COMMON COUNCIL AGENDA
July 25, 2023

The public may view/listen to the meeting by:
• Calling Toll Free 1-844-992-4726, access code: 263 472 90449
• Visiting the web link: https://tinyurl.com/rfcc72523
• Viewing the City’s YouTube Channel: https://www.youtube.com/user/cityofriverfalls

Call Meeting to Order – 6:30 p.m.
Pledge of Allegiance
Roll Call
Approval of Minutes – July 11, 2023, Regular and Workshop Minutes; June 27, 2023, Workshop Minutes
Approval of Bills

*** NOTE: OFFICIAL ACTION MAY BE TAKEN ON ANY AGENDA ITEM ***

PUBLIC COMMENT, PETITIONS, REQUESTS AND COMMUNICATIONS:
1. Public Comment
   If you are unable to attend the meeting in person but would like to submit a public comment, please e-mail to the City Clerk’s office (awhite@rfcity.org).

PUBLIC HEARING:
6:31 p.m.
2. Ordinance 2023-11 – an Ordinance Creating Title 17 Zoning; Chapter 17.50 – Corporate Park Zoning District - First Reading

6:32 p.m.
3. Ordinance 2023-12 – Amending Official Traffic Control Map (No right turn on red - Division Street to Main Street) - First Reading

CONSENT AGENDA:
4. Acknowledgement of the following minutes:
   a. River Falls Parks and Recreation Advisory Board – 6/21/23
   b. Plan Commission – 6/6/23
   c. Business Improvement District – 6/13/23
   d. Historic Preservation Commission – 6/21/23
   e. West Central Wisconsin Biosolids Facility Commission – 6/15/23
   f. Utility Advisory Board – 6/19/23
5. Resolution Approving Development Agreement between City of River Falls and Sterling Ponds I, LLC
6. Resolution Approving Purchase Agreement with Sterling Ponds I, LLC
7. Resolution Approving First Right of Refusal with Sterling Ponds I, LLC

ORDINANCES AND RESOLUTIONS:
8. Initial Resolution Authorizing $9,750,000 General Obligation Bonds for Community Development Projects in Tax Incremental Districts
9. Initial Resolution Authorizing $8,665,000 General Obligation Bonds for Sewerage Projects
10. Resolution Directing Publication of Notice to Electors Relating to Bond Issues
11. Resolution Providing for the Sale of Not to Exceed $18,415,000 General Obligation Corporate Purpose Bonds
12. Resolution Providing for the Sale of Approximately $5,405,000 Water System Revenue Bonds
REPORTS:
  13. Comptroller’s Report

ADJOURNMENT

NOTE: Any person who has a qualifying disability as defined by the Americans with Disabilities Act that requires the meeting or materials to be in an accessible location or format, may contact City Clerk Amy White at (715) 426-3408 or in person at 222 Lewis Street, for accommodations. Requests for accommodations should be made at least three (3) business days in advance of the meeting. Every effort will be made to arrange accommodations.

*Posted at City Hall on 7/13/23; Publish: The Pierce County Journal: 7/19/23*
Mayor Toland called the meeting to order at 6:30 p.m.

City Council Members Present: Mayor Dan Toland, Jeff Bjork, Sean Downing, Alyssa Mueller, Todd Bjerstedt, Scott Morrissette, Diane Odeen

Members Absent: Nick Carow

Staff Present: City Administrator Scot Simpson; Assistant City Administrator Jason Stroud; City Attorney Chris Gierhart; IT Specialist Jon Smits; Utility Director Kevin Westhuis; Assistant to the City Administrator Jennifer Smith; Police Chief Gordon Young; Assistant Director of Community Development Emily Shively; City Clerk Amy White; Community Development Director Amy Peterson; Management Analyst Fellow Sara Kasel; City Engineer Todd Nickleski

Others: David Curtin, Dana Linscott, others

APPROVAL OF MINUTES
June 27, 2023, Regular Meeting Minutes
MSC Bjork/Bjerstedt move to approve minutes. Unanimous.

APPROVAL OF BILLS:
Bills: $2,419,256.60
MSC Morrissette/Mueller move to approve bills. Unanimous.

PUBLIC COMMENT, PETITIONS, REQUESTS AND COMMUNICATIONS:
David Curtin, Lamar Advertising – he came to speak about Ordinance 2023-10. He asked Council to consider two amendments in Sections 9-12 to allow for six second on displays and in Section 16 to remove the requirement for static sign removal.

Dana Linscott, 11395 County Road M - came to speak against an ordinance the Council previously passed regarding camping.

Alderperson Morrissette invited the public to come and celebrate the 125th anniversary of Glen Park on July 19.

PUBLIC HEARING:
Ordinance 2023-10 - Amending Title 17 Zoning; Chapters 17.44, 17.68, 17.84 and 17.116 related to Electronic Reader Board Signs – Second Reading and Disposition
At 6:36 p.m., the mayor moved into a public hearing and asked for comments. As there were no comments, the mayor closed the public hearing and moved back into open session. MS Morrissette/Odeen move to approve the ordinance.
Alderperson Bjork asked Curtin about the six seconds. Curtin believed it was the industry standard. He thought the ordinance was more restrictive. Alderperson Odeen asked if electronic boards were able to go slower. Curtin said any timeframe can be set. Alderperson Downing said he didn’t see a recommendation to make this quicker. He suspected it may because of potential distractions for drivers.
City Administrator Simpson said there’s a recommendation from the Plan Commission to the Council with a favorable recommendation (for the ordinance). There isn’t an additional comment from staff. He asked Downing on which part of the ordinance he had a question. Downing asked if the reason why there are no other amendments being suggested is because it would be a distraction (for drivers). Simpson said that was a policy decision for the Council. He thinks the ordinance is 15 seconds. He can’t speak to the motivation for Plan Commissioners.

Odeen sits on Plan Commission. Distraction and time limit of individual signs was discussed. Plan Commission felt this was a fairly big step from the old ordinance. The thought was it be easier to tread lightly when going into a big change and then it can be adjusted as necessary.

With no other comments, the mayor asked for a vote. The ordinance passed unanimously.

CONSENT AGENDA
Resolution Approving Award of 2023 Mill & Overlay Program Contract—pulled by Downing

Resolution No. 6802 - Approving Award of 2023 Mill & Overlay Program Contract
Alderperson Downing asked how long the policy lasts if there’s something amiss with the work that is done. Simpson referred the question to the City Engineer Nickleski. Nickleski believed the contract stated workmanship was a 12-month warranty period. MSC Downing/Bjork moved to approve the resolution. Unanimous.

ORDINANCES AND RESOLUTIONS:
Resolution No. 6803 - Authorizing Membership in the Cities and Villages Mutual Insurance Company
MSC Mueller/Bjerstedt move to approve the resolution. Unanimous.

Resolution No. 6804 -Authorizing Insurance(s) through the Cities and Villages Mutual Insurance Company
MSC Morrissette/Odeen move to approve the resolution. Unanimous.

Resolution No. 6805 -Authorizing Property Insurance Coverage Through Municipal Property Insurance Company
MSC Downing/Bjork move to approve the resolution. Odeen said she found the staff memo on this issue very helpful. With no other comments, the mayor asked for a vote. The resolution passed unanimously.

REPORTS:
Administrator’s Report
Simpson provided updates on upcoming events. He noted that tonight’s meeting was the last one for Assistant City Administrator Jason Stroud. Simpson gave special thanks to Stroud. Stroud thanked Simpson and the council the opportunity to serve at the city.

CLOSED SESSION:
At 6:47 p.m., MS Morrissette/Downing move to recess into Closed Session per Wisconsin State Statutes §19.85(1)(e) for the following purposes: “deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, to wit: University of Wisconsin-River Falls Science Technology Partnership”. The roll call vote to move into the closed session passed unanimously.

At 7:07 p.m., MS Morrissette/Odeen to reconvene into open session. The vote to move into open session passed unanimously.
MS Bjerstedt/Mueller move to adjourn at 7:07 p.m. The roll call vote to adjourn passed unanimously.

Respectfully submitted,

Kristi McKahan, Deputy Clerk
July 11, 2023, 5 p.m., Training Room, City Hall

City Council Members Present: Dan Toland, Jeff Bjork, Sean Downing, Scott Morrissette, Alyssa Mueller, Diane Odeen

Members Absent: Nick Carow, Todd Bjerstedt

City Staff Present: City Administrator Scot Simpson; IT Specialist Jon Smits; Assistant City Administrator Jason Stroud; Management Analyst Fellow Sara Kasel; Community Services Director/City Clerk Amy White; Finance Director Josh Solinger; Utility Director Kevin Westhuis; Community Development Director Amy Peterson; Police Chief Gordon Young; Public Works Manager Erica Ellefson; Library Director Tanya Misselt; Police Chief Gordon Young; City Engineer Todd Nickleski; Assistant Director of Community Development Emily Shively

Others: Ben Fochs, Rebecca Ferguson

At 5 p.m., the workshop was called to order by Mayor Toland. Finance Director Josh Solinger began the presentation.

He showed a slide of the meeting’s agenda and began by talking about the differences between Workshop 1 and 2. The changes were made by City Administrator Simpson and Solinger based upon funding targets. Changes were:

- Fire Station – increased total cost to $9 million. Design as moved from 2027 to 2025. Construction from 2028 to 2027-2028.
- Infrastructure – adjusted DeSanctis Park shelter from 20225-2026 to 2027-2028
- Library – adjusted facility study implementation projects to 2025-2028. Projects would be done over four years funded in equal portions of 25 percent.
- Police Department – added $21,000 for “flock” camera system in 2026
- Transportation - added $33,000 for sidewalk design and construction 2025-2026) to Locust Street project and added $54,000 for planning costs in 2025 for Foster Street extension project and moved land acquisition to 2026

Alderperson Bjork asked where the location was for the extension project and about moving power lines. He asked about the Foster Street extension and where it came about. City Administrator Simpson said it was identified in two places – when the Falcon Center project came in. Simpson talked about the building placement. The South Main Street strategy which talked about getting a connection there. Simpson spoke about concerns to get to property. There was further discussion.

- Utilities – reduced lead gooseneck replacements from $75,000 per to $15,000; increased Golf View water tower repainting from $477,550 to $715,000; increased biosolids project from $8 million to $8.5 million
Bjork asked about the water tower sponsorships. Simpson said it is a possibility but not one we have pursued. We have taken the approach that we would rather advertise the community. Simpson explained what the university paid in connection with the water tower located near the university. If council wanted staff to pursue sponsorships, we will. Alderperson Odeen said it is an opportunity to brand the city. There was continued discussion about water towers and the high cost to paint a water tower.

- Vehicles – vacuum truck expenses were removed in 2027 and kept costs in for 2025 to refurbish existing vacuum trucks

Solinger said adjustments of funding sources were made. From the first workshop to this workshop, there was an increase in projects by fund/departments from $79,225,694 to $80,041,143. He noted $30,000 was added to Engineer for a sidewalk project. For the fire department project, $500,000 was added. For future development, $54,000 was added. For police, $60,000 was added in 2025 for body worn cameras and the flock cameras. He talked about adjustments in utilities.

Solinger talked about funding for 2024-2028. Odeen asked about an overview of grant funding. Solinger said there were grants from DNR, state, federal, and FEMA. Odeen asked if the sources were solid. Solinger talked having internal conversations and having a backup plan if the grant is not received. Simpson spoke at length and provided more information for council. He talked about specific projects, and their funding, and grants. Questions from council were answered by staff.

Solinger moved onto a new slide showing project for new versus existing maintaining/replacements assets. He showed a slide of 2024-2028 levy funded projects which showed amounts for levy supported projects and vehicles, the mill rate, and percentage of levy.

Solinger showed a slide of estimated GO borrowing by year from 2024-2028. He showed a slide of some projects of council interest which are not included in the current CIP. This slide was the same as the last workshop.

Solinger showed a slide which outlined a fiscal plan preview from 2023-2028. He talked about growth, levy limits and levy increase. Simpson talked about debt service, levy limits, and donations.

Alderperson Mueller thought donations were a good idea for the library. There was discussion about donations. Alderperson Morrissette asked about a naming rights policy. There was discussion about the city’s policy and about the library’s funding.

Simpson talked about the Kinni Corridor being the council’s big project. He talked about the project and said it is planned to be funded mainly with donations. Staff is meeting with the Army Corps of Engineers tomorrow.

Solinger provided wrap up information. Staff will finalize plan. The finished CIP likely submitted to council first meeting in August. Funding sources and uses for 2023 will be appropriated as part of the 2024 budget adopted in November. Finance staff will be transitioning into the fiscal plan with the intent of having a workshop in September. The cost-of-service studies for electric, water, sewer ongoing future council discussions are likely needed. A financing arrangement for the rural fire association share of fire station project will influence city borrowing.

Staff fielded final questions from the council.

The workshop adjourned at 6:08 p.m.

Respectfully submitted,

Kristi McKahan, Deputy Clerk
RIVER FALLS CITY COUNCIL WORKSHOP REGARDING THE 2024-2028 CAPITAL IMPROVEMENT PLAN

June 27, 2023, 5 p.m., Training Room, City Hall

City Council Members Present: Dan Toland, Todd Bjerstedt, Jeff Bjork, Sean Downing, Scott Morrissette, Diane Odeen

Members Absent: Nick Carow, Alyssa Mueller

City Staff Present: City Administrator Scot Simpson; IT Specialist Jon Smits; Assistant to the City Administrator Jennifer Smith; Assistant City Administrator Jason Stroud; Management Analyst Fellow Sara Kasel; Community Services Director/City Clerk Amy White; Finance Director Josh Solinger; Economic Development Manager Keri Schreiner; Utility Director Kevin Westhuis; Community Development Director Amy Peterson; Police Chief Gordon Young; Public Works Manager Erica Ellefson

Others: Patricia La Rue, Ben Fochs

At 5:01 p.m., the workshop was called to order by Mayor Toland. Finance Director Josh Solinger began the presentation.

He showed a slide illustrating fiscal planning and implementation showing different city plans and their connection. The plans are complimentary.

Solinger said capital items have a value of $5000 or more and useful life of over one year. The ten-year capital improvement plan is prepared with emphasis on every five years. The CIP is currently updated every two years with the fiscal plan.

Solinger showed the CIP theme slide. Themes include financial sustainability, long-term strategic growth, and continued investment in infrastructure.

Solinger showed a slide with city funds. Funding sources vary by fund. There are two capital funds – the general capital fund and the utility equipment capital fund.

- Capital funds are made up of tax levy, grants, donations, developer contributions, fund reserves and borrowing
- Utility funds are financed by charges for services, impact fees and borrowing
- TIDS funds come from tax increment revenue from developments and borrowing
- Special revenues funds are charges for services, tax levy, grants, and donations
- Internal services fund relies on internal allocations to other city fund that maybe funded by any of the above sources

Solinger showed the 2024-2028 Fiscal Plan – Levy Projects slide. The slide showed figured that compared 2024-2028. The figures were for levy support projects and vehicles. With fiscal plan, one of the features is we allocate uses into five buckets. Each use of levy meets state levy requirements.

Solinger showed a slide that showed an estimated general obligation borrowing for 2024-2028. This includes $8 million borrowing for the biosolids facility and $9.5 million for various components of the Mann Valley project. Solinger talked about the reasons and benefits of borrowing. For the planned borrowing over the next
five years, we would not exceed 50% of the state’s indebtedness. We would assume one percent growth. It is a conservative forecast. He talked about debt service payments which were forecasted on current market rates. Solinger talked about the mill rate. Growth will allow the mill rate to drop.

Solinger showed a slide of utility considerations. Staff consider the following:

- Expense requests, cash financing (working capital 90 days coverage), debt financing (revenue to debt coverage 1.5X)

Morrissette asked how Solinger came up with 1.5. He provided an explanation.

- Growing customer base important but challenging variable
- Cost of service studies underway (using WPPI and Trilogy)
  - Electric (initial date received and clarifying with WPPI), water-August, sewer-August

- Things Josh is watching:
  - Electric (working capital), water (revenue to debt coverage), sewer (working capital)

Downing asked if it included a transportation utility fee and where is it in the courts in Wisconsin. City Administrator Simpson said he’d have to research on current case law. He clarified the question with Downing. Simpson said we haven’t assumed anything in utilities as a part of CIP forecasting.

Solinger talked about future adjustments for 2025-2028 based on studies. He said there could be possible future council discussions regarding utility rates.

Councilors had questions about rates. There was discussion. Solinger provided answers.

Solinger showed a slide of the 2024-2028 Capital Improvement Plan which showed the departments and the amounts allotted to them. He said all funds over five years totaled $79 million. Solinger showed a slide which broke down the CIP by funding source.

The next slide showed the 2024-2028 project highlights which were:

- Kinni Corridor Implementation - $26 million
- Fire Station - $8.5 million
- New well #7 - $1.9 million
- Main Street Reconstruction - $7.6 million
- Library Facility Study Implementation (funded with donations) $2,588,000
- Electric North Substation Transformer $2,500,000 (driven by Mann Valley development)
- Electric Transformer Replacements $1,350,000
- Sewer main Slip Lining $924,000
- Vehicle Replacements $765,000
- Fire Portable Radios $643,000
- Water ongoing AMI implementation $623,000
- Reconstruction of East Division street $571,000
- TID 10 – Streetlights and Boulevard Trees $400,000
- TID 17 – Paulson Road Streetlights $375,000
- City Hall Solar Panels $200,000
- Stormwater Hoffman Basin Flood Study $183,000

Solinger talked about most of the projects providing details and funding sources.
Solinger continued and showed a slide of projects that Council were interested in but were not included in the current CIP.

