

RESOLUTION NO. 2023-75

**RESOLUTION OF THE VILLAGE BOARD OF THE VILLAGE OF CALEDONIA
APPROVING REIMBURSEMENT AGREEMENT FOR A PROPOSED
DEVELOPMENT WITH BEAR DEVELOPMENT, LLC FOR A RESIDENTIAL
DEVELOPMENT LOCATED ALONG 5 MILE ROAD
IN THE VILLAGE OF CALEDONIA**

The Village Board of the Village of Caledonia, Racine County, Wisconsin do resolve as follows:

WHEREAS, Bear Development, LLC has proposed development concepts for consideration by the Village and has requested that the Village create a tax incremental district under Sec. 66.1105, Wis. Stat. ("TIF District"), to provide, in part, financial support for infrastructure improvements and to incentivize development by offering pay as you go incentives for the development.

WHEREAS, the Village of Caledonia is willing to consider and study the feasibility of the request of Bear Development if Bear Development pays for the costs the Village incurs to do so.

NOW, THEREFORE, BE IT RESOLVED THAT the Reimbursement Agreement in the form attached hereto as **Exhibit A** is approved, and the Village President and Village Clerk are authorized to execute such agreement when approved and Village staff are authorized to take such actions as provided for under the agreement.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this 11 day of July, 2023.

VILLAGE OF CALEDONIA

By: Thomas Weatherston
Thomas Weatherston
Village President

Attest: Joslyn Hoeffert
Joslyn Hoeffert
Village Clerk

**REIMBURSEMENT AGREEMENT FOR A PROPOSED DEVELOPMENT WITH
BEAR DEVELOPMENT, LLC FOR A RESIDENTIAL DEVELOPMENT LOCATED
ALONG 5 MILE ROAD IN THE VILLAGE OF CALEDONIA, WI**

THIS AGREEMENT is entered into by and between the **VILLAGE OF CALEDONIA**, a municipal corporation located in Racine County, Wisconsin ("the Village") and **BEAR DEVELOPMENT, LLC**, Wisconsin, a Limited Liability Corporation, ("Developer"), with regard to a proposed development in the Village of Caledonia (the "Agreement"):

RECITALS

1. The Developer has proposed to develop property in the Village (*if Developer does not own the parcel(s) of land and has an agreement to purchase the property with the owner, the owner shall also sign the agreement for imposition of special charges*) containing the proposed Development as defined below. Developer has submitted Development concepts for consideration by the Village and has requested that the Village create a tax incremental district under Sec. 66.1105, Wis. Stat. ("TIF District"), to provide financial support for infrastructure improvements and to incentivize development by offering pay as you go incentives for the Development of the property located at 5 Mile Road, Parcel I.D. No(s): Please see attached, and legally described as set forth on **Exhibit A** (the "Development") and to request Village approval of this Development in accordance with applicable State laws and Village Ordinances.

2. The Village agrees to study and consider the creation of a TIF District and any applications, and conceptual, preliminary and final plans associated with the Development, and review, revise and/or draft any agreements, deed restrictions, easements or other documents associated with the Development if the same can be done without unreasonable expense to the Village's taxpayers.

NOW, THEREFORE, in consideration of the following covenants, the parties agree as follows:

PART A

**REIMBURSEMENT OF ENGINEERING, PLANNING, FINANCIAL CONSULTANTS,
LEGAL AND ADMINISTRATIVE COSTS**

1. The Developer, agrees to be liable for and shall pay to and reimburse the Village for any and all costs for TIF District study and creation, engineering, inspection, planning, financial consultants, legal, and administrative fees and expenses reasonably incurred by the Village with respect to:

(1) a feasibility analysis/study for the creation of a TIF District conducted by the Village's financial consultant;

(2) the creation of the TIF District including the preparation of the project plan;

(3) processing, reviewing, revising, and acting on any applications, submittals, conceptual, preliminary or final Development plans, including but not limited to, consultation reasonably required to address issues and problems encountered during the application and review process for the Development;

(4) processing, reviewing, revising, drafting and acting on any agreements, easements, deed restrictions or other documents associated with the proposed Development; and

(5) construction, installation, inspection and approval of all improvements provided for in the Development, including, but not limited to, consultation reasonably required to address problems encountered during the course of the design and construction of the Development. The reimbursement of costs shall be retroactive to capture costs incurred by the Village beginning on _____.

