation Agreement incorporating the Additional Soils Correction Grant as set forth herein.*

5. A new subparagraph (xiv) is added to Section 3.03B of the Development Agreement, as amended:

(xiv) *The Authority and the City shall have entered into an Amended and Restated Cooperation Agreement incorporating the Additional Soils Correction Grant as set forth herein.*

6. Section 4.02 of the Development Agreement, as amended by the First Amendment, is hereby deleted in its entirety and replaced with the following:

*Subject to Unavoidable Delays and subject to Company's waiver of all Conditions Precedent set forth in Section 3.03(B) above, the Company shall commence construction on the Improvements by September 1, 2020, or such other date as the parties hereto shall agree in writing. Subject to Unavoidable Delays, the Company shall have substantially completed the Improvements no later than December 31, 2021. All work with respect to the Improvements to be constructed or provided by the Company on the Development Property shall be in conformity with the Construction Plans.*

*The Company agrees that the Company shall promptly begin and diligently prosecute to completion construction of the Improvements, and that such construction shall in any event be commenced and completed within the period specified in this Section of the Agreement.*

7. The second sentence in Section 4.04A. of the Development Agreement, as amended, shall be amended in its entirety to read as follows:

*The cost of the Site Improvements in an amount not to exceed \$1,400,000 shall be paid by the Authority to the Company through the grants at the times, in the manner and upon receipt of the documents required in this Section 4.04 and in Section 4.05.*

8. Section 4.05A. of the Development Agreement, as amended, is amended in its entirety to read as follows:

*A. As an inducement to develop the Project, upon the Authority issuing the Certificate of Completion and the Company providing copies of the paid invoices and other documents required under Sections 4.04A and 4.04B, the Authority agrees (i) to pay the Company, for a portion of the Site Improvements, a development grant in the amount of \$400,000 (the "Development Grant"); (ii) to pay the Company, for additional costs for Site Improvements an additional soils correction grant in the amount of \$200,000 (the "Additional Soils Correction Grant"); and (iii) agrees to provide tax increment grants as provided in Section 4.05B subject to the limitations set forth in Section 4.05B. through Section 4.05E (the "Tax Increment Grants").*

9. The second paragraph of Section 5.02 of the Development Agreement, as amended, is amended in its entirety to read as follows:

*Notwithstanding the requirements set forth above, in the event the Company elects not to rebuild the Project as required in this Section, (i) no further payments shall be made under Section 4.05B, and (ii) the Company shall pay the Authority \$600,000 for the Development Grant and the Additional Soils Correction Grant less \$60,000 for each complete calendar year the Company occupies the Project pursuant to Section 2.02F.*

10. Section 5.03 of the Development Agreement, as amended, is amended in its entirety to read as follows:



**5.03 Representation as to Development.** *The Company represents that the Development Grant, the Additional Soils Correction Grant and the Tax Increment Grants are necessary for the Project to proceed due to the high costs of the Site Improvement. Without such grants, the Project would need to be reduced in scope or delayed.*

11. Exhibit D to the Development Agreement, as amended by the First Amendment, is hereby modified as attached hereto and incorporated herein by reference.

12. The legal description for the Development Property as set forth in Exhibit B of the Original Development Agreement and for Exhibit A to the Certificate of Completion (Exhibit C to the Original Development Agreement) and for Exhibit A to the Real Estate Tax Agreement (Exhibit F to the Original Development Agreement) is hereby modified as attached hereto and incorporated herein by referenced.

13. All other terms and conditions of the Development Agreement, as amended by the First Amendment, shall remain the same and are ratified and confirmed by the Authority and Company.

[SIGNATURES ON FOLLOWING PAGES]

THE PARTIES hereto have executed this Amendment on the day and year set forth above.

COMPANY:

SUPERIOR HOTEL GROUP, LLC,  
a Wisconsin limited liability company

By: Neenah Hospitality Group, LLC,  
its Managing Member

By: \_\_\_\_\_  
Name: Brian Wogernese  
Title: Managing Member

AUTHORITY:

REDEVELOPMENT AUTHORITY OF THE CITY  
OF SUPERIOR, WISCONSIN

By: \_\_\_\_\_  
Name: Mike McCoshen  
Title: Its Chair

By: \_\_\_\_\_  
Name: Jason Serck  
Title: Its Executive Director

**EXHIBIT D**  
**SCHEDULE**

<b>Agreement Reference</b>	<b>Activity Required</b>	<b>Date</b>
Section 3.01	Closing on Development Property	On or about July 30, 2020
Section 4.01	Construction Plans Approved	By August 30, 2020
Section 4.02	Company commences construction of Improvements	By September 1, 2020
Section 4.02	Completion of Improvements	By December 31, 2021
Section 4.03	Authority signs Certificate of Completion	Within 30 days of the issuance of the Certificate of Completion

## LEGAL DESCRIPTION

Lot 1 of Certified Survey Map No. 1396, located in Lots 18 through 23, Block 102, Lots 1 and 28 and part of Lots 2 and 27, Block 123, together with vacated alleys and North 11<sup>th</sup> Street, West Superior 1<sup>st</sup> Division; located in part of the NW $\frac{1}{4}$  of the SE $\frac{1}{4}$  and part of the NE $\frac{1}{4}$  of the SE $\frac{1}{4}$  of Section 15, Township 49 North, Range 14 West, City of Superior, Douglas County, Wisconsin; such Certified Survey Map 1396, filed for record in the office of the Douglas County Register of Deeds on July 18, 2019 as Document No. 904349, in Volume 10 of Certified Survey Maps, pages 227-228.