- Hoffman Park Master Plan Implementation (parking lots, new pavilion, softball field improvements, new entrance road)
- Glen Park Master Plan Implementation (Phase 2: pool, ice rink, east shelter/warming house, kayak launch and drop)
- Public Works Building expansion/renovation (excludes both design and construction)
- Additional dog park(s)
- Downtown master plan implementation (other than Main Street reconstruction)
- Downtown alley upgrades

Solinger concluded his presentation. This is a draft CIP. The CIP will likely be submitted to Council at the first meeting in August. Funding sources and uses for 2023 will be appropriated as part of the 2024 budget adoption in November.

Utility Director Kevin Westhuis followed up with Morrissette’s question about when the last rate study was done.

Aldersoner Downing asked about including the St. Croix pond clean up in the plan. Simpson said staff is not recommending including it at this time. He said the latest project we have done is adequate to service 5-15 years of additional time. Simpson provided background. He said it has been totally reconstructed. It is not recommended. There are some benefits. We are not thinking it is a priority given all that we must accomplish. He talked about storm water revenue going into Kinni Corridor. Council could add St. Croix pond. Downing said if we could get a grant that would be a good option. Simpson said the city has likely eliminated its competitiveness due to the improvements we have already made. The state is likely to award a community that has a greater need.

Simpson said the Council can alter, modify, add, subtract new projects. We tend to have anticlimactic approach to spending $80 million. We are relying on Council representatives for committee input. If we missed something that is an obvious priority, bring attention to it.

Simpson said the fire station is rapidly developing situation. We are more confident that we will get funding at a lower dollar amount than we hoped. Simpson talked about the city and its partners coming up with money and funding. Planning and design in 2027-2028 which could be accelerated. Simpson provided information on fire station. Solinger talked about funding from rural fire. Simpson spoke further.

Simpson has reviewed the plan, and staff can accomplish it. He talked about reconstruction of Main Street.

Bjerstedt asked if the clock is ticking regarding grant money. Simpson said it has not been awarded. He thinks acquisition of design is okay. We would have three years to go into it. Do RFP for design and engineering, start the project. It’s possible there’s some caveat we don’t know about. Simpson spoke further. He talked about not doing the project or scaling the project back if we don’t get the funding needed. Simpson continued providing more details.

Council wants second workshop. Simpson said councilors shouldn’t advocate with each other about projects. He talked about the CIP book and formatting. Solinger said there was one detail page for each project.

Simpson talked about projects multiple Councilors were interested. He talked about body worn cameras. He doesn’t believe they are budgeted in the next five years. It is a dynamically changing item. He talked further about it. Simpson asked Council if there were any other projects, he didn’t fund that Council was interested in.
Odeen asked about changes to shared revenue. She assumes it’s going to help. Where can we expect to see any effect.

Solinger said the effect would be in the fiscal plan on the operating side. It will allow us to provide some levy relief. He talked about it being connected to sales tax which is a volatile revenue source because it’s tied to consumer spending. Simpson talked about plotting sales tax from past history and making a plan.

Simpson talked about scenarios if the fire department was the Council’s next priority project. He talked about funding regarding the fire station.

Simpson thanked Solinger, Kristine Bascom, and Jason Stroud for their work on the CIP. Simpson thought we were proud of where we are at. He continued to talk about funding and revenues and possible scenarios.

**The workshop adjourned at 6:12 p.m.**

Respectfully submitted,

Kristi McKahan, Deputy Clerk
MEMORANDUM

TO: Mayor Toland and City Councilmembers

FROM: Emily Shively, Assistant Director of Community Development

DATE: July 25, 2023

TITLE: Zoning Ordinance Text Amendment creating Chapter 17.50 – Corporate Park Zoning District (First Reading)

RECOMMENDED ACTION
Adopt the attached ordinance creating Chapter 17.50 – Corporate Park Zoning District.

INTRODUCTION
This memorandum provides an overview of the proposed Corporate Park Zoning District Ordinance that is intended to be applied to the Mann Valley Corporate Park area. The proposed ordinance sets out the purpose of the regulations; provides definitions; sets permitted, accessory, special, and prohibited uses; and describes performance standards that apply to all uses in the zoning district. The proposed ordinance has been reviewed by the River Falls Economic Development Corporation (June 26, 2023) and the Plan Commission (July 6, 2023).

DISCUSSION
Proposed Ordinance Amendment
The proposed ordinance is intended to provide certainty for the City and development, business, and industry partners as to the purpose and character of areas that are zoned Corporate Park. Clearly defining and identifying uses and standards ensures that the expectations of the community are articulated and communicates those expectations to private sector partners.

The Corporate Park Zoning District incorporates portions of existing City Code, standards in the Covenants for Whitetail Ridge and Sterling Ponds Corporate Parks, and additional provisions that provide development flexibility while also setting a high standard for quality.

The following is a general description of each section of the draft ordinance:

17.50.010 Purpose. This section provides the purpose of the zoning district and what it is intended to achieve including high-quality facilities for office and industrial uses, compatibility with adjacent uses, increasing the tax base and employment opportunities in the City, and diversification of the local economy.

17.50.020 Definitions. Definitions are helpful in clarifying what is meant by terms within the ordinance. These particular definitions describe uses that are either permitted or prohibited so that there is greater certainty as to whether a potential use is allowed in the zoning district.
17.50.030 Permitted Uses. The draft ordinance specifies six categories of permitted uses. Most office uses, including medical offices, would fall into the Office category. Most manufacturing/industrial uses, including food processing and packaging, would be considered Light Manufacturing. Other permitted uses are Research and Development, Truck Terminals, and Warehousing as a principal use. These permitted use categories are more general than the specific list of uses in the I-1 Industrial District, although the majority of the permitted uses in I-1 would be allowed in areas zoned Corporate Park.

17.50.040 Accessory Uses. This section specifies that uses of a different business type than the main use of the property may be allowed as long as they are only providing services to employees of the principal use. This includes daycare, restaurants, fitness centers/sports facilities, training or apprenticeship programs, and retail of products produced on site. Outdoor storage is also a permitted accessory use provided it is screened by an opaque fence or wall.

17.50.050 Special Uses. Special Uses are those that may be appropriate in a particular location provided specific conditions are met. Proposed Special Uses in the Corporate Park Zoning District include animal hospitals, hospitals and residential treatment facilities, hotels, and indoor entertainment. If a business has an accessory use such as a daycare or restaurant and would like to provide services to the general public, that may be allowed via Special Use Permit. Buildings and structures exceeding 75 feet in height may also be approved via Special Use Permit.

17.50.060 Prohibited Uses. The list of prohibited uses is intended to make very clear which uses are allowed and not allowed in the Corporate Park Zoning District to maintain the purpose and intent of areas with this zoning designation.

17.50.070 Site Standards. This section includes performance standards for all uses in an area zoned Corporate Park. Setbacks and impervious coverage standards are very generous to allow greater development flexibility. All development must comply with stormwater regulations.

Building design and exterior material standards have been pulled largely from the Whitetail Ridge and Sterling Ponds Covenants. Including these in the ordinance gives them the force of law and makes the standards easy to find for any potential user.

Special consideration is given to adjacent properties to ensure that development and uses are compatible including screening requirements.

Standards are outlined for trash handling and utilities, landscaping, lighting, and fences. Signage must meet the requirements of the Sign Code as they relate to signage in Industrial Districts.

17.50.080 Access and Circulation. This section addresses parking and access drives, loading areas, and bicycle and pedestrian circulation, and bicycle parking. Notably, the draft ordinance does not have any set minimum parking requirements for a site. This provides greater flexibility for a business to evaluate how much vehicle parking they will need for successful operations and avoids potential excess parking that could be used for development or may add unnecessary additional impervious surfaces.

17.50.090 Open Space. This section requires a minimum of 300 square feet (approximately 10’x30’) of designed outdoor open space to provide an on-site amenity for employees and visitors. This may be an enhanced entry area, courtyard, or patio.
17.50.100 Nuisance Conditions. The final section of the draft ordinance addresses potential nuisance conditions. These standards have been taken directly from the Whitetail Ridge and Sterling Ponds Corporate Park Covenants.

SUMMARY
The proposed Corporate Park Zoning District is intended to be consistent with existing Corporate Park regulations that apply to Whitetail Ridge and Sterling Ponds Corporate Parks and to establish clear and flexible regulations that encourage high-quality development that creates new jobs, expands the non-residential tax base, and diversifies the local economy.

The City Attorney has reviewed the proposed ordinance amendment.

RECOMMENDATION
Plan Commission reviewed the proposed ordinance at their meeting on July 6, 2023, and forwarded the ordinance amendment to Council with a favorable recommendation.
ORDINANCE NO. 2023 -11

AN ORDINANCE CREATING
TITLE 17 ZONING; CHAPTER 17.50 – CORPORATE PARK ZONING DISTRICT

THE COMMON COUNCIL OF THE CITY OF RIVER FALLS DOES ORDAIN:

Section 1. That Chapter 17.50 – Corporate Park Zoning District of the City of River Falls Municipal Code be created as follows:

Chapter 17.50 Corporate Park Zoning District

17.50.010 Purpose.

The purpose of the Corporate Park Zoning District is to provide high-quality facilities for office, research and development, light manufacturing, office-showroom/office-warehouse, and warehousing/distribution uses. These uses shall be sited, designed, and operated in a manner compatible with adjacent properties. It is the intent of this area to increase the non-residential tax base in the City and the number of living-wage jobs available to the residents of River Falls. Employment opportunities that offer living wages contribute to a rising standard of living for those employed and contribute to the overall quality of life in the community. The Corporate Park Zoning District is also intended to support the diversification of the local economy by providing employment opportunities in a variety of industry types.

17.50.020 Definitions. As used in this Chapter 17.50, the following definitions shall apply and control over any inconsistent definition elsewhere in Title 17:

Building supply stores and yards: Facilities providing retail or wholesale building and/or landscaping materials and supplies.

Bulk storage buildings, yards and terminals: Facilities providing storage for bulk raw materials which could become an airborne nuisance and which are not being used in a manufacturing process on the premises.

Church: A building, together with its accessory buildings and uses, where persons regularly assemble for religious worship and which the building, together with its accessory buildings and uses, is maintained and controlled by a religious body organized to sustain public worship.

Clear Height: Distance from the floor to the lowest-hanging ceiling member or hanging objects, beams, joists or truss work descending down into a substantial portion of the work area.
Cross Dock: Loading docks on opposite sides of a relatively shallow distribution facility that allow for quick loading, sorting or unloading from one vehicle to another (i.e., materials from one truck at a loading dock are unloaded, sorted and reloaded onto one or more trucks).

Heavy Manufacturing: Any operation which assembles, improves, treats, compounds, and/or packages goods or materials in a manner which would not qualify the operation as light manufacturing, including manufacturing that requires outdoor storage of bulk, raw, or finished materials used in or resulting from the manufacturing process.

Indoor Entertainment: Facilities providing indoor entertainment, including but not limited to, concerts, theater, music, or similar uses.

Indoor Exercise or Sport Clubs: Facilities providing indoor exercise or sports clubs, including but not limited to, weight lifting, gymnastics, martial arts, tennis, basketball, indoor batting cages, indoor golf, or similar uses.

Light Manufacturing: Any operation which assembles, improves, treats, compounds, and/or packages goods or materials in a manner which does not create a noticeable amount of noise, dust, odor, smoke, glare, or vibration outside of the building in which the activity takes place, which does not require outside storage of bulk, raw, and finished or unfinished materials used in or resulting from the manufacturing process. Clear height in any warehouse component accessory to the manufacturing use shall not exceed thirty-two (32) feet. There is no clear height limit within manufacturing areas of a building.

Offices: Structures, or portions of structures, in which commercial or professional activities take place but where goods are not produced, sold, or repaired. Includes medical office uses, but excludes hospitals and residential medical treatment facilities.

Office-showroom/Office-warehouse: A use in which a portion of the floor space is devoted to office activities, the remainder being used for either a showroom (display of materials, goods, or equipment) or warehousing (storage of materials, goods, or equipment). Clear height in the warehouse component shall not exceed thirty-two (32) feet.

Open sales, rental, or storage lots: The sale, storage, or rental of, including but not limited to, cars, buses, trucks, motorcycles, bicycles, recreational vehicles, trailers, boats, mobile homes, machinery, lumber, building materials, landscape materials, or similar items: This definition includes any land used or occupied for the purpose of buying and selling any goods, materials, or merchandise, and for the storing of same under the open sky prior to sale.

Outside storage: Exterior storage of raw or unfinished goods, materials, or non-functional equipment.

Research and Development: Medical, chemical, electrical, metallurgical or other scientific research conducted in accordance with the provisions of Title 17.

Schools: Unless otherwise specifically described in the ordinances of the City or other applicable laws or regulations, the term school shall mean any building used for educational purposes by five (5) or more persons at one time.

Self-service storage facilities: Real property used for the purpose of renting or leasing individual storage space to persons who are to have access for the purpose of storing and removing personal property. The term does not include: (1) Property of a financial institution that contains
vaults, safe deposit boxes, or other receptacles for the uses, purposes, and benefits of the financial institution's customers; (2) Warehousing as defined by this Chapter; or (3) A commercial parking garage or parking lot that provides short-term motor vehicle parking.

Truck terminals, freight terminals, and freight forwarding services: A specialized distribution building that facilitates simultaneous incoming and outgoing inventory, or the immediate redistribution of goods from one truck to another (including cross-docking facilities); a building or area devoted principally to the transfer and/or storage of goods brought by truck.

Warehousing: The storage of materials, goods, or equipment within an enclosed building with minimal or no associated office, research and development, or manufacturing component. Maximum clear height shall be 32 feet.

17.50.030 Permitted uses (principal).

A. Light Manufacturing.
B. Offices.
C. Office-showroom/Office-warehouse.
D. Research and Development.
E. Truck terminals, freight terminals, and freight forwarding services.
F. Warehousing.

17.50.040 Permitted uses (accessory).

All permitted accessory uses shall be located within or on the same property as a permitted principal use. Accessory uses not materially related to the principal use (of a different business type) shall provide services exclusively for the employees of the principal use but may be open to the general public via Special Use Permit.

A. Indoor Exercise or Sport Facility.
B. Nursery Day Care.
C. Restaurant.
D. Retail sale of items produced on site. Retail areas shall not exceed 20 percent of the total floor area of the principal use.
E. Outdoor storage of goods and equipment directly related to the principal use. All outdoor storage areas shall be screened by an opaque fence or wall at least six feet in height. Chain link fencing with plastic slats is not considered opaque and is prohibited. Open outdoor storage of raw or bulk materials is prohibited.
F. Workforce training or apprenticeship programs.

17.50.050 Special uses (special use permit required).

All special uses shall be evaluated for compatibility with adjacent uses, traffic, parking, and consistency with the purpose of the Corporate Park zoning district.
A. Animal hospitals. Outdoor relief areas may be provided and shall be appropriately fenced, screened, and maintained so as not to produce odors and noise. Outdoor kennels are prohibited.
B. Hospitals and residential treatment facilities.
C. Hotels.
D. Indoor Entertainment.
E. Permitted accessory uses intended for use of onsite employees and open to the general public.
F. Principal or accessory buildings or structures exceeding 75 feet in height.

17.50.060 Prohibited uses.

A. Billboards.
B. Building supply stores and yards.
C. Bulk storage buildings, yards and terminals.
D. Churches.
E. Heavy Manufacturing.
F. Open sales, rental, or storage lots.
G. Outside storage.
H. Schools.
I. Self-service storage facilities.
J. Any other use not listed as a Permitted Use or Special Use.

17.50.070 Site Standards.

A. Height, Area, and Setback Requirements.
   1. Maximum building or structure height as measured to the tallest portion of the structure (including roof-mounted utilities and antennas) from the average grade at the base of the building: Seventy-five (75) feet. Buildings or structures taller than 75 feet may be approved via Special Use Permit.
   2. Minimum lot size: Two acres (87,120 square feet).
   3. Minimum lot width: One hundred (100) feet.
   4. Minimum building size (principal use): 20,000 square feet.

B. Building setback requirements (all structures including principal and accessory structures, trash enclosures, and ground mounted utilities).
   1. Front yard setback: Twenty (20) feet.
   2. Side yard setback for all structures: Twenty (20) feet.
   3. Rear yard setback: Twenty (20) feet.
   4. No structures shall be located within a drainage or utility easement.

C. Parking setback requirements (including circulation drives).
   1. Front setback: Ten (10) feet.
   2. Side and rear setback: Five (5) feet.
   3. Parking and circulation may be located within a drainage or utility easement upon approval by the City Engineer and/or the Electric Superintendent.

D. Impervious Coverage and Stormwater Management.
1. All sites must comply with stormwater management requirements. A maximum of 90 percent of the site may be comprised of impervious surfaces (structures and pavement).

E. Building Design Standards.
   1. The principal building on a lot shall be positioned with the main entrance facing a public street.
   2. Buildings shall be sited to utilize natural lighting into the interior of the building to the greatest extent practicable.
   3. Use of sustainable building materials and energy efficient equipment and fixtures is highly encouraged.

F. Exterior Materials.
   1. One dominant material should be selected and expressed with its own natural integrity and at least two different materials or colors of exterior materials are required.
   2. Pre-engineered metal buildings featuring painted exteriors and corrugated metal-sided buildings are prohibited.
   3. Exterior materials of all accessory structures shall be consistent or complementary in material, color, and design with the principal structure.

