

RESOLUTION NO. 2018-04

**RESOLUTION AUTHORIZING THE VILLAGE OF CALEDONIA
TO ENTER INTO A FIRST AMENDMENT TO DEVELOPMENT AGREEMENT
WITH WINKLERS MASONRY INC.**

The Village Board of the Village of Caledonia ("Village"), Racine County, Wisconsin, resolves as follows:

RECITALS

WHEREAS, Winklers Masonry Inc. ("Winklers Masonry Inc.") is a masonry contractor specializing in block and stone masonry for commercial construction in Southeast Wisconsin and purchased a parcel of land to construct a 7,300 square foot building in the Caledonia Business Park (the "Development"); and

WHEREAS, On September 20, 2011, the Village established Tax Incremental District No. 3 ("the District"), the boundaries of which include the Development, which District was subsequently approved by the Joint Review Board, and which may assist in financing project costs, as permitted by Wis. Stat. Section 66.1105 related to the installation of private and public improvements within the District; and

WHEREAS, the Development has an estimated construction cost of \$250,000. Further, the Village was willing to extend tax incremental financing assistance given the facts that the addition is expected to result in an additional assessed value of \$187,500 and result in the retention of five jobs during the time that it is eligible to receive a Development Incentive payment.

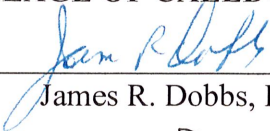
WHEREAS, Winkler's Masonry and the Village entered into a Development Agreement in regard to the Development to provide certain incentives upon certain conditions. A copy of the Development Agreement was recorded in the Racine County Register of Deeds Office on July 26, 2016 as Document No. 2440638 ("Development Agreement").

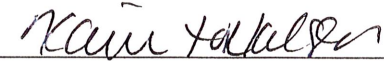
WHEREAS, the parties desire to amend the Development Agreement to extend certain deadlines due to unforeseen difficulties in meeting said deadlines.

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board that the First Amendment to Development Agreement set forth in **Exhibit A** which is attached hereto and incorporated herein is authorized and approved, and the Village President and Village Clerk are authorized to execute said agreement.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin,
this 15th day of January, 2018.

VILLAGE OF CALEDONIA

By: 
James R. Dobbs, President

Attest: 
Karie Torkilsen, Clerk

1-5-18

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

This FIRST AMENDMENT to Development Agreement, effective as of the date last executed by any party below, is made and entered into among **WINKLERS MASONRY INC.**, a Wisconsin corporation (“Winklers Masonry”) and the **VILLAGE OF CALEDONIA**, a municipal corporation located in Racine County, Wisconsin, (the “Village”).

RECITALS:

A. Winklers Masonry is a masonry contractor, specializing in block and stone masonry for commercial construction in Southeast Wisconsin. The company currently operates out of a home office in Caledonia and a leased facility in the Village of Sturtevant.

B. Winklers Masonry intends to construct an approximate 7,300 square foot building to be located on a parcel of land to be purchased by Winklers Masonry at the southwest corner of Storage Drive and Quick Drive in the Village of Caledonia, Racine County, Wisconsin, described as Parcel I.D. No. 104-04-22-27-018-060 within the Caledonia Business Park and having a legal description as set forth on **Exhibit A**, which is attached and incorporated herein by reference (the “Development”). The estimated construction cost for the Development is \$250,000. The new location will increase Winklers Masonry's capacity to grow its business, and will allow for the retention of 5 existing jobs in the Village of Caledonia.

C. On September 20, 2011, the Village established Tax Incremental District No. 3 (“the District”), the boundaries of which include the Development, which District was subsequently approved by the Joint Review Board, and which may assist in financing project costs, as permitted by Wis. Stat. Section 66.1105 related to the installation of private and public improvements within the District.

D. Winkler's Masonry and the Village previously entered into a Development Agreement in regard to the Development. A copy of the Development Agreement was recorded in the Racine County Register of Deeds Office on July 26, 2016 as Document No. 2440638 ("Development Agreement").

E. The parties desire to amend the Development Agreement to extend certain deadlines due to unforeseen difficulties in meeting said deadlines.

Now, therefore, in consideration of the recitals and mutual agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

IT IS MUTUALLY AGREED AS FOLLOWS:

1. **Recitals and Defined Terms.**

(a) **Recitals.** The above recitals are true and correct and are incorporated herein by reference.

(b) **Definitions.** Capitalized terms used herein but not otherwise defined herein shall have the meaning ascribed to them in the Development Agreement.

2. **Section 4 Amended.** Section 4 of the Development Agreement shall be amended to read as follows:

4. **Substantial Completion.** Subject to the force majeure provisions of Paragraph 18, Winklers Masonry shall achieve Substantial Completion of the building construction by December 31, 2018. "Substantial Completion" means that the work is sufficiently complete to enable Winklers Masonry to legally occupy and utilize the building addition for its intended use.

