RESOLUTION NO. 2020-95

RESOLUTION OF THE VILLAGE BOARD OF THE VILLAGE OF CALEDONIA APPROVING PROMISSORY NOTE TO RACINE UNIFIED SCHOOL DISTRICT

WHEREAS, on September 17, 2019, the Village and Racine Unified School District entered into a Purchase and Sale Agreement for the Village to purchase certain property known as 5915 and 5919 Erie Street from the Racine Unified School District with a closing date by May 29, 2020 which was twice amended to extend the closing date to October 31, 2020 (the "Agreement");

WHEREAS, the Agreement requires that Village deliver to Racine Unified School District, at closing, a general obligation Promissory Note in the amount of \$1,415,000, providing for payment of the principal and interest of 5% interest on the unpaid balance as called for herein; and

WHEREAS, the closing on the real property is set for October 21, 2020 and the Promissory Note to the Racine Unified School District, including the amortization schedule, attached hereto as **Exhibit A** meets the requirements of the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Caledonia Village Board that the Promissory Note attached hereto as **Exhibit A** and incorporated herein, is hereby approved; and

BE IT FURTHER RESOLVED, that the Village President, Clerk, Administrator and Finance Director are authorized to take all actions in furtherance of the said note and to make payments as required thereunder.

Adopted by the Village Board of the Village of Caledonia, Racine County, Wisconsin, this day of October, 2020.

VILLAGE OF CALEDONIA

Attest:

By:

Karie Pope, Village Clerk

James R. Dobbs, Village President

770272.150

Stock No. 11059

W.B.A. 203D (8/06)

PROMISSORY NOTE





Prepared and intended for use by

Wisconsin Bankers Association 2006 commercial banks in transactions governed by Wisconsin Law. Village of Caledonia 1,415,000.00 No. (NAME) 2020 1. Promise to Pay and Payment Schedule. For value received, the Village of <u>Caledonia</u> County, Wisconsin ("Village"), promises to pay to Racine Unified School District , or registered assigns, ("Lender") the sum of One Million Four Hundred Fifteen Thousand Dollars (\$ 1,415,000.00 payable with interest at the rate of _five percent (_5.000 _%) per annum as follows: [Check (a), (b), (c) or (d); only one shall apply.] (a) Single Payment. In one payment on____ ____, PLUS interest payable as set forth below. (b) Installments of Principal and Interest. In equal payments of \$ _____ due on and on the same day(s) of each_____ month thereafter every 7th day thereafter every 14th day thereafter, PLUS a final payment of the unpaid balance and accrued interest due on principal and interest. (c) Installments of Principal. In _____equal payments of principal of \$ ___ due on and on ___ the same day(s) of each ____ month thereafter ___ every 7th day thereafter ___ every 14th day thereafter, PLUS a final payment of the unpaid principal due on ____, PLUS interest payable as set forth below. (d) X Other. See attached Addendum A to Promissory Note Principal and interest on this note shall be payable only to the Lender in lawful money of the United States of America at the office of the Lender. The final installment of principal on this note shall be payable only upon presentation and surrender of this note to the Village Treasurer. 2. Interest Payment. Interest is payable on _______, and on _____ the same day of each_____ thereafter, every 7th day thereafter, every 14th day thereafter, and at maturity, or, if box 1(b) is checked, at the times so indicated. Interest is computed for the actual number of days principal is unpaid on the basis of ___ a 360 day year X a 365 day year. 3. Prepayment. Full or partial prepayment of this note is not permitted X is permitted on any principal or interest payment date without penalty on or after at any time . All prepayments shall be applied first upon the unpaid interest and then applied upon the unpaid principal in inverse order of maturity. 4. Other Charges. If any payment (other than the final payment) is not made on or before the 10th day after its due date, Lender may collect a delinquency charge of _____% of the unpaid amount. Unpaid principal and interest bear interest after maturity until paid (whether by acceleration or lapse of time) at the rate which would otherwise be applicable plus percentage points x of 12 % per year, computed on the basis of a 360 day year x a 365 day year. Village agrees to pay a charge of \$15 for each check presented for payment under this note which is returned unsatisfied. 5. Security. For the prompt payment of this note with interest and the levying and collection of taxes sufficient for that purpose, the full faith, credit and resources of the Village are hereby irrevocably pledged. 6. Transferability. This note is transferable only upon the records of the Village kept for that purpose at the office of the Village Clerk, by the Lender in person or its legal representative duly authorized in writing, upon presentation of a written instrument of transfer satisfactory to the Village Clerk and upon such transfer being similarly noted hereon. The Village may deem and treat the person in whose name this note is registered as the absolute owner hereof for the purpose of receiving payment of or on account of the principal or interest hereof and for all other purposes. 7. Terms and Purposes; Authorization. This note issued under the terms of and for purposes specified in Section 67.12(12), Wisconsin Statutes; and is authorized by a resolution of the Village Board duly adopted by the Board at its open meeting duly convened on _ which resolution is recorded in the official book of its minutes pertaining to said date. 8. Internal Revenue Code. This note has been designated by the Village as a "qualified tax-exempt obligation" for purposes of Section 265 of the Internal Revenue Code of 1986, as amended. (1) 9. Certifications and Recitations of Village. It is hereby certified and recited that all conditions, things and acts required by law to exist, to be or to be done prior to and in connection with the issuance of this note have been done, have existed and have been performed in due form and time; that the aggregate indebtedness of the Village, including this note, does not exceed any limitation imposed by law, and that the Village has levied a direct annual irrepealable tax sufficient to pay this note together with interest thereon when and as payable. THIS NOTE CONTAINS ADDITIONAL PROVISIONS ON REVERSE SIDE Village of Caledonia (Impress official or corporate seal, if any) County, Wisconsin PRESIDENT VILLAGE CLERK