G. Adjacent Sites.
   1. On lots abutting properties that are not zoned Corporate Park, compatibility with the surrounding neighborhood shall be given consideration.
   2. Buildings shall relate to adjacent properties by being so situated on their lots to minimize abrupt height, bulk and scale changes and minimize the disruption of privacy and outdoor activities of residents or users in adjacent buildings. The building's height, bulk and scale shall create a transition from the adjacent development, rather than form abrupt changes.
   3. Screening using landscaping, fences, berms or a combination thereof shall be placed along the perimeter of the property adjoining a different zoning district.
   4. On properties abutting residential uses or districts, a landscape buffer of at least twenty feet shall be established to a height of eight feet or greater and at least 80 percent opacity at maturity within 5 years at or near the property line.

H. Trash Handling and Utilities.
   1. All mechanical equipment, utility meters, transformers, and trash enclosures shall be screened from view of the public right-of-way and neighboring properties. Utility meters and transformers shall be screened in a manner that does not restrict the accessibility of the municipal utilities. All screening devices are to be compatible with the architecture and color of the adjacent structures.
   2. Development of a comprehensive waste reduction plan for each business is strongly encouraged.

I. Landscaping.
   1. All areas not covered by buildings or paved surfaces shall be landscaped with a combination of overstory trees, ornamental trees, shrubs, and ground cover (grasses, perennials, annuals, mulch).
   2. Use of drought and salt-tolerant plants and native species is encouraged.
   3. A single tree species shall not account for more than 20 percent of the total number of trees.
4. One tree per 800 square feet of landscaped area shall be provided. Trees may be clustered.
5. One tree per 40 linear feet shall be planted in the boulevard between the sidewalk or trail and the curb and one tree per 60 linear feet shall be planted within 15 feet of any property line abutting the right-of-way (these trees count toward the total number of trees required on the site). Trees may be clustered.

J. Lighting.
1. A photometric plan and exterior lighting details shall be submitted showing the type, height, and location of all site lighting.
2. All lighting potentially visible from an adjacent street except for bollard lighting less than 42" high shall be indirect or shall incorporate a full cut-off shield-type fixture.
3. The parking lot illumination level shall achieve a uniformity ratio of 3 to 1 (average to minimum) with a maintained average of 1 foot-candles and a minimum of 0.3 foot-candles. The light source shall not be visible from the street. Properties abutting residential districts shall have a 0.0 foot-candle measurement at the property line.
4. Building illumination and architectural lighting shall be indirect in character and allowed only at the main entry to the building.
5. Parking and security lighting shall not be taller than the adjacent structures or a maximum of thirty (30) feet above the pavement, whichever is less.

K. Signage.
1. All signage shall conform with the requirements of Chapter 17.84 as applicable to signage in Industrial Districts.

L. Fences.
1. All boundary line or screening fencing shall be constructed of high-quality durable materials and maintained in good condition. All screening structures shall be completely opaque and complement the architecture, materials, and color of the principal use. Chain link fencing with plastic slats is prohibited. Gates providing entry to secured areas are not required to be opaque.

17.50.080 Access and Circulation

A. Parking and Interior Site Circulation.
1. All driveways and parking areas shall be surfaced with asphalt or concrete paving and curbed with cast-in-place barrier concrete curbs.
2. Parking areas shall have painted stalls, divider lines and directional arrows as needed for the protection and designation of vehicular traffic patterns.
3. Separate areas shall be designated for automobile parking and semi-truck parking.
4. There are no minimum parking requirements for uses within the Corporate Park zoning district. All parking for the use(s) shall be provided on the premises. On-street parking shall not be considered in providing for typical operational parking needs.
5. Areas for future parking expansion shall be noted on the site plan.
6. District parking and shared parking are permitted and encouraged. A shared parking agreement shall be executed and recorded against all participating properties. The agreement shall address ongoing maintenance responsibilities.
All cross-access agreements shall be duly executed and recorded. Copies of these documents shall be provided to the City.

7. All parking areas shall be screened by landscaping, fencing, or a combination of the two. Parking areas adjacent to public roadways shall be screened to a height of three feet with an opacity of approximately 80 percent at maturity within three years.

8. Five percent of the area used for parking and circulation shall be landscaped with islands at least 360 square feet or peninsulas at least 180 square feet. All landscaping within parking lot areas shall be irrigated. Drought and salt-tolerant plants are encouraged to reduce the need for irrigation.

9. Areas for snow storage shall be shown on the site plan. Snow storage must be provided entirely on-site or removed from the site and disposed of properly. Snow storage is prohibited in stormwater management areas.

B. Loading.
1. All loading and large truck parking shall be located on the side or rear of the building and shall be screened from public view with an opaque wall, fence, landscaping that will achieve 50 percent opacity at the time of maturity or a combination of screening methods.

C. Bicycle and Pedestrian Access and Circulation.
1. Bicycle and pedestrian circulation shall provide safe, efficient access to facilities for employees and visitors. The following bicycle and pedestrian circulation site plan elements shall be included:
   a. All site plans shall illustrate designated pedestrian circulation areas. Designated pedestrian circulation areas shall include, but not be limited to, pedestrian walkways/paths, sidewalks, and bench seating areas.
   b. Cross circulation between vehicles and pedestrians shall be minimized. A continuous, clearly marked walkway shall be provided from the parking areas to main entrances of the buildings.
   c. Walkways shall be provided between buildings, parking areas, and all site facilities for safe access.
   d. Walkways shall be accessible to disabled persons and in conformance with the Americans with Disability Act (ADA).
   e. Bicycle and/or pedestrian pathways shall connect the main building entrance(s) to publicly accessible paths and trails in the development.
   f. Sidewalks and/or trails shall be installed on both sides of all public and private roadways at the time of development.
   g. Walking paths shall be installed around the perimeter of all surface stormwater management features of 0.5 acres or larger as feasible and connected to the pedestrian circulation system within and adjacent to the development.

D. Bicycle Parking.
1. Bicycle parking is encouraged to be provided at one space per ten employees.
2. Provided bicycle parking spaces shall be at least two feet by six feet. Racks shall be situated to allow a minimum of two feet between adjacent bike parking stalls.
3. Inverted-U or similar style racks specifically designed for bike parking are recommended. Racks shall support the bike frame at two points and be mounted on an adequately sized concrete pad that also provides solid surface for bike access and storage in the rack.
4. Bicycle parking shall be located near building entries or within the building, shall not interfere with pedestrian circulation, and shall be well-lit.

17.50.090 Open Space.

A. Buildings and structures shall be sited to maximize the opportunities for creating usable, attractive, well-integrated open space. The following site plan elements shall be included:

B. Safe and efficient access to designed open space of at least 300 square feet shall be provided for each principal use in the development.

1. The design and orientation of these areas shall take advantage of available sunlight and shall be sheltered from the wind, noise, and traffic of adjacent streets and provide a combination of seating, landscaping, pathways, patios, and other amenities.

17.50.100 Nuisance Conditions.

Uses which pose an unreasonable risk of hazard, including fire, explosion, or the emission of odor or toxic gases are prohibited. All uses shall comply with the following standards to avoid generating nuisance conditions:

A. Noise.

All noise shall be muffled or otherwise controlled so as not to become objectionable due to intermittence, duration, beat, frequency, impulse character, periodic character, or shrillness. Sound levels at the property boundary of any individual parcel shall not exceed the following decibel levels:

<table>
<thead>
<tr>
<th>Frequency, Cycles Per Second</th>
<th>7 a.m. - 10 p.m.</th>
<th>10 p.m. - 7 a.m.</th>
</tr>
</thead>
<tbody>
<tr>
<td>0 - 75</td>
<td>72</td>
<td>67</td>
</tr>
<tr>
<td>75 - 150</td>
<td>67</td>
<td>62</td>
</tr>
<tr>
<td>150 - 300</td>
<td>59</td>
<td>54</td>
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<td>300 - 600</td>
<td>52</td>
<td>47</td>
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<td>600 - 1200</td>
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<td>40</td>
<td>35</td>
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<tr>
<td>2400 - 4800</td>
<td>34</td>
<td>29</td>
</tr>
<tr>
<td>over 4800</td>
<td>32</td>
<td>27</td>
</tr>
</tbody>
</table>

B. Vibration.

There shall be no operation or activity which would cause ground transmitted vibrations in excess of the limits set forth below the boundary of this district under any conditions, nor beyond the property line if it would adversely affect the use of any other property.
Frequency, Cycles     Maximum Permitted Displacement Along
               per second       Sub-Division Boundaries (in inches)
             0 to 10        .0008
             10 to 20       .0005
             20 to 30       .0002
             30 to 40       .0002
           40 and over    .0001

C. Smoke.

Industries which operate on coal and produce smoke will not be permitted in Corporate
Park zoning districts, and no operation may produce obnoxious or continuous smoke, as
measured at the point of emission, by any means.

D. Fumes and Gases.

Fumes or gases shall not be emitted at any point in concentrations or amounts that are
noxious, toxic or corrosive. In no event shall the emission of fumes or gases from a facility
exceed at the point of emission any standards set forth in any law, regulation or ordinance
of any federal, state, or local entity or agency having jurisdiction.

E. Dust.

Solid or liquid particles shall not be emitted at any point in concentrations exceeding 0.3
grains per cubic foot of the conveying gas or air.

F. Odors.

Obnoxious odors shall not be permitted. Measurements shall be at the property line.

G. Fire or Explosive Hazard.

All operations shall be carried on with reasonable precautions against fire and explosion
hazards. Buildings and structures shall be constructed in accordance with all applicable
codes regarding such hazards.

H. Toxic Matter.

No use shall, for any period of time, discharge across the boundaries of the parcel wherein
it is located, toxic matter in such concentrations as to violate any existing regulations or
be detrimental to, or endanger the public health, safety, comfort, or welfare, or cause injury
or damage to property or individuals.

I. Liquid Waste.

No waste shall be discharged into a storm sewer or drainage area except clear and
unpolluted water. All waste discharged into the City’s sanitary sewer shall meet the
requirements established by the State of Wisconsin and the City of River Falls.

J. Electrical Emissions.
There shall be no electrical emission beyond the property line which would adversely affect any other use.

K. Glare and Heat.

There shall be no reflection or radiation, directly or indirectly, of glare or heat beyond the boundary of this district under any conditions, nor beyond the property line if it would adversely affect any the use of any other property.

L. Ionizing Radiation.

No operations in the Corporate Park district shall cause any dangerous radiation, at any property line, in accordance with the United State Atomic Energy Commission, Title 10, Chapter1, Part 20 “Standards for Protection Against Radiation” dated August 9, 1986 (or any subsequent revisions of these regulations), the Radiation Protection Standards issued by the Federal Radiation Council, and the National Committee Radiation Handbook.

M. Compliance Generally.

All activities must comply with all laws, regulations, ordinances, and standards established by any authority having jurisdiction with regard to such activities.

Section 2. Effective date. This ordinance amendment shall take effect from and after its date of publication as provided by law.

FOR THE CITY OF RIVER FALLS

________________________________________
Dan Toland, Mayor

ATTEST:

________________________________________
Amy White, City Clerk

Adopted: ____________
Published: ____________
MEMORANDUM

TO: Mayor Toland and City Council

FROM: Todd Nickleski, City Engineer

DATE: July 25, 2023

TITLE: Ordinance 2023-12 Amending the Official Traffic Control Map (No Right Turn on Red sign on Division St. in Main St. intersection)

RECOMMENDED ACTION
Adopt an ordinance authorizing adding a “No Right Turn on Red” sign on Division St. south in the Main St. intersection.

BACKGROUND
The recently adopted City of River Falls Bike and Pedestrian Plan identified that bicycles and pedestrians feel unsafe crossing the intersection of Division St. and Main St. and ranked it as a “High-Scoring Project.” The City was awarded an AARP Community Challenge Grant for $10,000 for improvements at this intersection. This grant is to fund “small quick-action projects to help communities become more livable for people of all ages”. Alta Planning and Design provided a concept design for this intersection that City Staff is requesting to implement using these grant funds.

DISCUSSION
The design adds striping and flexible bollards to slow traffic as it turns from westbound Division to northbound Main Street, reducing the crosswalk length and therefore the time it takes pedestrians to cross traffic. This will also define a safer bicycle lane for bicycles continuing west on Division St. crossing north on Main.

The design also includes a shared bicycle/car lane on eastbound Division St. and includes a “No Right on Red” for vehicles turning from eastbound Division St. to southbound Main St., eliminating the need for cyclists to dismount and climb onto the sidewalk to avoid getting “brushed back” by a car attempting to turn around bicyclists.

A component of this grant requires public involvement, which is proposed by incorporating public art in lieu of the red painting shown below in the protected area. We will work with recent UWRF art students to create the design for the area, residents will have the ability to vote on the top 3 designs and then will have the opportunity to help paint the winning design.

All components of this project are considered a temporary “demonstration” project. We will evaluate effectiveness and the public’s reaction to this type of project to help define future implementation of Bicycle and Pedestrian Plan recommended improvements. This will also allow staff to evaluate long-term operation and maintenance needs to prepare future years’ operating budgets to support additional implementation of the Bicycle and Pedestrian Plan, if desired.
Installing a “No Right Turn on Red” sign is aligned with the City’s sign management policy and the implementation improvements outlined in the Bike and Pedestrian Plan.

FINANCIAL CONSIDERATION
The signage and materials will be funded through the AARP Community Challenge Grant, using in-house labor of the Public Works team.

CONCLUSION
Based on the City sign management policy, staff recommends a “No Right Turn on Red” sign be installed on Division St. turning South onto Main St. To alert drivers of this change, warning flags will be installed for a minimum of six months on the new stop signpost.

River Falls Police and Public Works staff have reviewed and support the proposed change.
ORDINANCE NO. 2023-12

AN ORDINANCE
AMENDING THE OFFICIAL TRAFFIC CONTROL MAP
OF THE CITY OF RIVER FALLS
(Add No Right Turn on Red sign on Division St. south in the Main St. intersection)

THE COMMON COUNCIL OF THE CITY OF RIVER FALLS DOES HEREBY ORDAIN
AS FOLLOWS.

Section 1. The Official Traffic Control Map, revised September 13, 2016, and adopted pursuant to Section 10.08.010A of the Municipal Code of the City of River Falls, Wisconsin is hereby amended and recreated as follows:

Division St.
Add a No Right Turn on Red sign on Division St. south in the Main St. intersection

Section 2: The Public Works Director shall erect such signs and marking changes as are necessary to give adequate notice of the restrictions, prohibitions and limitations as shown on the Official Traffic Control Map including the following on the new stop sign, the new start school zone sign, and the new end school zone sign:

A. A warning flag should be installed for a minimum of 6 months

Section 3: The Ordinance shall take effect the date after passage and publication as provided by law.

FOR THE CITY OF RIVER FALLS

_________________________________
Dan Toland, Mayor

ATTEST:

_________________________________
Amy White, City Clerk

Adopted: 
Published:
PARKS AND RECREATION ADVISORY BOARD MINUTES
Wednesday, June 21, 2023 at 5:15 p.m.
City Hall Training Room

Members Present: Patricia LaRue (chair), Scott Morrissette (Council Rep), Brandon Dobbertin, Brenda Gaulke, and Natasha Schaefer.

Members Absent: Matt Janquart and Melissa Pedrini.

Staff Present: Cindi Danke-Recreation Manager; Brenda Rundle-Recreation Assistant, Erica Ellefson-Public Works Manager, and Amy White-Community Services Director/City Clerk.

Others Present: Sean Downing, Michelle and Greg Unruh, and Rick Cleary (KORC)

CALL TO ORDER
Meeting convened at 6:00 p.m.

APPROVAL OF MINUTES
MSC Morrissette/Schaeffer to approve the minutes of the May 10, 2023 Park and Recreation Advisory Board Meeting. Carried 5-0.

PUBLIC COMMENTS – Non-Agenda Items
Michelle Unruh of the Sterling Ponds Development spoke about Sterling Ponds Park. She would like a pavilion there and said she does not feel there is enough space for a dog park. She would like to have more paved trails around the ponds and benches with backs.

MEETING DISCUSSION/ACTION ITEMS
1. Rick Cleary of Kinni Off-Road Cyclists (KORC) shared a handout with the agenda about the three classes of E-bikes and said that KORC proposes that only Class 1 E-Bikes be permitted at Whitetail Ridge to prevent damage and keep the area safer. The board seems to support this proposed policy and plans to make a motion supporting it in July.

2. Amy White included a memo recommending changing the Park and Recreation Advisory Board meeting time to 5:30 p.m. in the training room, beginning in August.

MSC Gaulke/Morrissette to change the time of the Park and Recreation Advisory Board meeting to 5:30pm effective August 16, 2023. Carried 5-0.

3. Ellen Massey included a memo regarding plans to enhance the Mayor’s Cookout Conversations by including a few games, kids’ crafts and a community art project, along with the picnic meal. The City’s Communications Coordinator is working on advertising the events.
4. Cindi included a memo regarding Park and Recreation Month and Professional Day in July. After a motion, the proclamation will move to City Council on June 27 and be proclaimed by Mayor Toland in July.

**MSC Gaulke/Dobbertin to proclaim July as Park and Recreation Month and July 21 as Park and Recreation Professionals Day. Carried 5-0.**

5. The Glen Park 125th anniversary celebration is planned for Wednesday, July 19 at 6-8 p.m. at Glen Park. HPC is choosing a historic photo to use for a postcard handout, and they are looking into Glen Park 125th t-shirts for Park Board and HPC. 200 frisbees and 500 stickers have arrived. A sheet cake and cupcakes will be ordered. Happy Birthday to Glen Park will be sung at 6:30pm. Swimming will be free 6:15-8:15 p.m. HPC will dedicate their new sign titled, “The Glen.”