3. **Section 6 Amended.** Section 6 of the Development Agreement shall be amended to read as follows:

6. **Property Tax Increment Development Incentive.** The Property Tax Increment to be shared by the parties is premised upon an expectation that Winklers Masonry will spend a minimum of \$250,000 for the construction of its new facility in the Caledonia Business Park resulting in a guaranteed minimum assessed value for the Development as of January 1, 2020 of not less than \$267,200 (the "Guaranteed Minimum Assessed Value" is the sum of the Development Tax Increment Base Value of \$79,700 and the estimated assessed value for the new construction of \$187,500). Beginning in 2020, the Village agrees to reimburse Winklers Masonry for a portion of its project costs by paying to Winklers Masonry an annual payment, equal to 50% of the Property Tax Increment received by the Village in said year, for up to ten (10) years, subject to a maximum total, cumulative development incentive of \$25,763 ("Development Incentive"), all subject to the following conditions:

(a) The Development Incentive shall be payable solely from Property Tax Increment generated by the Development and shall be non-interest bearing.

(b) The Development Incentive shall be subject to modification pursuant to Section 5 above pertaining to job retention and creation requirements.

(c) The Development meets or exceeds the Guaranteed Minimum Assessed Value set forth above.

(d) Payments to Winklers Masonry shall be made within sixty (60) days of the tax settlement date following payment of the taxes in full by Winklers Masonry and receipt of the Annual Report by RCEDC.

(e) The Village's obligation to make Development Incentive payments shall be contingent on continued compliance with the terms of this Agreement.

(f) Any Development Incentive payments which are due on any payment date shall be payable solely from, and only to the extent that the Village shall have received as of such payment date "Property Tax Increment" as that phrase is defined in this Agreement and as appropriated by the Village Board to payment of the Development Incentive obligation. The Village herein and hereby expresses its intent to appropriate funds in the future if Winklers Masonry is not in default under this Agreement.

4. **Counterparts.** This Amendment may be executed in counterparts, each of which shall be deemed an original, but such counterparts shall together constitute but one and the same agreement. Facsimile signatures shall be deemed original signatures for all purposes of this Amendment.

5. **Severability.** Any provision of this Amendment that is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions of this Amendment in such jurisdiction or affecting the validity or enforceability of any provision in any other jurisdiction.

6. **Time.** Time is of the essence of each and every obligation or agreement contained in this Amendment.

7. **Headings.** The headings in this Amendment are for reference only and are not intended to modify any of the terms and conditions of this Amendment.

8. **Compliance.** Nothing herein is intended to or has the effect of releasing Winklers Masonry from compliance with all applicable laws, rules, regulations and ordinances in

addition to compliance with all terms, conditions and covenants contained in this Amendment, and the Development Agreement, and all other documents executed in connection therewith.

9. **Scope.** Except as set forth in this Amendment, the Development Agreement, as amended, shall remain in full force and effect. The parties hereby reaffirm their obligations in accordance with the terms and provisions of the Development Agreement, as amended, and this Amendment.

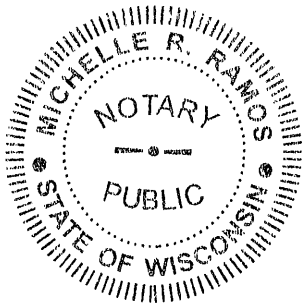
IN WITNESS WHEREOF, this Amendment is executed as of the 9 day of January, 2018.

WINKLERS MASONRY INC.

BY: Winklers Masonry Inc
NAME: Jason Winkler
TITLE: President

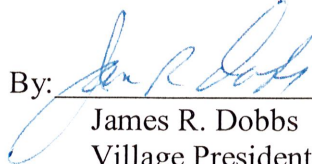
STATE OF WISCONSIN)
) SS:
COUNTY OF RACINE)

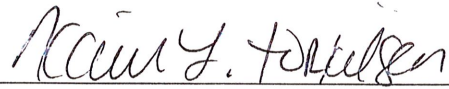
Personally came before me this 9 day of January, 2018, Jason Winkler, President of Winklers Masonry, Inc., to me known to be the person who executed the foregoing instrument, and acknowledged the same as the act and deed of said corporation.



Michelle R Ramos
Notary Public, Racine County, Wisconsin
My Commission: 5-2-2020

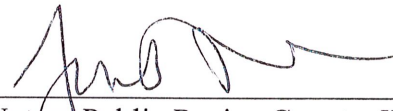
VILLAGE OF CALEDONIA

By: 
James R. Dobbs
Village President

Attest: 
Karie L. Torkilsen
Village Clerk

STATE OF WISCONSIN)
) SS:
COUNTY OF RACINE)

Personally came before me this 15th day of January, 2018, above-named James R. Dobbs and Karie L. Torkilsen, President and Clerk, respectively of the Village of Caledonia, to me known to be the persons who executed the foregoing instrument and acknowledged the same.


Notary Public Racine County, Wisconsin
My Commission: 11/21/21