(1) Delete this paragraph if the Village will be issuing more than \$10,000,000 of tax-exempt obligations in the calendar year. In that case, lenders will not be entitled to deduct, for federal income tax purposes, interest expense that is allocable to carrying or acquiring the note.

NOTE: Official or corporate seal, if any, to be affixed.

- 10. Default and Enforcement. Upon the occurrence of any one or more of the following events of default: (a) Village fails to pay any amount when due under this note or under any other instrument evidencing any indebtedness of Village to Lender, (b) any representation or warranty made under this note or information provided by Village to Lender in connection with this note is or was false or fraudulent in any material respect, (c) a material adverse change occurs in Village's financial condition, (d) Village fails to timely observe or perform any of the covenants or duties in this note, (e) an event of default occurs under any agreement securing this note, or (f) Lender deems itself insecure, then the unpaid balance shall, at the option of Lender, without notice, mature and become immediately payable. The unpaid balance shall automatically mature and become immediately payable in the event Village becomes the subject of bankruptcy or other insolvency proceedings. Lender's receipt of any payment on this note after the occurrence of an event of default shall not constitute a waiver of the default of the Lender's rights and remedies upon such default.
- 11. Venue. To the extent not prohibited by law, Village consents that venue for any legal proceeding relating to collection of this note shall be, at Lender's option, the county in which Lender has its principal office in this state, the county in which Village is located or the county in which this note was executed by Village.
- 12. Obligations and Agreements of Village. Village agrees to pay all costs of collection before and after judgment, including reasonable attorneys' fees (including those incurred in successful defense or settlement of any counterclaim brought by Village or incident to any action or proceeding involving Village brought pursuant to the United States Bankruptcy Code) and waive presentment, protest, demand and notice of dishonor. Subject to Section 893.80, Wisconsin Statutes, Village agrees to indemnify and hold harmless Lender, its directors, officers and agents, from and under this note or the activities of Village. This indemnity shall survive payment of this note. Village acknowledges that Lender has not made any representation or warranties with respect to, and the Lender does not assume any responsibility to Village for, the collectability or enforceability of this note or the financial condition of Village. Village has independently determined the collectability and enforceability of this note. Village authorizes Lender to disclose financial and other information about Village to others.
- 13. No Waiver; Rights and Remedies of Lender. No failure on the part of Lender to exercise, and no delay in exercising, any right, power or remedy under this note shall operate as a waiver of such right, power or remedy; nor shall any single or partial exercise of any right under this note preclude any other or further exercise of the right or the exercise of any other right. The remedies provided in this note are cumulative and not exclusive of any remedies provided by law. Without affecting the liability of Village, Lender may, without notice, accept partial payments, release or impair any collateral security for the payment of this note or agree not to sue any party liable on it. Without affecting the liability of Village, Lender may from time to time, without notice, renew or extend the time for payment subject to the time limits prescribed in Section 67.12(12), Wisconsin Statutes.
- 14. Interpretation. This note is intended by Village and Lender as a final expression of this note and as a complete and exclusive statement of its terms, there being no conditions to the enforceability of this note. This note may not be supplemented or modified except in writing. This note benefits Lender, its successors and assigns, and binds Village and its successors and assigns. The validity, construction and enforcement of this note are governed by the internal laws of Wisconsin. Invalidity or unenforceability of any provision of this note shall not affect the validity or enforceability of any other provisions of this note.

REGISTRATION PROVISIONS

This note shall be registered in registration record	is kept by the Village Clerk of the Village of <u>Caledor</u>	nia Wisconsin, such
registration to be noted in the registration blank b	pelow and upon said registration records, and this n	ote may thereafter be transferred only upor
	factory to the Village Clerk duly executed by the Lende	
such records and endorsed hereon.		•
	REGISTRATION	
Date of	Name of	Signature of
Registration	Lender	Village Clerk
10-19-2020		Mail fore
		, , , , , , , , , , , , , , , , , , , ,
	_	

Addendum A to Promissory Note

1.(d) **Other**. On the first anniversary of this note, and each one year anniversary thereafter, Village will pay to Lender an amount equal to the greater of (a) Fifty Thousand Dollars (\$50,000.00), or (b) 50% of the incremental tax revenues received during the preceding 12 months from each property within Village TID 5. Village's final payment will be due on or before the 10th anniversary of this note, and will be for all principal and all accrued interest not yet paid. Payments shall be applied first upon the unpaid interest and then applied upon the unpaid principal.