6. LaRue asked Park Board to think of ideas about what to report to City Council. Amy White said each board and commission will be scheduled for a certain month to speak at Council.

**STAFF REPORTS**

1. Public Works Manager Erica Ellefson reported that Public Works will look into the cost of moving the Hoffman Park water filling station from the west side of the maintenance building to the west side of Hanson Drive, which would be much more convenient for RV’s and add 11-13 parking spots to Hoffman Park. Staff is piloting a change to turf maintenance in DeSanctis Park. Staff will continue to mow high use areas, and leave under-utilized areas to grow free, allowing the City to maximize staff and equipment resources. They will mow approximately six feet either side of paved trails. The pool and splash pad received and passed their annual inspection by Pierce County. The bell at Glover Station School cannot be rung at this time. Erica will speak with the Baseball Association about adding metal shelves in the Hoffman Park storage shed. Staff did not spray noxious weeds this year due to being temporarily down two full-time employees. They may spray later this year. Two broken Tri-Angels Playground accessories will be ordered.

2. Cindi’s recreation report indicated that camping and recreation is going well. There are 10 summer instructors for daytime t-ball, tennis, soccer, camps, and clinics. The pool has had very good attendance. There are 15 seasonal workers at the pool, doing open swim and swim lessons. The Sterling Heights Disc Golf Course had their opening day Saturday, June 10 with great reviews.

**ADJOURNMENT**

**MSC Gaulke/Dobbertin to adjourn the meeting at 6:27 p.m.**

**CALENDAR**

The next Parks and Recreation Advisory Board meeting will be July 19, 2023 at 5:30 p.m. before the 6 p.m. Glen Park 125th anniversary celebration.

Respectfully submitted,

Brenda Rundle
Customer Service Representative
MINUTES
PLAN COMMISSION
JUNE 6, 2023
CITY COUNCIL CHAMBERS

Members Present: Patricia La Rue, Dan Toland, Diane Odeen, Rebecca Prendergast

Members Absent: Lisa Moody, Chris Holtkamp

Staff Present: Emily Shively, Sterling Hackney, Sam Burns

Others Present: Ben Fochs, Jeff Bjork, Rob Gormanson, Phil Larsen, David Curtin

CALL TO ORDER
Meeting convened at 6:30 p.m.

APPROVAL OF MINUTES
M/La Rue, S/Odeen to approve minutes. Motion carried 3/0.

PUBLIC COMMENTS
Phil Larsen, 1052 N Main Street, commented on number eleven in the proposed sign ordinance
where it discusses how fast the sign can change messages electronically. He stated one minute
is too long. Standard time that messages change is every 8 seconds. Larsen prefers to have the
minute changes to 8 seconds which is the default that signs come with. Dave Curtin, Lamar Co,
commented on number sixteen which states in order to convert or construct a modern billboard,
one has to be taken down. He would prefer this is not a requirement.

ORDINANCES & RESOLUTIONS
Final Plat for Oak Hill (S. Apollo Road near W. Maple St) - TEG Land Holdings LLC
Planner Sam Burns provided a presentation. He noted that Oak Hill is west of Apollo Road on
the recently annexed Wells property. The First Phase includes 45 total lots with 29 Single Family
and 16 Twin Home lots. The final plat includes partial construction of Chestnut Street, Gable
Street, and all of Compton Avenue. It also includes stormwater management and a future public
trailhead.

Planner Burns stated that staff examined the Final Plat and it is consistent with Municipal Code.
The Final Plat will be reviewed at the June 27, 2023 City Council meeting. Staff recommends
forwarding the enclosed council resolution approving the Final Plat for the First Phase to City
Council with a favorable recommendation.

M/Odeen, S/La Rue made a motion to approve the Final Plat for Oak Hill.

There was discussion regarding the phases of construction for Oak Hill and a comment that the
Single Family and Twin Home options allow for residents to settle and stay in River Falls.

Motion Carried 3/0.
Specific Implementation Plan (SIP) and Final Plat for South Pointe 1st Addition (Steelhead Dr./Aurora Cir. – northwest of HWY 29 and CTH FF) – GMTZ, LLC

Sam Burns gave a presentation on the development which includes 29 Twin- and Single-Family units. The SIP is the final step for a Planned Unit Development. The General Development Plan was approved on April 4, 2022. The development is located west of Highway 35 on Steelhead Dr and Aurora Circle. South Pointe First Addition is a continuation of the development that has been completed in phases over the last ten years. Burns showed renderings of the homes for Phase One which will include 4 Twin and 25 Single Family lots. He provided a map of the Final Plat which includes a 1.6 acre out lot dedicated to the public.

City Staff has examined the required conditions of the Final Plat and have no concerns. The Final Plat and SIP will be reviewed at the June 27, 2023, City Council meeting. Staff recommends forwarding the enclosed ordinance approving the SIP and Final Plat for the site to City Council with a favorable recommendation.

M/Prendergast, S/La Rue made a motion to approve the SIP and Final Plat for South Pointe First Addition.

Discussion included the 1.6 acre out lot being conservancy as the slope of the lot will not allow it to be parkland. Trails are a possibility in the future.

Motion Carried 3/0.

Zoning Ordinance Text Amendment regarding electronic signs amending Title 17 Zoning; Chapters 17.44, 17.68, 17.84, and 17.116.

Emily Shively, Assistant Director of Community Development, gave a presentation on the electronic signs amendment which originated from requests from the following; existing businesses who want to use more technology that is available for electronic signs, non-residential uses in residential districts such as churches wanting to use electronic signage, and existing static billboards wanting to convert to digital signs.

Shively discussed the purpose and goals of sign code which is regulating signs to ensure safety and to note that character and aesthetics matter. In April, consultant Mark Roffers presented and initiated a discussion relating to electronic signs and whether updates or changes are necessary. The outcome was that Plan Commission generally was open to allowing for greater use of electronic sign technology, allow electronic signs in locations not currently allowed, and conversion of billboards to digital. It was emphasized that context and aesthetics matter and good design is necessary. The proposed amendment accomplishes that direction. The updates are as follows; allow digital billboards in industrial districts with a special use permit, update definitions in the sign code, and rewrite performance standards for electronic signs. Staff recommends forwarding the enclosed ordinance to City Council with a favorable recommendation.

M/Odeen, S/La Rue made a motion to approve Zoning Ordinance Text Amendment regarding electronic signs amending Title 17 Zoning; Chapters 17.44, 17.68, 17.84, and 17.116.

Comments included electronic billboards not being allowed within one mile of each other and pedestrian safety in regard to electronic signs and the timeframe messages change. It was commented that 8 seconds seems too fast for safety reasons. It was discussed that this is a good
start and City Council has the opportunity to make changes when it’s presented. It also can be amended in the future if necessary.

Motion Carried 3/0.

REPORTS
Planning Update
Shively updated the Plan Commission on the Mann Valley Tax Incremental District. It was approved by City Council along with the infrastructure items. The next Plan Commission meeting will be July 6, 2023 due to the holiday. La Rue mentioned that Glen Park is celebrating its 125th birthday.

ADJOURNMENT

Councilmember Odeen made a motion to adjourn at 6:52 p.m. S/La Rue; motion carried 3/0.

Respectfully submitted,

Angie Bond, Community Development Assistant
Members present: Terry McKay, Joleen Larson, Amy Freeman, Amy Halvorson, Kerri Olson, Vince Seidling,

Members Absent: Mike Pepin, Mike Miller, Russ Korpela, Heidi Hanson,

Others present:

CALL TO ORDER—Larson called the meeting to order at 8:32 a.m.

Agenda/Meeting Minutes
The meeting minutes for the January 2023 meeting were approved. M/S Halvorson/ Freeman. Unanimous

Financials
The BID Financials were approved. M/S Seidling/McKay. Unanimous

Hanging Baskets and 2nd St Gardens
Larson brought up the fact that recent staff vacancies have resulted in there not being a project coordinator for the Hanging Baskets and 2nd St Garden. Larson wanted to discuss who would do the work going forward of coordinating volunteers as BID Board members were currently unable to due to other workload. Members had conversations on entities like the University and Grow to Share potentially being good partners to work with as they had relevant knowledge and experience. Burns said he would discuss with other staff and have an update for the next meeting.

BID Board Website
Planner Burns provided an update on efforts from Anchor Websites to get the website updated and launched. Burns stated that the website should be launched shortly.

RBF Façade Loan
Planner Burns notified the committee that a business in the community has applied for the Regional Business Funds’ Façade Loan. The RBF requires the community in which the applicant is located have a local committee review the loan application and provide a recommendation. Burns asked if the BID Board would consider being the approving committee as they have overlap with the downtown, local business experience, and experience with façade and exterior improvements. The Board agreed that they would review the loan application and be the designated committee. Burns stated that next step was to get the council designation from the City Council and that if approved, the BID Board would review the application in their next meeting.

DIV and Main St Street Art
The City of River Falls applied for and won an AARP Flagship Grant focused on improving mobility in a community. Burns stated that the project they applied for and won with was for bike and pedestrian
improvements at the intersection of Main and Division St. Part of this is an opportunity to do pavement painting in the roadway for public art. Burns asked if the BID Board would be willing to contribute to the art costs of the project as part of their downtown beautification efforts. The group agreed that this would be a good project for their excess funds. Burns said he would have more information during the next meeting.

**ADJOURNMENT**

Vote to adjourn at 9:20; *Unanimous*
MINUTES
HISTORIC PRESERVATION COMMISSION
June 21, 2023, at 6:00 pm
RIVER FALLS PUBLIC LIBRARY

HPC Members Present: Heidi Heinze (chair), Jayne Hoffman, Mark Anderson, Julie Huebel, Casie Radford, Pam Friede, Alyssa Mueller – Council Rep

HPC Members Absent:

Staff Present: Sam Burns – Planner

Others Present: Max Greenberg, Dan Geister

CALL TO ORDER
Meeting convened at 6:00 p.m.

HPC MEMBER VOLUNTEER HOUR REPORT
Heinze- 30 hours
Hoffman - 40 hours
Huebel – 35 hours
Anderson – 1 hour

APPROVAL OF MINUTES OF THE May 10, 2023, MEETING
M/Hoffman S/Friede – Unanimous

PUBLIC COMMENTS – Non-Agenda Items
Dan Geister shared information on an upcoming genealogy event and encouraged all to attend.

MEETING DISCUSSION ITEMS
1. Univercity Alliance
Planner Burns shared that the City had been selected for a partnership with the University of Wisconsin Madison. A PHD student, Max Greenberg, would be working to answer some pre-established questions on the history of the city and surrounding area. Greenberg introduced himself and shared some of the scope of his work and the deliverables the program hoped to provide. Greenberg provided some history of the area that he had uncovered already in preliminary research. Committee members thanked Max for the work that he would be doing this summer and asked for updates at future meetings.

2. Glen Park Anniversary details
Heinze shared the Glen Park Anniversary promotional post card. The committee provided feedback on the post card and the group agreed to order 1000 from a local vendor. The committee also discussed the location of the large sidewalk sticker on to advertise the event on location.

3. HPC Budget Update
Heinze talked about recent expenditures on the Glen Park Celebration and the Library Exhibit. Heinze noted that the budget was in good shape for where it was in the year.

4. CLG Grant work
Planner Burns gave an update on work the city had done getting the final approval needed from the state to actually use the grant money. A discussion was had on consultant selection funded by the CLG Grant.

ADJOURNMENT
HPC adjourned at 6:43 pm.

M/Huebel S/Hoffman – Unanimous
West Central Wisconsin Biosolids Facility
Commission meeting
June 15, 2023


Gary Newton called meeting to order at 8:30 am at WCWBSF

Consent Agenda:

- Approval of Bills: Motion was made and passed to approve MAY payments totaling $1,000,037.82. M/S Greg/Steve – passed unanimously

Financial Report:


Facilities Report:

- WCWBS attorney is reviewing the contract that WCWBS has with each community to get a better sense of how strong the contract language is in holding each community responsible to the terms of the signed contractual arrangement. Randy will report back at a future meeting.

- Concerns from some communities about phosphorus being high in the returned centrate. No source has been identified and will continue to monitor.

- Bills went out to communities for 2022 budget overage. Relatively small bills to true up the budget.

Old Business:

- Phase 0.5 update – Project is underway and going well.

- Randy solicited bids from lenders to borrow just over 6 million dollars to fund the phase .05 project. The other 3 million will be coming from a Federal Grant and the reserve fund. 4 banks submitted proposals and the Board agreed that Midwest One Bank out of Osceola had the best terms for the project. The proposal was 6.05% for construction loan and 4.8% for the permanent financing. ...20 year amortization (which may need to be modified based on the length of members contracts). The Board asked Randy to advance the discussions with Midwest One Bank.

- Phase 1 update: No real update as the Board has asked to put phase 1 “on-hold” for now.
New Business:

- Centrate chlorination for filamentous bacteria. Randy will continue to monitor this situation and consider possibly chlorinating the centrate at WCWBS. Randy will investigate further and report back to the Board.

Meeting adjourned. M/S Steve/John
The meeting was called to order by Utility Advisory Board member Chris Lick at 6:30 p.m.

Utility Advisory Board Present: Dean Bartels, Nick Carow, Chris Lick and Mark Klecker

Utility Advisory Board Absent: Adam Gierl, Tim Thum and Kellen Wells-Mangold

Staff Present: Utility Director Kevin Westhuis; Water/Wastewater Superintendent Dean Seemuth; Engineering Technician & GIS Mapper Tamarra Jaworski; Utility Administrative Assistant Lanae Nelson and IT Specialist Jonathan Thoen

Approval of Minutes:
Meeting Minutes: 05-15-2023
MSC Carow/Bartels approve minutes. Unanimous.

CONSENT AGENDA:
Acknowledgement of the following minutes:
West Central Wisconsin Biosolids Facility Commission: 05-18-2023
MSC Carow/Klecker approve minutes. Unanimous.

NEW BUSINESS:
Ord. No. 2012-01, § 1, 1-24-2012; Ord. No. 2018-12, § 1, 8-28-2018
Utility Director Westhuis introduced annual election of the Utility Advisory Board Chair and Vice Chair offices.

UAB Board member Lick opened the nominations for Board Chair. MS Klecker/Bartels to move for the nomination of Kellen Wells-Mangold. UAB Board member Lick asked for a vote on the nomination. The nomination passed unanimously; Kellen Wells-Mangold was elected as Board Chair.

UAB Board member Lick opened the nominations for Board Vice Chair. MS Carow/Bartels to move for the nomination of Chris Lick. UAB Board member Lick asked for a vote on the nomination. The nomination passed unanimously; Chris Lick was elected as Board Vice Chair.

Resolution 2023-05 – Recommending Awarding 2023 and 2024 Manhole Rehabilitation Project
Utility Director Westhuis introduced Engineering Technician & GIS Mapper Tamarra Jaworski and she presented the recommendation for to award the contract for the 2023 and 2024 Manhole Rehabilitation Project services to Hydro-Klean, LLC. Jaworski reviewed manhole rehabilitation rating system, gave examples of manholes needing repairs, and discussed the process.

The board and Westhuis discussed the project, pricing, timeframe. The cost for the proposal from Hydro-Klean, LLC for the manhole rehabilitation in 2023 is $58,284.00 and 2024 is $99,266.00 for a grand total of $157,550.00.

MSC Klecker/Carow moved to approve the resolution. As there was no further
discussion, UAB Board Vice Chair Lick asked for a vote. The resolution passed unanimously.

Resolution 2023-06 – Review of Wastewater Treatment Plant 2022 Compliance Maintenance Annual Report
Utility Director Westhuis introduced Water/Wastewater Superintendent Dean Seemuth and he presented the 2022 Compliance Maintenance Annual Report (CMAR). This annual self-evaluation report evaluates the City’s wastewater treatment system and is reported to the Wisconsin Department of Natural Resources (DNR).

Seemuth reviewed the City’s Wastewater Treatment Plant (WWTP) graded at a 4.0 on a scale of 4.0. He spoke on the grading of the CMAR summary report, the yearly influent biochemical oxygen demand (BOD), the work, efficiency and the capacity of the aeration system at the WWTP.

The UAB requested to approve the 2022 CMAR resolution requesting the City Council approve and authorize it to be submitted to the DNR. The City Council will review the report on the June 27, 2023 meeting.

MSC Carow/Klecker moved to approve the resolution. As there was no further discussion, UAB Vice Chair Lick asked for a vote. The resolution passed unanimously.

REPORTS:
Finance Report
Director Westhuis gave a brief overview of the finance report, which was included in the packet.

Utility Dashboards
Utility Director Westhuis spoke on the 2023 May utility dashboards, which were included in the packet.

Monthly Report
The 2023 May monthly utility reports were in the UAB packet for review.

ANNOUNCEMENTS:
Utility Director Westhuis welcomed Dean Bartels to his first meeting as the newest member of the Utility Advisory Board.

There were no disconnections this month.

ADJOURNMENT:
MSC Klecker/Carow to adjourn. Unanimous. UAB Vice Chair Lick announced meeting adjourned at 7:05 p.m.