Such costs shall include the costs of the Village's own engineers and inspectors (if any), and outside services for attorneys, planners, financial consultants, agents, ecologists, sub-contractors, consulting engineers and the Village's own employees. The cost for Village employees' time shall be based upon the classification of the employee and the rates established by the Village Council, from time-to-time, for each such classification. Such costs shall also include, but not be limited to, those for attendance at telephone conferences and meetings, whether virtual or in-person. The cost for outside services shall be the direct cost incurred by the Village.

2. The Developer understands that the planning, legal, engineering, and/or other consultants retained by the Village are acting exclusively on behalf of the Village and not the Developer. Developer understands that invoices from Village legal counsel and other consultants may be confidential and subject to attorney client work product privilege and may only be available in redacted form.

PART B

GUARANTEE OF PAYMENT

1. The Developer shall deposit with the Village Treasurer the sum of *Five Thousand* Thousand Dollars (\$ 5,000.⁰⁰) in the form of a check. The Village shall cash such check and apply such funds toward payment of the above Costs relating to the Development in accordance with this Agreement.

2. If at any time said deposit becomes insufficient to pay Costs incurred by the Village in accordance with this Agreement, the Developer shall deposit required additional amounts within fifteen (15) days of written demand by the Village Finance Director setting forth the amount requested and including an itemization, together with reasonable evidence, of the Costs incurred and/or paid to date by the Village (except for costs for outside services not yet billed to Village)

("Itemized Costs") and those Costs owed but not paid by the Developer (except for costs for outside services not yet billed to Village) ("Unpaid Itemized Costs") and anticipated Costs, if known by Village. Until the required funds necessary to pay any Itemized Costs and Unpaid Itemized Costs not yet paid by the Developer are received as well as sufficient funds to replenish the deposit to a balance of _____ Thousand Dollars (\$ _____), no additional work or review will be performed by the Village as to the development plan under consideration and the Village may reject any pending application and plans for non-payment of the above Costs, in each case if the Developer has failed to pay the same within such fifteen (15) day period. All Costs shall be paid prior to issuance of any permits.

3. If the Developer fails to replenish the required deposits or to reimburse the Village for costs the Village has incurred within any applicable notice/cure periods, the Developer hereby consents to the Village's imposing a special charge upon the real property comprising the Development for any amounts due to the Village under this Agreement plus any costs the Village has incurred in attempting to collect the amounts due, after thirty (30) days prior written notice to Developer and at Developer's request, to any mortgage lenders provided Developer provides the Village with the applicable contact information. This special charge shall become a lien upon the Development property. Developer hereby waives any rights it may have to any notices or hearings with respect to the special charge imposed under Wis. Stat. Sec. 66.0627.

PART C

TERMINATION OF GUARANTEE

Within 60 days after occupancy permit issuance, or upon written notice of abandonment of the application or conceptual plan, prior to final approval, (including abandonment or denial due to rejection by any reviewing agency), the Village shall furnish the Developer with final statements of all Costs remaining unpaid by Developer under this Agreement. In the case of any issuance, abandonment or denial, any excess funds shall be remitted to Developer, and, subject to the terms hereof, any Costs in excess of such deposit shall be paid by the Developer within thirty (30) days after receipt of the final statements. In the case of an approval, and if the development requires a written development agreement with the Village as to public infrastructure construction or any other public financial considerations, such deposit shall carry forward under the terms of the development agreement entered into between the parties. Any interest earned on said deposit shall remain the property of the Village to partially offset administrative expenses associated with planning and development.

PART D

GOVERNING LAW AND VENUE; RECORDING

This Agreement shall be construed under the laws of the State of Wisconsin and venue shall be in Racine County, Wisconsin. This Agreement shall be an encumbrance upon, and run

with, the property and may be recorded with the Racine County Register of Deeds by any party to give notice of its obligations.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the 3rd
day of July, 2023.

DEVELOPER:

By: [Signature]

Name: Stephen R. Mills

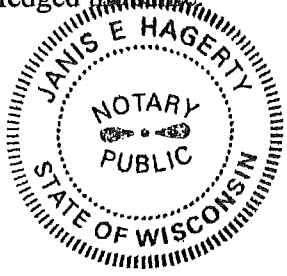
Title: President

Attest: [Signature]

Name: DANIEL J. SZCZAP
(Print)

STATE OF Wisconsin)
) SS:
COUNTY OF Kenosha)

Personally came before me this 3rd day of July, 2023, the above-named Stephen R. Mills, the President, of Bea Development to me to me known to be the person(s) who executed the foregoing instrument on behalf of the said Developer and acknowledged the same.



