

RESOLUTION NO. 2019-73

**RESOLUTION TO AUTHORIZE THE VILLAGE PRESIDENT TO SUBMIT A
PURCHASE AND SALE AGREEMENT TO RACINE UNIFIED SCHOOL
DISTRICT**

WHEREAS, the Village of Caledonia has been in negotiations with the Racine Unified School District (RUSD) to purchase two parcels (21-0005-000, 5919 Erie Street, and 21-006-000, 5915 Erie Street) which are located in TID 5; and

WHEREAS, the Village needs to authorize the Village President to submit the attached Purchase and Sale agreement to RUSD.

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board that the Village President is authorized to submit a Purchase and Sale Agreement, which is attached hereto as Exhibit A and incorporated herein, to the Racine Unified School District.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this 19th day of August, 2019.

VILLAGE OF CALEDONIA

By: James R. Dobbs
James R. Dobbs, Village President

Attest: Karie Pope
Karie Pope, Village Clerk

PURCHASE AND SALE AGREEMENT

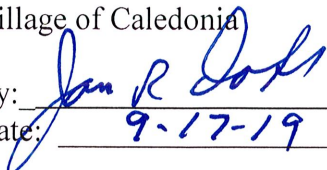
This Agreement ("Agreement") is made by and between Village of Caledonia ("Village") and Racine Unified School District ("District") as of 9-17-19, 2019, for good and valuable consideration, the exchange and receipt of which is acknowledged by Village and District.

1. Village hereby agrees to purchase from District, and District agrees to sell to Village, the property ("Property") described in Exhibit A, annexed hereto and incorporated by reference herein.
2. The purchase price for the Property is \$1,450,000.00, payable by Village to District, to be paid as follows:
 - a. \$35,000.00 at closing, leaving a balance of \$1,415,000.00 to be paid as provided herein, together with 5% interest on the unpaid balance.
 - b. Village shall deliver to District, at closing, a general obligation Promissory Note in the amount of \$1,415,000, providing for payment of the principal and interest as called for herein. The form of the Promissory Note shall be prepared by the District and shall be subject to Village's reasonable review and approval. Prior to closing, Village shall, in compliance with all statutes, rules, regulations, ordinances and other applicable laws, take all steps necessary to duly authorize and approve the indebtedness contemplated by the Promissory Note.
 - c. Payment of accrued interest together with a principal payment shall be made annually on the anniversary date of the closing.
 - d. The amount of each annual payment shall be the greater of:
 - (1) \$50,000.00; or (2) 50% of incremental tax revenues received during the preceding twelve (12) months from each property within Village TID 5.
 - e. Each annual payment shall be first applied to interest, with the balance applied to principal.
 - f. Any outstanding principal and any unpaid accrued interest shall be paid on or before the tenth anniversary of closing.
 - g. Village may prepay any unpaid principal and any accrued interest at any time, without penalty.
3. Village, within ten (10) days of the execution of this Agreement by both Village and District, shall deposit \$35,000.00 with the title company selected by District, under an earnest money escrow agreement. Upon closing, the earnest money shall be paid to District. If closing has not been completed by May 29, 2020, the earnest money shall be paid to Village, and this Agreement shall become null and void.
4. District shall give evidence of merchantable title in the form of an owner's policy of title insurance in the amount of the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Title evidence shall be acceptable

if the required title insurance commitment is delivered to Village, or Village's attorney, not more than fifteen (15) business days after the execution of this Agreement by both Village and District, showing title to the Property to be merchantable as provided in paragraph 6.

5. The Property is being purchased and sold "as is" and "where is" without any representations or warranties by either party, except as provided herein.
6. At closing, District shall convey the Property to Village by special warranty deed free and clear of all liens and encumbrances, except municipal and zoning ordinances and agreements entered under them, recorded easements for the distribution of utility and municipal services and recorded use restrictions and covenants, which constitutes merchantable title for purposes of this Agreement.
7. Special assessments, if any, levied or for work actually commenced prior to the date of execution of this Agreement shall be paid by District no later than the date of closing. All other special assessments shall be paid by Village.
8. Closing is contingent on a determination (the "Determination to Proceed") by the Village that it has an acceptable Development Agreement to redevelop the Property, which, in the Village's sole determination, is consistent with Village's Project Plan for TID 5. If Village makes the Determination to Proceed, then Village promptly shall so notify District, and the closing of the transaction contemplated herein shall close within thirty (30) days of the date upon which District receives said notice from Village.
9. District shall maintain the Property in its current condition, normal wear and tear excepted, until closing, provided District shall have no obligation to make major repairs or replacements to the buildings located on the Property.
10. During the period before closing, District, upon reasonable advance notice, shall afford reasonable access to the Property for the Village's purpose of securing an agreement to redevelop the Property. Village shall, pursuant to a separate access agreement, indemnify District against any damage or liability associated with such access by Village, its employees and designees.
11. During the period before closing, District may not enter into an offer to purchase, option to purchase or other similar agreement for the Property with any other party, without the express approval of Village. Village and District acknowledge that the Property currently is listed for sale with Anderson Commercial Group, LLC ("Anderson"), and nothing in this Agreement shall require the District to terminate its listing agreement with Anderson prior to its expiration on April 29, 2020.
12. Each party represents and confirms that its execution of this Agreement has been duly authorized by its governing body, in accordance with applicable Wisconsin law.

Village of Caledonia

By: 
Date: 9-17-19

Racine Unified School District

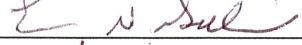
By: 
Date: 9/23/19

EXHIBIT A

Parcel No. 21-005-000 with an address of 5919 Erie St. and Parcel No. 21-006-000 with an address of 5915 Erie St., in the Village of Caledonia