Reported by: Utility Administrative Assistant Lanae Nelson
MEMORANDUM

TO: Mayor and City Council
FROM: Keri Schreiner, Economic Development Manager
DATE: July 25, 2023
TITLE: Sterling Ponds I, LLC Project and Associated Approvals

RECOMMENDED ACTION
1. Agenda item 5. Approve Resolution Approving the Developer’s Agreement Between City of River Falls and Sterling Ponds I, LLC
2. Agenda item 6. Approve Resolution Approving the Purchase Agreement with Sterling Ponds I, LLC
3. Agenda item 7. Approve Resolution Approving First Right of Refusal with Sterling Ponds I, LLC

BACKGROUND
As the Economic Development Manager, one of my primary responsibilities is attracting new economic development opportunities to River Falls. In January 2023, businessman Mike Flynn contacted City staff to find a location for a new industrial building. Mr. Flynn is looking to build and own commercial and industrial buildings, and is proposing the development of an approximately 108,000 sq/ft for lease multi-tenant office and manufacturing building on the approximately nine-acre lot in the Sterling Ponds Corporate Park (Lots B and I). Mr. Flynn is the founder of Midwest Hardwood Corporation which is a vertically integrated hardwood manufacturing company and industrial building products distributor.

DISCUSSION
APPROVAL OF DEVELOPER’S AGREEMENT WITH STERLING PONDS I, LLC
In preparation for this project, a development agreement (Exhibit 1) has been drafted with Sterling Ponds I, LLC which outlines the terms of the funding and responsibilities of the parties. The company wishes to build an approximately 108,000 sq/ft building which is valued at a minimum of $7,000,000 on approximately nine acres in the Sterling Ponds Corporate Park. The spec building will include leasable office/manufacturing space to tenant(s). The Developers Agreement is for the approximately nine-acre lot, which is valued at $1,351,500. The agreement provides development incentives in the amount of $1,351,500. The Developer’s Agreement includes the following parameters:

• Anticipated start of construction is December 1, 2023, and substantial completion is February 1, 2025
• The minimum taxable value of the development property is $7,000,000
• Minimum tax payments will be $116,200 annually for 11 years after the substantial completion of the minimum improvements
Financial Considerations

Financial Commitments:
- Guaranteed value of the development (11 years) $7,000,000
- Land Cost $1,351,500
- City incentive (land cost) $1,351,500
- Cumulative Minimum tax payments (11 years) $1,278,200

PURCHASE AGREEMENT WITH STERLING PONDS I, LLC
The City has negotiated the purchase of the approximately nine acre parcel in the Sterling Ponds Corporate Park to Sterling Ponds I, LLC to build an approximately 108,000 sq/ft for lease multi-tenant office and manufacturing building (Exhibit 2). This property is located in Tax Increment District 10, created in 2014 and is scheduled to be closed in 2034. This approximately nine-acre lot is valued at $1,351,500. The developer has agreed to purchase the lot for $1 and the closing for the property is scheduled for October 2, 2023, or such earlier date as mutually agreed upon by both parties.

FIRST RIGHT OF REFUSAL WITH STERLING PONDS I, LLC
Sterling Ponds I, LLC wishes to enter into a First Right of Refusal (FRR) (Exhibit 3) with the City for Lot J, approximately 4.85 acres, in the Sterling Ponds Corporate Park. If exercised, the purchase price for the approximately 4.85-acre lot is set at $1, but Sterling Ponds I, LLC shall guarantee a minimum taxable value of the development on the property. The FRR will expire on January 1, 2025, and if there is failure to exercise the FRR, the agreement will automatically terminate. The FRR allows the City to work with a different developer should there be interest in the lot and Sterling Ponds I, LLC chooses not to proceed with development on the site.

CONCLUSION
Staff recommends approval of the following resolutions, each related to Sterling Ponds I, LLC development project:

1. Agenda item 5. Approve Resolution Approving the Developer’s Agreement Between City of River Falls and Sterling Ponds I, LLC
2. Agenda item 6. Approve Resolution Approving the Purchase Agreement with Sterling Ponds I, LLC
3. Agenda item 7. Approve Resolution Approving First Right of Refusal with Sterling Ponds I, LLC
DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF RIVER FALLS
AND
STERLING PONDS I, LLC

THIS DEVELOPMENT AGREEMENT, made and entered this ______ day of July, 2023, by and between the City of River Falls, a Wisconsin municipal corporation (hereinafter called “City”), and Sterling Ponds I, LLC, a Wisconsin limited liability company, or its permitted assigns (hereinafter called “Developer”).

WITNESSETH:

WHEREAS, the City is the fee simple owner of platted lots in the Sterling Ponds Corporate Park; and

WHEREAS, Developer is desirous of developing, constructing, owning, managing, and operating a proposed multi-tenant office/manufacturing building within the Sterling Ponds Corporate Park, provided that the City makes available certain financial incentives and other means of assistance in conjunction with such development; and

WHEREAS, subject to a successful closing on the purchase of the Development Property the City and Developer wish to agree to the development of the Minimum Improvements and the provision of various forms of financial assistance in that regard pursuant to the terms and provisions of this Agreement; and

WHEREAS, as of the date of this Agreement there has been prepared by the City a Tax Increment Financing Plan establishing City of River Falls Tax Increment District Number 10 (which plan, as it may be further amended, provided that no amendment shall adversely affect Developer, is hereinafter referred to as the "Tax Increment Financing Plan") and providing for the use of tax increment financing in connection with the development program described below; and

WHEREAS, the City believes that the construction of a minimum 100,000 square foot multi-tenant office/manufacturing building, within Tax Increment District No. 10 by Developer pursuant to this Agreement, and fulfillment of this Agreement is in the best interests of the City and the health, safety, morals, and welfare of its residents, and in accord with the public purposes and provisions of the applicable state and local laws and requirements under which the development program has been undertaken and is being assisted; and

WHEREAS, the City believes that “but for” the City’s providing the Tax Increment Financing assistance, the Project would not be built and the important public benefits of the Project would not be achieved.

NOW, THEREFORE, in consideration of the promises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with each other as follows:

EXHIBIT 1
ARTICLE I
DEFINITIONS

Section 1.1. Definitions.

In this Agreement, unless a different meaning clearly appears from the context:

“Agreement” means this Development Agreement by and between the City and Developer, as the same may be from time to time modified, amended, or supplemented, in writing.

"Articles and Sections” mentioned by number only are the respective articles and sections of this Agreement so numbered.

"Certificate of Completion” means the certification in the form of a certificate provided to the Developer, or its successors or assigns of this Agreement pursuant to Section 3.1 of this Agreement, certifying that the Project has been completed to the full satisfaction of both Parties and of this Agreement.

“Certificate of Occupancy” means the certification granted by the City of River Falls Building Inspector upon successful completion of the final inspection of each building associated with the Project, pursuant to Section 3.1 of this Agreement.

“City” means the City of River Falls, Wisconsin, and any agencies thereof.

“CDD” means the Community Development Department of the City of River Falls, Wisconsin.

“Construction Plans” means the approved plans, specifications, drawings and related documents on all construction work to be performed, installed or constructed by Developer upon the Development Property pursuant to this Agreement, described in Section 3.1 and attached as Exhibit 5 upon approval by the City.

“Council” means the Common Council of the City of River Falls, Wisconsin.

“County” means the County of St. Croix, Wisconsin.

“Covenants” means the Sterling Ponds Corporate Park Development Covenants and Design Guidelines, a copy of which is attached hereto and made part of hereof as Exhibit 2.

“Developer” means Sterling Ponds I, LLC a Wisconsin limited liability company.

“Development District” means the real property located within Tax Increment District No. 10, City of River Falls.

“Development Property” means that certain vacant real property, being approximately 9.1 acres, located within Tax Increment No. 10, City of River Falls, and more particularly described
in Exhibit 3 of this Agreement, and depicted as Lot B and I in the map attached hereto as Exhibit 6.

“Hazardous Materials” means materials and substances which because of toxicity, corrosivity, reactivity, ignitability, carcinogenicity, magnification or concentration within biologic chains, presents a demonstrated threat to biologic processes when discharged into the environment, and shall also include any material or substances defined as "Hazardous Substances," "Hazardous Materials," "Hazardous Waste," "Toxic Substances" (including asbestos, polyfluoroalkyl (PFAS) substances, perfluorooctanesulfonic acid (PFOS), polychlorinated biphenyls, petroleum or petroleum products, hydrocarbonic substances and constituents of any of the foregoing) or other similar designations under any present or future federal, state, or local laws, statutes, authorizations, judgments, decrees, concessions, grants, agreements, ordinances, codes, rules, regulations, orders, and other governmental restrictions and requirements regulating, relating to or imposing liability or a standard of conduct concerning the environment or any substances or environmental activity including, without limitation, the following, as the same may be amended from time to time, and all regulations promulgated there under or in connection therewith:


Clean Air Act 42 U.S.C. §§ 7401-7626 et seq.;

Water Pollution Control Act (commonly referred to as the Clean Water Act), 33 U.S.C. §§ 1251 et seq.;


Toxic Substances Control Act, 15 U.S.C. §§ 2601 et seq.; and

Safe Drinking Water Act 42 U.S.C. §§ 300 (f) et seq.;

“Minimum Improvements” means the approximately 100,000 square foot multi-tenant office/manufacturing building, including fixtures and equipment to be constructed by Developer upon the Development Property pursuant to this Agreement as such improvements are defined in the Construction Plans.

“Party” means either the City or Developer.

“Parties” means the City and Developer.
“Project” means the construction and operation of the Minimum Improvements by Developer on the Development Property pursuant to the terms of this Agreement, and any additional improvements by Developer on the Development Property.

“Site Improvements” means all utility and site related improvements to be installed and constructed on the Development Property, which shall include, but not be limited to, sanitary sewer, water, storm sewer, electrical, and other public improvements involved with the project.

“State” means the state of Wisconsin.

“Substantial Completion” means the completion of the public and private infrastructure improvements pursuant to the Construction Plans, except for punch list items, landscaping and paving of parking lots, and the issuance of a Certificate of Occupancy from the City. Subject to Unavoidable Delays beyond the control of the Developer, any such incomplete items shall be fully completed within a reasonable time after the date of Substantial Completion, but not to exceed 90 days thereafter except site improvements such as landscaping shall be completed no later than 240 days after the date of Substantial Completion if weather or other conditions beyond the control of the Developer prevent completion of the same.

“Tax Increment District No. 10” means the City of River Falls Tax Increment Financing District No. 10 as has been duly established by the City of River Falls according to the Wisconsin Statutes, Exhibit 4 attached.

“Tax Increment Financing” means the general obligation, tax increment bonds, or any form of tax increment financing that the City intends to issue to finance certain land acquisition and/or public development costs related to Tax Increment District No. 10 and the project. The term "tax increment financing" shall also include any obligations issued to refund the tax increment obligations of the City.

“Tax Increment Financing Plan” means the Tax Increment Financing Plan for the City of River Falls Tax Increment District No. 10.

“Unavoidable Delays” means delays, outside the control of the party claiming an occurrence, which are the direct or indirect result of strikes, other labor troubles, unusually severe or prolonged bad weather, acts of God, public health emergencies or pandemic or Federal restrictions resulting from the same that may occur following the date of this Agreement, State or Federal limitations on work, fire, floods, embargoes, terrorist acts or other casualty, supply chain issues, litigation or other administrative procedures commenced by third parties which, by injunction or other similar judicial action, directly results in delays, or acts or requirements of any federal, state, or local governmental unit (other than the City acting in its contractual capacity under this Agreement) which directly results in delays.
ARTICLE II
REPRESENTATIONS, WARRANTIES, AND OBLIGATIONS OF DEVELOPER

Section 2.1. Representations and Warranties by Developer.

Developer represents and warrants that:

(a) Developer is a limited liability company duly organized, existing, and in good standing under the laws of the State of Wisconsin, is not in violation of any provisions of its articles of organization, and has full power and authority to enter this Agreement and perform its obligations hereunder.

(b) Developer will use its best efforts to obtain, in a timely manner, all required permits, licenses, and approvals, and to meet in a timely manner all requirements of all applicable local, state, and federal laws and regulations which must be obtained or met before the Minimum Improvements and any and all additional improvements may be lawfully constructed. Where this Agreement contains strict time deadlines with respect to any obligation, such strict time deadlines shall apply, and time shall be of the essence.

(c) Developer will use its best efforts to construct the Minimum Improvements and all additional improvements in accordance with all local, State, or federal laws or regulations, including, but not limited to energy conservation laws.

(d) Developer has no present notice or knowledge that the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement is prevented or limited by, or in conflict with or will result in a breach of, the terms, conditions or provisions of any operating agreement or any other corporate document of Developer, or any evidence of indebtedness, contract or instrument of whatever nature to which Developer is now a party or by which it is bound, such that any conflicts or breaches would materially impair the project or deems City security hereunder inadequate.

Section 2.2. Obligations of Developer.

(a) Description. Subject to the terms and conditions of this Agreement, Developer hereby agrees and commits to construct the Minimum Improvements and complete the Project within the time limitations of the Agreement. The Minimum Improvements will be constructed according to the Construction Plans to be submitted according to Section 3.1 of this Agreement. The parties understand that Construction Plans may be changed in accordance with Section 3.1 of this Agreement.

(b) Uses. Upon completion of the Minimum Improvements the uses of the property by Developer shall be for multi-tenant office/manufacturing building. Developer will comply with all applicable federal, State, and local laws and regulations relative to hazardous materials. The City will work with Developer to permit excess outdoor parking, subject to City municipal code and covenant limits.
(c) **Utilities.** Developer agrees and hereby commits to maintaining electric, water and wastewater services through the River Falls Municipal Utilities.

(d) **Performance dates.** Developer agrees and hereby commits to complete the construction of the Minimum Improvements according to the following timetable, subject to Unavoidable Delays and subject to the City's performance. The parties understand that time is of the essence with regard to the dates herein specified.

1. December 1, 2023  Start of construction of the Minimum Improvements.
2. February 1, 2025  Substantial completion of the Minimum Improvements.

**ARTICLE III**  
**CONSTRUCTION OF MINIMUM IMPROVEMENTS**

Section 3.1. **Construction of Minimum Improvements.**

(a) Developer agrees that it will construct the Minimum Improvements on the Development Property in substantial conformance with Construction Plans, which shall be submitted to the City for review and approval prior to commencement of construction. Construction of the Minimum Improvements cannot commence until the City has approved the Construction Plans. Approved Construction Plans will be attached hereto as Exhibit 5 upon approval by the City.

(b) If Developer desires to make any material change in the Construction Plans after their approval by the City Council, Developer shall submit the proposed change to the CDD for approval. A material change is one that negatively impacts the Project's minimum value by more than five percent (5.0%), or requires approval due to City ordinance or code. If the Construction Plans, as modified by the proposed change, are not a material change, the CDD shall approve the proposed change; provided, however, that any such approval under this Section 3.1(b) shall not constitute approval or waiver by the City with respect to any building, zoning or other ordinances or regulations of the City. Such change in the Construction Plans shall be deemed approved by the CDD unless rejected in writing within 15 days by the CDD with a statement of the CDD's reasons for such rejection. The amount of time required by this process shall be added to and extend performance dates specified in Section 2.2(d).

Section 3.2. **Commencement and Completion of Construction.**

(a) Subject to Unavoidable Delays and performance by City, Developer shall commence construction of the Minimum Improvements by December 1, 2023, or such other date as the parties shall mutually agree in writing as an amendment to this Agreement. Subject to Unavoidable Delays or actions of City, Substantial Completion of all the Minimum Improvements shall be no later than February 1, 2025. All work with respect to the Minimum Improvements to be constructed or provided by Developer on the Development Property shall be in conformity with the Construction Plans or any approved changes thereof as submitted by Developer and approved by the CDD.
(b) Developer agrees for itself, and every successor in interest to the Development Property, or any part thereof, that it shall promptly begin and diligently prosecute to completion construction of the Minimum Improvements thereon, and, subject to Unavoidable Delays and performances by City, that such construction shall in any event be commenced and completed within the period specified in this Section 3.2 of this Agreement.

Section 3.3. Certificate of Completion and Certificate of Occupancy.

(a) Promptly after Substantial Completion of the Minimum Improvements in accordance with the provisions of this Agreement, the City will furnish Developer with a Certificate of Completion and Certificate of Occupancy. Such Certificate of Completion and Certificate of Occupancy shall be a conclusive determination of satisfaction and completion of the minimum improvements necessary for occupancy.

(b) If the City should refuse to provide a Certificate of Completion and Certificate of Occupancy in accordance with the provisions of this Section 3.3 due to alleged inadequate or incomplete performance by Developer, the City shall, within 15 days after written request by Developer, provide Developer with a written statement, indicating in adequate detail in what respects Developer has failed to complete the Minimum Improvements in accordance with the provisions of this Agreement, and what measures or acts will be necessary, in the opinion of the City, for Developer to take or perform in order to obtain that Certificate of Completion and Certificate of Occupancy.

(c) Upon receipt of the written statement reciting in what respect Developer has failed to complete the Minimum Improvements, Developer shall immediately rectify the stated shortfalls by complying with the City's requests. If Developer refuses to comply or disagrees with the City's requests, the Parties may pursue any remedies available under this Agreement.

ARTICLE IV
GUARANTEES AND OBLIGATIONS OF DEVELOPER

Section 4.1. Purposes of Guarantees.

Both Parties to this Agreement understand that there will be the commitment of and/or expenditure of public monies through the tax increment financing process for land development incentives in the amount of $1,351,500.00. It is the intent of the parties hereto to provide that Developer give adequate security to ensure that the Minimum Improvements will be constructed, and the public monies will be repaid as specified below. The parties intend for the security instrument(s) to cover the period of time before and after construction, to allow for the completion of the Minimum Improvements and the amortization of public expenditures for this project per the Tax Increment Financing Plan.

Section 4.2. Real Estate Purchase Agreement. The Developer shall purchase the Development Property for $1.00 on the terms of that certain Agreement to Purchase Real Estate between City and Developer for the Development Property (the “Real Estate Purchase Agreement”).
Section 4.3. Security During Construction.