- - Managemen

RUSD - Village of Caledonia Note Amortization

Original principal (net of \$35,000 earnest money):

\$ 1,415,000

Annual interest rate:

5.00%

Date of Note (assumed):

10/21/2020

Payment Date (1)	Principal Payment		Interest Payment	-	Total Principal and Interest Payment (2)	C	urrent Interest on Unpaid Principal	unp	accrued, but paid int., after yment Date
10/21/2021	\$ -	\$	50,000.00	\$	50,000.00	\$	70,750.00	\$	20,750.00
10/21/2022	\$ -	\$	50,000.00	\$	50,000.00	\$	70,750.00	\$	41,500.00
10/21/2023	\$ ~	\$	100,000.00	\$	100,000.00	\$	70,750.00	\$	12,250.00
10/21/2024	\$ 125,000.00	\$	83,000.00	\$	208,000.00	\$	70,750.00	\$, -
10/21/2025	\$ 150,000.00	\$	64,500.00	\$	214,500.00	\$	64,500.00	\$	_
10/21/2026	\$ 175,000.00	\$	57,000.00	\$	232,000.00	\$	57,000.00	\$	-
10/21/2027	\$ 200,000.00	\$	48,250.00	\$	248,250.00	\$	48,250.00	\$	-
10/21/2028	\$ 225,000.00	\$	38,250.00	\$	263,250.00	\$	38,250.00	\$	-
10/21/2029	\$ 250,000.00	\$	27,000.00	\$	277,000.00	\$	27,000.00	\$	_
10/21/2030	\$ 290,000.00	\$	14,500.00	\$	304,500.00	\$	14,500.00		
	\$ 1.415.000.00	Ś	532,500,00	\$	1 947 500 00				

\$ 1,415,000.00 \$ 532,500.00 \$ 1,947,500.00

Footnotes:

- (1) If the Date of Note changes due to a change in the date of closing on the RUSD sale to the Village, these dates shall be adjusted so that the each Payment Date is on the anniversary of the Date of Note.
- (2) These are the illustrative payments and shall be adjusted so that the Total Principal and Interest paid in any year is equal to no less than 50% of the Tax Increment received by the Village in that year, until a total of \$1,415,000 of principal and any accrued interest is paid.





First American Title Insurance Company National Commercial Services

25 West Main Street, Suite 400 • Madison, WI 53703

Office Phone:(608)204-7409 Office Fax:(608)204-7414

Final Settlement Statement

File No:

NCS-981591-MAD

Escrow Officer:

Martin Price/MP

Settlement Date: Disbursement Date:

10/21/2020 10/21/2020

Property:

5915 and 5919 Erie Street, Racine, WI 53404

5915 Erie Street, Racine, WI 53404

Buyer:

Village of Caledonia

Seller:

Racine Unified School District

Buyer Credit	Description	Seller Charge	Seller Credit
	Consideration		AND THE CONTRACT OF THE CONTRA
)	Total Consideration		1,450,000.0
	Deposits in Escrow		
35,000.00	Receipt No. 16052983 on 10/08/2019 by Village of Caledonia		
	Adjustments		
1,415,000.00		1,415,000.00	
	Commission		
	Broker: Anderson Commercial Group		
	Real Estate Commission	87,000.00	
	Title/Factors Observed		
	Title/Escrow Charges		
	Policy-Standard ALTA 2006 Owner's to First American Title	1,895.00	
	IWI - GAPI GAP Coverage Commitment -WI to First American	150.00	
	Title Insurance Company National Commercial Services	130.00	
	Search and Exam to First American Title Insurance Company	350.00	
		120.00	
200.00		300.00	
	Company National Commercial Services	200.00	
	Document Preparation (Deed and Transfer Return) to First	200.00	
		25.00	
		5.00	
		00.00	
	35,000.00	Total Consideration	Total Consideration

Final Settlement Statement

Settlement Date: 10/21/2020

Officer:

Martin Price/MP

File No: NCS-981591-MAD

Buyer Charge	Buyer Credit	Description	Seller Charge	Seller Credit	
30.00		Record Warranty Deed (transfer tax exempt)			
	235.00	Cash (X From) (To) Buyer			
		Cash (To) (X From) Seller		54,975.00	
1,450,235.00	1,450,235.00	Totals	1,504,975,00	1.504.975.00	

See Attached Signatures

Final Settlement Statement

Settlement Date:

10/21/2020

Officer:

Martin Price/MP

File No: NCS-981591-MAD

BUYER(S):

Village of Caledonia, a Wisconsin municipal corporation

Name: James R. Dobbs Title: Village President

Attested By:

Name: Karie Pope Title: Village Clerk

Final Settlement Statement

Settlement Date: Officer:	10/21/2020 Martin Price/MP	File N	lo: NCS-981591-MAD
SELLER(S):			
the City of Raci		ipal corporation, formerly known a f Wind Point, Village of North Bay, County, Wisconsin	
Ву:			
Name: Brian	O'Connell		
Title: School	Board President		