[Signature]
Notary Public, Kenosha County, Wisconsin

My Commission expires: 02/10/2024

[Additional Paragraph Required When Developer Is Not Owner of Property]

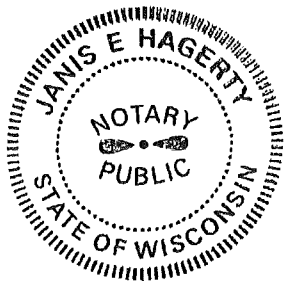
The Owner hereby agrees and consents to the imposition of a special charge against the real property compromising the Development as set forth under Part B (3) of this Agreement and waives receipt of prior notice and hearing as to the imposition of such special charge under Wis. Stat. Sec. 66.0627.

OWNER:

By: [Signature]
Name: Stephen R. Mills
Title: President
Attest: [Signature]
Name: Daniel J. Szczap
(Print)

STATE OF Wisconsin)
COUNTY OF Kenosha) SS:

Personally came before me this 3rd day of July, 2023, the above-named Stephen R. Mills, the President of Bear Development to me to me known to be the person(s) who executed the foregoing instrument on behalf of the said Owner and acknowledged the same.



Janis E. Hagerty
Notary Public, Kenosha County, Wisconsin
My Commission expires: 02/10/2024

[Additional Paragraph Required When Developer Is Not Owner of Property]

The Owner hereby agrees and consents to the imposition of a special charge against the real property comprising the Development as set forth under Part B (3) of this Agreement and waives receipt of prior notice and hearing as to the imposition of such special charge under Wis. Stat. Sec. 66.0627.

OWNER: Audubon Park - Racine, LLC
Raymond C. Leffler

By: RAYMOND C. LEFFLER

Name: Member

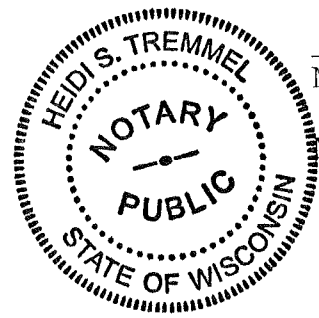
Title: MEMBER

Attest: _____

Name: _____
(Print)

STATE OF WISCONSIN)
) SS:
COUNTY OF RACINE)

Personally came before me this 11th day of July, 2023, the above-named Raymond C. Leffler, the Member, of Audubon Park - Racine, LLC to me to me known to be the person(s) who executed the foregoing instrument on behalf of the said Owner and acknowledged the same.



Heidi S. Tremmel
Notary Public, Racine County, Wisconsin

My Commission expires: 2/7/26

VILLAGE OF CALEDONIA:

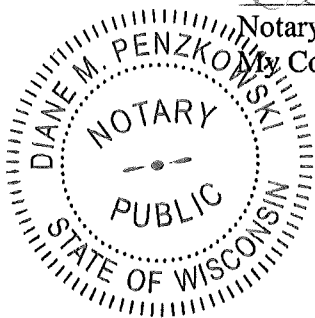
By: Thomas R Weatherston
Thomas Weatherston
Village President

Attest: Joslyn Hoeffert
Joslyn Hoeffert
Clerk

STATE OF WISCONSIN)
) SS:
COUNTY OF RACINE)

Personally came before me this 11th day of July, 2022 the above-named Thomas Weatherston and Joslyn Hoeffert, Village President and Clerk, respectively, of the Village of Caledonia, to me known to be the persons who executed the foregoing instrument on behalf of the said Village and acknowledged the same.

Diane M Penzkowski
Notary Public, Racine County, WI
My Commission Expires: 7-2-2024



This instrument drafted by:
Pruitt, Ekes & Geary, S.C.

770272.159(1)

Exhibit A
5 Mile Road Properties

Tax Key Number: 104042317072000

Tax Key Number: 104042317085000

Tax Key Number: 104042317084000

Tax Key Number: 104042317086005

Tax Key Number: 104042317083000

Tax Key Number: 104042317077000