Developer agrees to execute and deliver to City, consistent with the terms of Real Estate Purchase Agreement, a promissory note in the original principal amount of $1,351,000.00 which must be paid in full by December 31, 2024 (the “Note”) if Substantial Completion of the Minimum Improvements has not occurred by December 31, 2024, as more particularly set forth in the Real Estate Purchase Agreement and the Note.

Per the terms of the Real Estate Purchase Agreement, the Developer shall deliver a real estate mortgage securing said Note (the “Mortgage”), covering the Development Property. The Mortgage shall be a second mortgage against the Development Property and shall be subordinate to the lien of the lender who is providing the Developer with construction financing for the Project. The City shall cooperate with Developer’s mortgagee in executing such reasonable subordination Agreement as said Mortgage may require to assure the relative priorities, with the City having a second mortgage. The Mortgage shall be superior to all other liens, judgments, mortgages or encumbrances, except for easements and restrictions of record.

If Substantial Completion has occurred on or before February 1, 2025, the City shall mark the Note "paid in full" and satisfy the Mortgage of record.

Failure of the Developer to complete the Minimum Improvements and receive a Certificate of Completion and Certificate of Occupancy under the terms of this Agreement, or failure to pay the Note in full, when due, shall constitute a default of said Note and shall immediately subject the Developer to the remedy of foreclosure, in addition to any other remedy available to the City by this Agreement or applicable law.

Section 4.4. Guaranteed Assessment and Payment.

Developer agrees that the Development Property and Minimum Improvements shall carry a tax assessment value of not less than $7,000,000.00 after the Certificate of Completion and Certificate of Occupancy are issued.

Developer hereby waives any right of notice, protest, or right to contest the final assessed valuation of Development Property and Minimum Improvements at the agreed upon value of $7,000,000.00. It is understood between the parties that this assessment is the minimum necessary to enable the City to offer the financial incentives contained in this Agreement. This waiver of protest and right to contest the assessment shall commence on the date of Substantial Completion of the Project and continue until Developer has paid all taxes assessed on the agreed upon value of the Project for a period of eleven (11) consecutive years, which is the amount of time necessary to repay, through the increment gain, the financial incentives contained herein. By way of explanation, if the agreed upon value of the Real Estate is first assessed as of January 1, 2026, the Developer’s obligation to pay taxes based on the agreed minimum assessed value shall continue through 2038, when taxes from the year 2037 would be due and payable. Provided, that after the time period set forth above, or in the event the assessor assesses the Real Estate above $7,000,000.00, Developer shall retain all statutory rights of notice and protest to any real estate tax assessment.
This waiver of protest and right to contest the assessment shall continue for a period of eleven (11) consecutive years, with the first year being the year the first payment is made based on the minimum valuation set forth above, which is the amount of time necessary to repay, through the increment gain, the financial incentives contained herein. Provided, that after eleven (11) years, or in the event the assessor assesses the Development Property above $7,000,000.00, Developer shall retain all statutory rights of notice and protest to any real estate tax assessment.

In no event shall the assessment ever be lower than $7,000,000.00 for the Development Property and Minimum Improvements during the repayment of the tax increment financing for this Project. Regardless of the minimum assessed value of the Project, which is imposed by this section, the minimum amount of real estate tax the Developer shall pay with respect to the Development Property and Minimum Improvements shall be no less than $116,200.00 per year after the substantial completion of the Minimum Improvements. Any shortfall between the amount shown on the County issued tax statement and the minimum tax shall be paid to the City Treasurer by January 31 of each year. This minimum tax obligation shall be effective for eleven (11) years for the Development Property and Minimum Improvements, commencing upon the date of the issuance of the Certificate of Occupancy.

Section 4.5. Option to Purchase.

Subject to Unavoidable Delays, Developer agrees that if Minimum Improvements are not commenced by December 1, 2023, the City has the exclusive option to purchase the Development Property back from the Developer for $1.00. The Minimum Improvements will be deemed commenced if Developer has engaged in a program of on-site construction, including site clearance or grading, specifically designed for construction of the Minimum Improvements on the Development Property. If the City exercises this option, Developer shall convey the Development Property to City, free and clear of all liens and encumbrances, within thirty (30) days of the date City exercises such option, and the Parties shall enter into a purchase agreement consistent with the terms of this Section 4.5 agree to negotiate the remaining purchase terms in good faith and in accordance with custom in which the Development Property is located. If the City exercises such option, Developer shall pay for all costs of closing, including without limitation, an owner’s policy of title insurance, gap endorsement, real estate transfer taxes, recording fees, and title company fees.

ARTICLE V
CITY OBLIGATIONS

Section 5.1. Tax Increment Financing and Uses Thereof.

(a) The City hereby commits to provide a building site (Lots B & I) in Sterling Ponds Corporate Park (i.e., the Development Property) to the Developer, per the terms of the Real Estate Purchase Agreement, in consideration of the Developer’s commitment to construct the Minimum Improvements in accordance with the approved Construction Plans and this Agreement. The $1,351,500.00 worth of tax increment financing, being the agreed upon value of the Development Property, reflect the City’s investment in this Project.
(b) **Source of Tax Increment Funds.** The City, in its discretion, may use whatever financial resources are available, to provide the incentive set forth in Section 5.1(a). The options retained by the City include, but are not limited to, promissory notes, general obligation bonds, or tax increment bonds. The terms and conditions of Tax Increment Financing Plan, Tax Incremental District No. 10, as dated June 2014, is attached hereto as Exhibit 4, as the City is governed by such Tax Increment Financing Plan.

Section 5.2. **Performances and Performance Dates by City.**

Subject to Unavoidable Delays, and performance by Developer, the City shall:

(a) Make standard electrical, water, and sanitary sewer utilities available for connection and hookup at the Development Property at the time the Minimum Improvements are completed. Developer shall be responsible for paying all utility extensions and laterals necessary to serve the Project located at the Development Property.

(b) Convey the Development Property to the Developer on the terms of the Real Estate Purchase Agreement.

**ARTICLE VI**
**OTHER PERFORMANCES**

Section 6.1. **Excesses.**

The specified amounts identified in this Agreement shall be the maximum Tax Increment Financing liability of the City and the City shall not be obligated to pay from Tax Increment Financing funds any amount in excess of those delineated in this Agreement.

Section 6.2. **Installation of Improvements.**

Developer shall be completely responsible for the installation of all private utilities and the Minimum Improvements, and none of the Project shall be constructed by the City.

**ARTICLE VII**
**ASSIGNMENT AND TRANSFER**

Section 7.1. **Representation as to Redevelopment.**

Developer represents and agrees that its undertakings pursuant to this Agreement are, and will be used, for the purpose of development of the Development Property and not for speculation in land holding. Developer further recognizes that, in view of:

(a) The importance of the development of the Development Property to the general welfare of the community; and

(b) The substantial financing and other public aids that have been made available by the City for the purpose of making such development possible;
That the Minimum Improvements will be constructed in a timely (subject to unavoidable delays) and workmanlike manner.

Section 7.3. Assignment and Transfer to Third parties – After Issuance of Certificate of Completion and Certificate of Occupancy.

Notwithstanding the above, the City recognizes that Developer, once the Minimum Improvements have been constructed, may wish to transfer, assign, or sell the improved Development Property to a third party. The Developer may assign, sell, convey or transfer the project to a third party, with the written permission of the City, said permission not to be unreasonably withheld. Provided, however, that any assignment, sale, transfer or conveyance to a third party must provide for the third party's assumption of any and all performances required by the Developer hereunder.

Furthermore, should Developer assign, sell, convey, or transfer the project to a third party under the terms of this section within eleven (11) years of issuance of a Certificate of Completion and Certificate of Occupancy, the third party, who must be reasonably acceptable to the City by the giving of written permission herein, shall enter a Novation Agreement substituting its performance for that of Developer. In the event the City permits the transfer of the project to a third party and a Novation Agreement is signed, Developer shall be released of any and all liability from the performance of any of the conditions of this Agreement and shall be released of any liability to the City.

Notwithstanding anything therein to the contrary, for a period of eleven (11) years after the issuance of a Certificate of Completion and Certificate of Occupancy, the Development Property may not be sold, transferred or conveyed to, or lease or owned by any entity or used in any manner which would render any part of the Development Property exempt from property taxation, unless the purchaser, transferee, lessee or owner first executes a written agreement satisfactory to the City Attorney and City Council provided for payments in lieu of taxes to the City.

ARTICLE VIII
EVENTS OF DEFAULT

Section 8.1. Events of Default Defined.

The following shall be "Events of Default" under this Agreement and the term "Event of Default" shall mean whenever it is used in this Agreement any one or more of the following events:

(a) Failure by Developer to comply or meet any one of the material provisions of this Agreement, including without limitation the time deadlines for commencement of construction of the Minimum Improvements by December 1, 2023, and completion of the Minimum Improvements by February 1, 2025, subject to Unavoidable Delays and performances by City.

(b) Failure by Developer to substantially observe or perform any material covenant, condition, obligation or Agreement on its part to be observed or performed under this Agreement.
(c) Failure to pay any monetary obligation imposed by this Agreement.

Section 8.2. Remedies on Default.

(a) In the Event of Default by Developer, the City shall provide notice of the same to Developer. In the event Developer fails to cure such Event of Default within sixty (60) days of the date of such notice, the City may exercise any remedies available to it whether under law or equity. Further, City shall have no obligation to expend any additional tax increment funds that have not already been spent in the event of Developer's default.

(b) If the City fails to perform under the terms of this Agreement, Developer's performance deadlines shall be extended for the time the City did not perform its obligations, and Developer may pursue remedies available.

Section 8.3. No Remedy Exclusive.

No remedy herein conferred upon or reserved to the City or Developer is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver thereof, but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 8.4. No Additional Waiver Implied by One Waiver.

In the event any provision contained in this Agreement should be breached by any party and thereafter waived in writing by any other party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other concurrent, previous or subsequent breach hereunder.

ARTICLE IX
HAZARDOUS MATERIALS

The Project shall not include the removal, disposal, remediation or clean-up of any Hazardous Materials or underground storage tanks discovered entirely on Developer's Property, or any publicly owned property. In the event of such discovery, the City shall for all purposes be the responsible party for removal, disposal, remediation, or cleanup of such Hazardous Materials or underground storage tanks, and shall do so in full compliance with law at such owner's sole cost and expense. Notwithstanding anything herein to the contrary, the City shall have no obligation to remove, dispose, remediate, or cleanup any Hazardous Materials or underground storage tanks which arise out of or relate to Developer’s use or development of the Development Property, and in such event, Developer shall for all purposes be the responsible party for removal, disposal, remediation, or cleanup of such Hazardous Materials or underground storage tanks, and shall do so in full compliance with law at Developer’s sole cost and expense.
ARTICLE X
ADDITIONAL PROVISIONS

Section 10.1. Restrictions on Use.

Developer agrees for itself, its successors and assigns and every successor in interest, to the Development Property, or any part thereof, that Developer and such successors and assigns shall devote the Development Property to, and only to, and in accordance with, the uses specified in this Agreement and land covenants, said covenants attached hereto as Exhibit 2.

Section 10.2. Conflicts of Interest.

No member, official, or employee of the City shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested. Provided, however, that after this Agreement has been signed, a member, official, or employee of the City may have contact and business relations with Developer relating to the Development Project only if a full disclosure is made to the Council, and it does not impair the exercise of said member's, official's, or employee's independent judgment on behalf of the City. No member, official, employee, or consultant of the City shall be personally liable to Developer, or any successor of interest, in the event of any default or breach by the City for any amount that may become due to Developer or successor, or on any obligation under the terms of the Agreement.

Section 10.3. Title of Articles and Sections.

Any titles of the several parts, articles and sections of the Agreement are inserted for the convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Section 10.4. Notices and Demands.

Except as otherwise expressly provided in this Agreement, a notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally; and (a) in the case of Developer as addressed to or delivered personally to the company at: Attention: Sterling Ponds I, LLC, N11404 330th Street, Boyceville, Wisconsin 54325 (b) in the case of the City as addressed to or personally delivered to the City at: City Hall, 222 Lewis Street, River Falls, WI 54022, Attention: City Administrator, with copy to City Clerk; or at such other addresses with respect to either such party as that party may, from time to time, designate in writing, and forward to the other as provided in this section.

Section 10.5. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of the executed counterpart of this Lease via facsimile or electronic mail in portable
document file (.pdf) format shall be as effective as delivery of an originally-signed executed counterpart of this Agreement.

Section 10.6. Law Governing.

This Agreement shall be governed by and construed in accordance with the laws of the State of Wisconsin.

Section 10.7. Short Form Recordable.

A short form of this Agreement shall be recorded in the chain of title to the Development Property. Said form is attached as Exhibit 7 as a Memorandum of Development Agreement.

Section 10.8. Release of All Oral or Written Agreements.

Upon the signing of this Agreement, all prior oral and written Agreements between the City and Developer are terminated and released, as this document contains the complete Agreement between the parties with respect to the development Property and construction of the Minimum Improvements.

Section 10.9. Hold Harmless and Indemnification.

Developer shall indemnify and hold City harmless from and against all claims, damages, losses or expenses, including attorney's fees, which the City may suffer or for which it may be held liable, arising out of or resulting from assertion against them of any claims, debts, or obligations in consequence of breaches of this Agreement by Developer, its employees, agents, or subcontractors.

Section 10.10. Resolutions.

Developer warrants that it has adopted a corporate resolution authorizing the signing of this Agreement, and the City warrants that a resolution has been passed by the Common Council authorizing the signing of this document.

ARTICLE XI
OTHER CONDITIONS

The duties and obligations of the Parties under this Agreement are contingent upon closing on the Development Property on the terms set forth in the Real Estate Purchase Agreement. In the event the Parties do not close on the Real Estate Purchase Agreement, then this Development Agreement shall be null and void.

ARTICLE XII
AMENDMENTS
The Developer and the City agree that all efforts have been made to accurately identify the costs of the Project and the value of the Minimum Improvements that are the basis for the utilization of tax increments necessary to amortize public expenditures related to this Project.

If conditions change during the course of the construction of the Minimum Improvements, both parties agree to use their best efforts to resolve the increased cost associated with a changed condition. Said effort shall be fully documented and presented to the Council for approval. Upon full identification and documentation of the changed condition, the Council shall have 15 days to review and approve or disapprove the change. If approved, said approval shall be in the form of a written amendment to this Agreement.

Should a changed condition result in an increased public expenditure, the Developer acknowledges that an additional corporate payment or guarantee may be necessary to cover any shortfall in property taxes from the Minimum Improvements to the Development Property to cover public expenditures.

No provision, performance or obligation imposed by this Agreement may be amended, modified, supplemented or terminated without the written mutual consent of the parties hereto.

Notwithstanding the above, nothing in Article XII shall be construed as requiring or authorizing the expenditure of public monies above the maximum limits set forth in Article V of this Agreement, which may only be authorized by the Common Council.

(This space left blank intentionally.)
IN WITNESS WHEREOF, the City has caused this Agreement to be duly executed in its name and behalf and its seal to be hereunder duly affixed and Developer has caused this Agreement to be duly executed in its name and behalf and on the date first above written.

CITY OF RIVER FALLS

By:______________________________
Dan Toland, Mayor

ATTEST:

By:______________________________
Scot E. Simpson, City Administrator

Amy White, City Clerk

STERLING PONDS I, LLC

By:______________________________
Michael D. Flynn, Manager
List of Exhibits

Exhibit 1 – [Intentionally Omitted]
Exhibit 2 – Sterling Ponds Corporate Park Development Covenants and Design Guidelines
Exhibit 3 - Description of Real Property
Exhibit 4 - Terms and Conditions of Tax Increment Financing Plan, Tax Incremental District No. 10, as dated June 2014
Exhibit 5 - Approved Construction Plans for the Minimum Improvements
Exhibit 6 – Sterling Ponds Corporate Park Map
Exhibit 7 – Memorandum of Development Agreement
Exhibit 1

[Intentionally Omitted]
Exhibit 2

Sterling Ponds Corporate Park Development Covenants and Design Guidelines
Exhibit 3

Description of Real Property

Exhibit 4

Terms and Conditions of Tax Increment Financing Plan, Tax Incremental District No. 10 dated June 2014
Exhibit 5

Approved Construction Plans for the Minimum Improvements
Exhibit 6

Sterling Ponds Corporate Park Map
Exhibit 7

Memorandum of Development Agreement
This is not a conveyance under Wis. Stat. § 77.21(1), and is not subject to transfer return or fee.
MEMORANDUM OF DEVELOPMENT AGREEMENT

THIS MEMORANDUM OF DEVELOPMENT AGREEMENT (this “Memorandum”) is made and entered into by and between the City of River Falls, a Wisconsin municipal corporation (“City”) and Sterling Ponds I, LLC, a Wisconsin limited liability company (“Developer”), who agree as follows:

WHEREAS, as of __________, a Development Agreement (the “Development Agreement”) was entered into by and between the City and Developer regarding the property legally described on the attached Exhibit A (the “Property”); and

WHEREAS, Developer and City wish to memorialize of record the existence of the Development Agreement.

NOW THEREFORE, for good and valuable consideration, the sufficiency of which is agreed, Developer and City agree as follows:

1. Notice is hereby given that the Property is subject to all terms and conditions of the Development Agreement, which includes an option to purchase and minimum assessment guarantees.

2. Reference is made to the Development Agreement for a full statement of the terms and conditions of the Development Agreement, all of which are incorporated herein by reference.

3. This Memorandum is made and executed by the parties for the purpose of recording the same in the applicable office in the county in which the Property is located. This Memorandum is executed and delivered with the understanding and agreement that it shall not in any manner whatsoever, alter, modify, or vary the terms and conditions of the Development Agreement.

4. The obligations of City and Developer under the Development Agreement run with the Property and inure to the benefit of City and Developer, and their respective successors and assigns, and are incorporated herein by this reference

[Signature Pages Follow]
IN WITNESS WHEREOF, the parties have caused this Memorandum to be executed on the date(s) set forth below.

CITY:

_______________________________________
Dan Toland, Mayor

_______________________________________
Amy White, City Clerk

ACKNOWLEDGEMENT

STATE OF WISCONSIN
COUNTY OF ________________

Personally came before me on the ____ day of _____________, 2023, the above-named Dan Toland and Amy White, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

_______________________________________, Notary Public
State of __________________________
My commission expires: __________________
DEVELOPER:

Sterling Ponds I, LLC, a Wisconsin limited liability company

By: ___________________________________________
Name: Michael D. Flynn
Its: Manager

ACKNOWLEDGEMENT

STATE OF ____________________  )
( )ss.
COUNTY OF __________________  )

Personally came before me on the ___ day of _____________, 2023, the above-named Michael D. Flynn, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same.

_______________________________________
_______________________________________, Notary Public
State of ____________________
My commission expires: ____________________
Exhibit A
Legal Description of Property
(Note: Legal Description to Match Deed for the Property)
AGREEMENT TO PURCHASE REAL ESTATE

THIS AGREEMENT (the “Agreement”) shall be effective as of the __________ day of July, 2023. The parties to this Agreement are the City of River Falls, a Wisconsin municipal corporation (“Seller”), and Sterling Ponds I, LLC, a Wisconsin limited liability company (“Buyer”). Seller and Buyer are each sometimes referred to herein as a “Party” and are collectively referred to as the “Parties” to this Agreement.

WHEREAS, this Agreement is executed pursuant to that certain Development Agreement between Seller and Buyer dated even date hereof (the “Development Agreement”), and the Parties obligations hereunder are contingent upon execution of said Development Agreement; and

WHEREAS, the Property, as defined herein, is being conveyed for $1.00 as a development incentive, consistent with the Development Agreement and the Parties agree the Property is valued at $1,351,500.00 (the “Incentive Amount”).

NOW THEREFORE, for valuable consideration conferred by the Parties, the receipt and sufficiency which is hereby acknowledged, the Parties agree as follows:

ARTICLE I
PURCHASE AND SALE

1.1 In consideration of the mutual promises of the Parties as set forth herein, Seller agrees to sell and Buyer agrees to buy all of Seller’s interest in the real property in St. Croix County, Wisconsin, legally described on Exhibit A (the “Property”).

ARTICLE II
PURCHASE PRICE, MORTGAGE, AND NOTE

2.1 Purchase Price. The total purchase price (the “Purchase Price”) to be paid by Buyer to Seller for the Property shall be Zero and No/100 Dollars ($0.00). The Purchase Price, plus or minus any prorations, shall be paid to Seller in cash or by wire transfer in immediately available funds on the Closing Date as herein defined.

ARTICLE III
TITLE

3.1 Title. Seller, at Buyer’s option and sole cost, shall provide an owner’s policy of title insurance issued by Knight Barry Title Group, with an address of 116 E. Elm Street, River Falls, WI 54022 (the “Escrow Agent”) as issuing agent for a reputable title insurer (“Title Insurer”) in the amount of the Purchase Price or Incentive Amount, as may be available from the Title Insurer, showing good and merchantable title to the Property. Seller, at Buyer’s option and sole cost, shall cause the Title Insurer to furnish Buyer a commitment (“Commitment”) for the most current form of ALTA Owner’s Policy of Title Insurance in the amount of the Purchase Price.
or Incentive Amount within fifteen (15) days after the Effective Date. The Commitment shall be accompanied by customary bankruptcy, judgment, lien and special assessment searches (collectively, the “Searches”) as well as copies of the so-called exception documents for any exceptions listed in Part B Section II of the Commitment (the “Exception Documents”). The Commitment, Searches, and Exception Documents are collectively referred to as the “Title Evidence.” Buyer shall have ten (10) business days after receipt of the last item of the Title Evidence to examine the Property’s title (the “Title Examination Period”). Buyer shall notify Seller of any objections (“Objections”) to matters disclosed in the Title Evidence on or before the end of the Title Examination Period. If Buyer fails to provide a list of Objections within this period, then Buyer shall be deemed to have approved the Title Evidence. Seller may, within five (5) days after receipt of the Objections, provide Buyer with written notice of whether Seller elects to eliminate or satisfy the Objections to the satisfaction of Buyer. If Seller fails to respond in writing or notifies Buyer in writing that it will not satisfy one or more of the Objections, then Buyer shall have the right, within five (5) days after receipt of Seller’s notice, to either waive the Objections and accept title subject to the Objections or terminate this Agreement. Upon payment of the Purchase Price and execution of the Mortgage and Note by Buyer, Seller shall convey the Property to Buyer by warranty deed, free and clear of all liens and encumbrances, except: municipal zoning ordinances and agreements entered under them, Objections that are waived, and general taxes levied in the year of closing, which shall constitute merchantable title.

ARTICLE IV
CLOSING

4.1 Closing. The payment of the Purchase Price and conveyance of the Property (the “Closing”) shall be held on October 2, 2023, or such earlier date as mutually agreed upon by the Parties. The closing shall take place at the office of the Escrow Agent, 116 E. Elm Street, River Falls, WI 54022; provided, however, at the election of either Seller or Buyer, the Closing shall not be a face-to-face closing, but rather each Party shall deposit with the Escrow Agent the closing documents required to be given by that Party at least three (3) business days prior to the Closing Date, and Buyer shall cause the balance of the Purchase Price to be delivered to the Escrow Agent promptly after the Escrow Agent provides Seller and Buyer with settlement statements and both Seller and Buyer have approved, signed, and returned electronic copies of the settlement statements to the Escrow Agent. Upon receipt of all of the closing documents in a form that is reasonably acceptable to the Escrow Agent, the Escrow Agent shall record the warranty deed conveying the Property and the Mortgage, and distribute the other closing documents when: (i) the Escrow Agent has received the portion of the Purchase Price due from Buyer at Closing, as provided for in the approved settlement statements; (ii) the Escrow Agent is prepared to deliver to Seller the net proceeds of Closing due to Seller pursuant to the approved settlement statements; and (iii) the Title Insurer is prepared to issue to Buyer an owner’s policy of title insurance in a form previously approved by the Title Insurer and Buyer. The date on which the Closing occurs is referred to as the “Closing Date.”

4.2 Seller’s Closing Documents. On the Closing Date, Seller shall execute and/or deliver to Escrow Agent the following (collectively, “Seller’s Closing Documents”):
A. **Deed.** Warranty Deed and transfer return, in form reasonably satisfactory to Buyer, conveying the Seller’s interest in the Property to Buyer.

B. **IRS Reporting Form.** The appropriate Federal Income Tax Reporting form, if any is required.

C. **Other Documents.** All other documents reasonably determined by Buyer or Escrow Agent to be necessary to transfer the Property to Buyer.

D. **Development Agreement.** A Seller executed Development Agreement.

E. **Memorandum of Development Agreement.** A Seller executed Memorandum of Development Agreement as set forth in the Development Agreement.

4.3 **Buyer’s Closing Documents.** On the Closing Date, Buyer shall execute and/or deliver to Escrow Agent the following (collectively, “**Buyer’s Closing Documents**”):

A. **Purchase Price.** The Purchase Price.

B. **Title Documents.** Such affidavits of Buyer, Certificates of Value or other documents as may be reasonably required by the title company to record the Seller’s Closing Documents and issue the title insurance policy.

C. **Development Agreement.** A Buyer executed copy of the Development Agreement.

D. **Note.** A Buyer executed Note in the form attached hereto as Exhibit B.

E. **Mortgage.** A Buyer executed Mortgage in the form attached hereto as Exhibit C.

F. **Development Agreement.** A Buyer executed Development Agreement.

G. **Memorandum of Development Agreement.** A Buyer executed Memorandum of Development Agreement as set forth in the Development Agreement.

4.4 **Closing Prorations.** Seller and Buyer agree to the following prorations and allocation of costs regarding this Agreement:

A. **Title Insurance and Closing Fee.** Buyer shall pay all costs of the owner’s title policy described in Section 3.1 together with the cost of the lender’s title insurance policy (if any) and any other title endorsements Buyer or its lender desires.

B. **Transfer Fee.** Buyer shall pay the State of Wisconsin Real Estate Transfer Fee, if applicable.

C. **Real Estate Taxes.** The Parties shall prorate the taxes due and payable in 2024 (i.e.,
real estate taxes for 2023) with Seller paying for that part of the real estate taxes due and payable in 2024 determined by dividing the number of days in 2023 that Seller owned the Property by three hundred sixty-five. All real estate taxes for taxes due and payable in 2023 (i.e., real estate taxes for 2022) are the responsibility of Seller and all real estate taxes due and payable in 2025 (i.e., real estate taxes for 2024) and future years are the responsibility of Buyer.

D. Special Assessments. Seller agrees to pay the unpaid balances of levied, pending, certified and deferred special assessments applicable to the Property as of the date of the Closing Date.

E. Recording Costs. Buyer shall pay the cost of recording all documents necessary to place record title in the condition warranted and requested by Buyer in this Agreement.

F. Closing and Escrow Fee. Buyer shall all of the customary closing fees or charges imposed by the Escrow Agent.

ARTICLE V
“AS IS” SALE

5.1 “As-Is” Sale. The Property is being sold “AS-IS, WHERE-IS”. Other than the title warranties described in Section 3.1 above, no representations or warranties are made by Seller concerning the condition of the Property. Seller shall not provide a real estate condition report concerning the Property, and Buyer waives receipt and rights thereto pursuant to Chapter 709 of Wisconsin Statutes.

ARTICLE VI
DEVELOPMENT AGREEMENT

6.1 Development Agreement Contingency. Seller’s obligation to close under this Agreement is expressly contingent upon the execution of the Development Agreement. If the Parties fail to execute the Development Agreement, then this Agreement shall be null and void and each Party shall have no further obligation with respect to the other.

ARTICLE VII
TERMINATION AND REMEDIES

7.1 Buyer’s Remedies. If Seller materially defaults in performing any of Seller’s obligations under the terms of this Agreement on the Closing Date for any reason, other than Buyer’s default, Buyer shall be entitled to terminate this Agreement as its exclusive remedy.

7.2 Seller’s Remedies. Except as where a remedy is specifically provided herein, if Buyer materially defaults in performing any of Buyer’s obligations under the terms of this Agreement on the Closing Date for any reason other than the Seller’s default, Seller’s shall be entitled to either terminate this Agreement, as its exclusive remedy.
ARTICLE VIII
MISCELLANEOUS

8.1 **Survival of Representations.** The representations, warranties, and covenants of Seller and Buyer herein shall survive the Closing and shall not be merged into the Closing.

8.2 **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the state of Wisconsin.

8.3 **Amendments.** This Agreement may not be amended or modified except by a writing signed by both Parties and identified as an amendment to this Agreement.

8.4 **No Assignment.** Neither Party may assign its rights hereunder to any third party without the prior written consent of the other Party which consent may be in the non-assigning Party’s sole discretion.

8.5 **Binding Effect.** This Agreement shall be binding upon and inure to the benefit of the Parties, their heirs, legal representatives, successors and assigns.

8.6 **Entire Agreement.** This Agreement constitutes the final, complete and exclusive agreement between the Parties with respect to its subject matter and supersedes all past and contemporaneous agreements, promises, and understandings, whether oral or written, between the Parties.

8.7 **Notices.** All notices and other communications between the Parties related to this Agreement shall be in writing and may be given in any of the following ways: (i) by personal delivery, in which case the notice shall be deemed to be given on the date of personal delivery; (ii) by Federal Express or equivalent nationally or regionally recognized courier that issues receipts evidencing delivery, in which case the notice shall be deemed given one day following receipt of such notice by the courier; (iii) by U.S. mail, in which case the notice shall be deemed given upon posting the notice in the mail; or (iv) by email, if the recipient receives the email. The Parties agree that each Party will promptly respond to any email received with a reply confirming receipt and failure to do so shall be considered a default under this Agreement. Notices shall be given to the respective addresses of the Parties set out below:

If to Buyer: City of River Falls
c/o City Administrator Scot Simpson
222 Lewis Street
River Falls, Wisconsin 54022
ssimpson@rfcity.org

with a copy to: Weld Riley, S.C.
c/o Atty. Christopher Gierhart
3624 Oakwood Hills Pkwy
Eau Claire, WI 54701
cgierhart@weldriley.com
8.8 **Severability.** In the event any provision of this Agreement is held to be invalid or unenforceable, the remainder of this Agreement shall remain in full force and effect as if the invalid or unenforceable provision had never been a part of the Agreement.

8.9 **Waiver.** The failure of either Party to complain of any default by the other Party or to enforce any of such Party’s rights, no matter how long such failure may continue, will not constitute a waiver of the Party’s rights under this Agreement. The waiver by either Party of any breach of any provision of this Agreement shall not be construed as a waiver of any subsequent breach of the same or any other provision. No part of this Agreement may be waived except by the further written agreement of the Parties.

8.10 **Counterparts and Effective Date.** This Agreement may be executed in counterparts, all of which when taken together shall be deemed to constitute one and the same instrument. This Agreement shall be binding when properly executed signature pages have been delivered by each Party to the other, whether by delivery of an original or a copy via facsimile or electronic mail.

8.11 **Attorney’s Fees.** Any Party defaulting under this Agreement or any closing document shall pay the attorney’s fees and court costs incurred by the non-defaulting party to enforce its rights regarding such default.

8.12 **No Broker’s Commission.** Buyer and Seller each represent to the other that it has not used a real estate broker in connection with this Agreement or the transaction contemplated by this Agreement. In the event any person asserts a claim for a broker’s commission or finder’s fee against one of the Parties to this Agreement, the Party against whom the claim is asserted will indemnify and hold the other Party harmless from said claim.

8.12 **Time.** Time is of the essence as to all dates and deadlines in this Agreement.

(Signature Pages to Follow)
IN WITNESS WHEREOF, this Agreement has been executed effective on the day and year set forth in the first paragraph.

SELLER:

CITY OF RIVER FALLS, a Wisconsin municipal corporation

By: __________________________
    Dan Toland, Mayor

Attest: ______________________
       Amy White, City Clerk
IN WITNESS WHEREOF, this Agreement has been executed effective on the day and year set forth in the first paragraph.

BUYER:

STERLING PONDS I, LLC

By:____________________________________
Name: Michael D. Flynn
Title:   Manager
EXHIBIT A

LEGAL DESCRIPTION
(Note: Legal Description on the Deed is to match the Legal Description in the Title Commitment)
EXHIBIT B

NOTE

(see attached)
PROMISSORY NOTE

$1,351,500.00        DATE:

MAKER: STERLING PONDS I, LLC

PAYEE: CITY OF RIVER FALLS

FOR VALUE RECEIVED, the undersigned STERLING PONDS I, LLC, a Wisconsin limited liability company (“Maker”) promises to pay to the order of CITY OF RIVER FALLS, a Wisconsin municipal corporation (and together with the holder of this Note, the “Payee”) the principal sum of One Million Three Hundred Fifty-one Thousand Five Hundred and 00/100 Dollars ($1,351,000.00) (the “Principal Amount”) pursuant to the terms of this Promissory Note (this “Note”). The following terms shall apply to this Note:

1. Principal and Interest Payments. Maker shall repay the entire outstanding Principal Amount and all other sums due under this Note that remain unpaid by December 31, 2024, which is the final and absolute due date of this Note. Provided, however, that if Substantial Completion of the Project, as those terms are defined in the Development Agreement between Maker and Payee dated ________________ has occurred by February 1, 2025, then this Note shall be deemed paid in full. Payments shall be made to Payee at 222 Lewis Street, River Falls, Wisconsin 54022, or such other location as Payee shall designate by written notice to Maker. If this Note is not paid in full or forgiven on the terms set forth herein by February 1, 2025, then interest shall be deemed to have accrued at 7% per annum from the date of execution of this Note.

2. Maker’s Right to Prepay. This Note may be prepaid in whole or part without premium, penalty, or notice at any time. Any prepayment shall be applied to principal in the inverse order of maturity and shall not delay the due dates or change the amount of the remaining payments until the outstanding Principal Amount is paid in full.

3. Renewal or Extension. Payee may grant renewals or extensions or otherwise modify the terms of this Note or any instrument securing this Note without affecting the liability of Maker.

4. Application of Payments. Payments shall be applied first to accrued and unpaid interest, second to any unpaid late charges due hereon and attorneys’ fees and costs incurred by Payee in connection with a default hereunder and the remainder, if any, to the outstanding Principal Amount.

5. Default. If Maker fails to pay any installment payable hereunder within 30 days of the payment due date or if any other default is not cured within 30 days after notice of default is given to Maker, Payee may, at its option and without further notice, accelerate the amount due under this Note and declare it immediately due and payable. Any failure by Payee to exercise this option shall not constitute a waiver of the right to exercise it at any subsequent time. Maker shall pay all costs and expenses, including actual attorney fees, expert or other witness fees, and costs, of collection and enforcement of any security for the Note, unless prohibited by law.

6. Bankruptcy. In the event Maker shall commit an act of bankruptcy under the United States Bankruptcy Code or file or have filed against Maker, voluntarily or involuntarily, a petition
in bankruptcy or for reorganization or for the adoption of an arrangement or plan under the United States Bankruptcy Code or initiate or have initiated against Maker, voluntarily or involuntarily, any act, process or proceeding under any insolvency law or any other statute or law providing for the relief of debtors, then, in such event, Payee may, at Payee’s option, by notice in writing to Maker, declare the outstanding Principal Amount then remaining unpaid on this Note to be immediately due and payable, and the same shall thereupon be immediately due and payable, together with interest accrued, without further notice or demand.

7. **Commercial Purposes.** Maker acknowledges and warrants that (a) the indebtedness evidenced by this Note is incurred for the purpose of acquiring or carrying on a business or commercial enterprise; (b) all proceeds arising from the indebtedness will be used solely in connection with such business or commercial enterprise; (c) the proceeds of such indebtedness will not be used for the purchase of registered equity securities within the purview of Regulation “U” issued by the Board of Governors at the Federal Reserve System; and (d) the loan evidenced by this Note is not a “consumer transaction” as defined in the Wisconsin Uniform Commercial Code.

8. **Subsequent Holders.** In the event that any holder of this Note transfers this Note for value, Maker agrees that except with respect to subsequent holders with actual knowledge of a claim or defense, no subsequent holder of this Note shall be subject to any claims or defenses which Maker may have against a prior holder (which claims or defenses are not waived as to prior holders), all of which are waived as to the subsequent holder, and that all such subsequent holders shall have all of the rights of a holder in due course with respect to Maker even though the subsequent holder may not qualify, under applicable law, absent this paragraph, as a holder in due course.

9. **Invalidity of Any Part.** If any provision or part of any provision of this Note shall for any reason be held invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision (or any remaining part of any provision) of this Note, and this Note shall be construed as if such invalid, illegal or unenforceable provision (or part thereof) had never been contained in this Note, but only to the extent of its invalidity, illegality or unenforceability. In any event, if any such provision pertains to the repayment of the indebtedness evidenced by this Note, then and in such event, at Payee’s option, the outstanding Principal Amount, together with all accrued and unpaid interest thereon, shall become immediately due and payable.

10. **Waiver.** Maker waives presentment, protest, notice of dishonor, lack of diligence in collection or enforcement hereof, and expressly consents to any extension of time, or any forbearance whatsoever.

11. **Security.** This Note is secured by that certain Mortgage entered into by Maker on even date herewith. Any default of the Mortgage shall be a default of this Note.

12. **Controlling Law; Venue.** This Note shall be governed under, and construed pursuant to, the laws of the State of Wisconsin and the venue of any actions or suits involving this Note shall be in the Circuit Court for St. Croix County, Wisconsin.

13. **Time is of the Essence.** Time is of the essence under this Note.

[Signature Page Follows]
IN WITNESS WHEREOF, the undersigned executed and delivered this Note to be effective as of the day and year first above written.

MAKER:
STERLING PONDS I, LLC

By: 

Name: Michael D. Flynn
Title: Manager
EXHIBIT C

MORTGAGE

(see attached)
Sterling Ponds I, LLC, a Wisconsin limited liability company

("Mortgagor," whether one or more) mortgages to City of River Falls, a Wisconsin municipal corporation its successors or assigns ("Mortgagee," whether one or more), to secure payment of $1,351,500.00 evidenced by a note or notes, or other obligation ("Obligation") dated , executed by Sterling Ponds I, LLC, a Wisconsin limited liability company to Mortgagee, and any extensions, renewals and modifications of the Obligation and refinancings of any such indebtedness on any terms whatsoever (including increases in interest) and the payment of all other sums, with interest, advanced to protect the Property and the security of this Mortgage, and all other amounts paid by Mortgagee hereunder, the following property, together with all rights and interests appurtenant thereto in law or equity, all rents, issue and profits arising therefrom, including insurance proceeds and condemnation awards, all structures, improvements and fixtures located thereon, in St. Croix County, State of Wisconsin ("Property"):

[NTD: Legal Description to match deed]

1. **MORTGAGOR'S COVENANTS.**

   a. **COVENANT OF TITLE.** Mortgagor warrants title to the Property, except restrictions and easements of record, if any.

   b. **FIXTURES.** Any property which has been affixed to the Property and is used in connection with it is intended to become a fixture. Mortgagor waives any right to remove such fixture from the Property which is subject to this Mortgage.

   c. **TAXES.** Mortgagor promises to pay when due all taxes and assessments levied on the Property or upon Mortgagee's interest in it and to deliver to Mortgagee on demand receipts showing such payment.

   d. **INSURANCE.** Mortgagor shall keep the improvements on the Property insured against loss or damage occasioned by fire, extended coverage perils and such other hazards as Mortgagee may require, without co-insurance, through insurers approved by Mortgagee, in the amount of the full replacement value of the improvements on the Property. Mortgagor shall pay the insurance premiums when due. The policies shall contain the standard mortgage clause in favor of Mortgagee, and evidence of all policies covering the Property shall be provided to Mortgagee. Mortgagor shall promptly give notice of loss to insurance companies and Mortgagee. Unless Mortgagor and Mortgagee
otherwise agree in writing, insurance proceeds shall be applied to restoration or repair of the Property damaged, provided Mortgagee deems the restoration or repair to be economically feasible.

e. OTHER COVENANTS. Mortgagor covenants not to commit waste nor suffer waste to be committed on the Property, to keep the Property in good condition and repair, to keep the Property free from future liens superior to the lien of this Mortgage and to comply with all laws, ordinances and regulations affecting the Property. Mortgagor shall pay when due all indebtedness which may be or become secured at any time by a mortgage or other lien on the Property superior to this Mortgage and any failure to do so shall constitute a default under this Mortgage.

2. DEFAULT AND REMEDIES. Mortgagor agrees that time is of the essence with respect to payment of principal and interest when due, and in the performance of the terms, conditions and covenants contained herein or in the Obligation secured hereby. In the event of default, Mortgagee may, at its option, declare the whole amount of the unpaid principal and accrued interest due and payable, and collect it in a suit at law or by foreclosure of this Mortgage or by the exercise of any other remedy available at law or equity. If this Mortgage is subordinate to a superior mortgage lien, a default under the superior mortgage lien constitutes a default under this Mortgage.

3. NOTICE. Unless otherwise provided in the Obligation secured by this Mortgage, prior to any acceleration (other than under paragraph 9, below) Mortgagee shall mail notice to Mortgagor specifying: (a) the default; (b) the action required to cure the default; (c) a date, not less than 15 days from the date the notice is mailed to Mortgagor by which date the default must be cured; and (d) that failure to cure the default on or before the date specified in the notice may result in acceleration.

4. EXPENSES AND ATTORNEY FEES. In case of default, whether abated or not, all costs and expenses, including, but not limited to, reasonable attorney fees, to the extent not prohibited by law shall be added to the principal, become due as incurred, and in the event of foreclosure be included in the judgment.

5. FORECLOSURE WITHOUT DEFICIENCY. Mortgagor agrees to the provisions of Sections 846.101 and 846.103, Wis. Stats., as may apply to the Property and as may be amended, permitting Mortgagee in the event of foreclosure to waive the right to judgment for deficiency and hold the foreclosure sale within the time provided in such applicable Section.

6. RECEIVER. Upon default or during the pendency of any action to foreclose this Mortgage, Mortgagor consents to the appointment of a receiver of the Property, including homestead interest, to collect the rents, issues and profits of the Property during the pendency of such an action, and such rents, issues and profits when so collected shall be held and applied as the court shall direct.

7. WAIVER. Mortgagee may waive any default without waiving any other subsequent or prior default by Mortgagor.

8. MORTGAGEE MAY CURE DEFAULTS. In the event of any default by Mortgagor of any kind under this Mortgage or any Obligation secured by this Mortgage, Mortgagee may cure the default and all sums paid by Mortgagee for such purpose shall immediately be repaid by Mortgagor with interest at the rate then in effect under the Obligation secured by this Mortgage and shall constitute a lien upon the Property.

9. CONSENT REQUIRED FOR TRANSFER. Mortgagor shall not transfer, sell or convey any legal or equitable interest in the Property (by deed, land contract, option, long-term lease or in any other way) without the prior written consent of Mortgagee, unless either the indebtedness secured by this Mortgage is first paid in full or the interest conveyed is a mortgage or other security interest in the Property, subordinate to the lien of this Mortgage. The entire indebtedness under the Obligation secured by this Mortgage shall become due and payable in full at the option of Mortgagee without notice, which notice is hereby waived, upon any transfer, sale or conveyance made in violation of this paragraph. A violation of the provisions of this paragraph will be considered a default under the terms of this Mortgage and the Obligation it secures.
10. **ASSIGNMENT OF RENTS.** Mortgagor hereby transfers and assigns absolutely to Mortgagee, as additional security, all rents, issues and profits which become or remain due (under any form of agreement for use or occupancy of the Property or any portion thereof), or which were previously collected and remain subject to Mortgagor's control following any default under this Mortgage or the Obligation secured hereby and delivery of notice of exercise of this assignment by Mortgagee to the tenant or other user(s) of the Property in accordance with the provisions of Section 708.11, Wis. Stats, as may be amended. This assignment shall be enforceable with or without appointment of a receiver and regardless of Mortgagee's lack of possession of the Property.

11. **ENVIRONMENTAL PROVISION.** Mortgagor represents, warrants and covenants to Mortgagee that (a) during the period of Mortgagor's ownership or use of the Property no substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about the Property in a form, quantity or manner which if known to be present on, under, in or about the Property would require clean-up, removal or other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"); (b) Mortgagor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner of or person using the Property; (c) without limiting the generality of the foregoing, Mortgagor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components ("PCBs") or underground storage tanks; (d) there are no conditions existing currently or likely to exist during the term of this Mortgage which would subject Mortgagor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claims relating to any Hazardous Substance; (e) Mortgagor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any Hazardous Substance; and (f) Mortgagor in the past has been, at the present is and in the future will remain in compliance with all Environmental Laws. Mortgagor shall indemnify and hold harmless Mortgagee from all loss, cost (including reasonable attorney fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of or based upon (i) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (ii) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, or (iii) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Mortgagor shall immediately notify Mortgagee in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance on, in, under or about the Property.

12. **SECURITY INTEREST ON FIXTURES.** To further secure the payment and performance of the Obligation, Mortgagor hereby grants to Mortgagee a security interest in:

**CHOOSE ONE OF THE FOLLOWING OPTIONS; IF NEITHER IS CHOSEN, OPTION A SHALL APPLY:**

- **A.** All fixtures and personal property located on or related to the operations of the Property whether now owned or hereafter acquired.

- **B.** All property listed on the attached schedule.

This Mortgage shall constitute a security agreement within the meaning of the Uniform Commercial Code with respect to those parts of the Property indicated above. This Mortgage constitutes a fixture filing and financing statement as those terms are used in the Uniform Commercial Code. This Mortgage is to be filed and recorded in the real estate records of the county in which the Property is located, and the following information is included: (1) Mortgagor shall be deemed the "debtor"; (2) Mortgagee shall be deemed to be the "secured party" and shall have all of the rights of a secured party under the Uniform Commercial Code; (3) this Mortgage covers goods which are or are to become fixtures; (4) the name of the record owner of the land is the debtor; (5) the legal name and address of the debtor are Sterling Ponds I, LLC, N11404 330th Street, Boyceville, Wisconsin 54725; (6) the state of organization and the organizational identification number of the debtor (if applicable) are Wisconsin; and (7) the address of the secured party is 222 Lewis Street, River Falls, Wisconsin 54022.

13. **SINGULAR; PLURAL.** As used herein, the singular shall include the plural and any gender shall include all genders.
14. **JOINT AND SEVERAL/LIMITATION ON PERSONAL LIABILITY.** The covenants of this Mortgage set forth herein shall be deemed joint and several among Mortgagors, if more than one. Unless a Mortgagor is obligated on the Obligation secured by this Mortgage, Mortgagor shall not be liable for any breach of covenants contained in this Mortgage.

15. **INVALIDITY.** In the event any provision or portion of this instrument is held to be invalid or unenforceable, this shall not impair or preclude the enforcement of the remainder of the instrument.

16. **MARITAL PROPERTY STATEMENT.** Any individual Mortgagor who is married represents that the obligation evidenced by this instrument was incurred in the interest of Mortgagor's marriage or family.

Dated ________________________________ .

STERLING PONDS I, LLC

*Michael D. Flynn, Manager____________________*(SEAL)

---

**ACKNOWLEDGMENT**

STATE OF WISCONSIN

COUNTY )

) ss.

Personally came before me on , the above-named Michael D. Flynn, in his above-listed capacity to me known to be the person who executed the foregoing instrument and acknowledged the same.

THIS INSTRUMENT DRAFTED BY:

Atty. Christopher B. Gierhart__________________________

Weld Riley, S.C.____________________________________

______________________________

*Notary Public, State of Wisconsin

My Commission (is permanent) ____________ )
FIRST RIGHT OF REFUSAL
TO PURCHASE REAL PROPERTY

1. **Parties.** This First Right of Refusal Agreement (the “Agreement”) is made this ___ day of July, 2023, (the “Effective Date”) by and between the City of River Falls, a Wisconsin municipal corporation (“Grantor”) and Sterling Ponds I, LLC, or assigns (“Grantee”),

2. **Grant of First Right of Refusal.** Grantor hereby grants to Grantee a first right of refusal to purchase real property located in the County of St. Croix, State of Wisconsin, which is comprised of approximately 4.85 acres being St. Croix County Tax Parcel No. 276-1150-09-115 and depicted as Lot J in the map attached hereto as Exhibit A (the “Property”), on the terms and conditions set forth in this Agreement.

3. **Term.** The term of this Agreement begins on the Effective Date and shall expire at 12:00 a.m., prevailing Central time, January 1, 2025.

4. **Exercise of First Right of Refusal.**
   a. **Notice by Grantor:** In the event Grantor shall receive a bona fide third-party offer for the purchase of the Property at any time during the term of this Agreement which Grantor desires to accept (the “Bona Fide Offer”), the Grantor will not sell the Property or any portion thereof without first offering the Property to Grantee. Grantor shall give Grantee notice of its right to purchase the Property consistent with the terms of purchase set forth in Section 5.
   b. **Notice by Grantee:** If Grantee elects to purchase the Property (the “Purchase Election”), Grantee’s notice of intent to purchase the Property shall be delivered to Grantor, no later than fifteen (15) days after Grantee’s receipt of notice from Grantor as set forth in Section 4.a.
   c. **Obligations upon Notice to Purchase by Grantee:** Upon Grantee’s exercise of the Purchase Election, Grantor and Grantee shall enter into a purchase and sale agreement for the Property consistent with the terms set forth herein (the “Purchase Agreement”) and as soon as reasonably practical after Grantee has given Grantor written notice as contemplated in Section 4.b. Upon full execution of the Purchase Agreement, Grantor shall provide an owner’s policy of title insurance issued by a reputable title insurer in the amount of the purchase price showing good and merchantable title to the Property. The purchase of the Property by Grantee shall be completed and closed within sixty (60) days from the date of execution of the Purchase Agreement or as soon as practicable thereafter.
5. **Terms of Purchase.** If Grantee exercises the Purchase Election, the following shall be the terms of purchase:

   a. The purchase price shall be $1.00, but Grantee shall guarantee the value of improvements of the Property based upon the same formula used in Article IV of the Developer’s Agreement (as defined below) for Grantee’s prior purchase from Grantor. By means of clarification, the acreage and total guaranteed value will change based on the size of the Property, but the following formula shall be used to calculate the minimum tax payment and guaranteed value:

      The value of the Property is $150,000.00 per acre. The formula is the minimum tax guarantee multiplied by the mill rate to get “X”. The value of the Property is then divided by “X” to make sure the recoupment of the value of the Property from the tax increment gain, based on the minimum tax guarantee multiplied by the mill rate, falls within the 5–10-year timeframe set forth in the City’s TID Policy.

      For example purposes only, the calculation utilized in the current Development Agreement, as hereinafter defined was based on 9 acres of land and the formula was:

      \[
      \text{\$7,000,000 (value of land) x 0.0166 (mill rate) = 116,200}
      \]

      \[
      1,351,500/116,200 = 11.6 \text{ years}
      \]

   b. All other terms and conditions of the purchase shall be the same terms and conditions of the Bona Fide Offer, except as set forth above and further excepting that the time period for closing shall be consistent with Section 4.c.

   c. At the time of closing, Grantor and Grantee shall enter into a developer’s agreement that shall be in similar substance and form to that certain Developer’s Agreement between Grantor and Grantee dated even date hereof (the “Developer’s Agreement”). By means of clarification, the intent of this clause is that the new developer’s agreement shall mimic the terms of the existing Development Agreement but shall be updated to include the size of the Property, updated plans, updated dates, etc.

      i. In the construction of the improvements on the Property, Grantee must comply with all applicable laws, rules, codes, and regulations.

      ii. The parties to the agreement acknowledge that other terms and conditions may arise that will be included within the Developer’s Agreement.

6. **Failure to Exercise First Right of Refusal.** In the event Grantee does not provide notice of the Purchase Election within the time period set in Section 4.b, then this Agreement shall
automatically terminate. Further, if Grantee does provide notice of the Purchase Election within the time period set forth in Section 4.b but does not close on the Property for any reason, then this Agreement shall automatically terminate. Furthermore, in the event Grantee does not exercise its Purchase Election but Grantor fails to close on the sale of the Property subject to the notice within one hundred eighty (180) days of the date of such notice, Grantee’s Purchase Election shall be automatically reinstated.

7. **Notices.** Any notice required or permitted to be given under this Agreement shall be in writing and may be served personally or by certified or registered mail, return receipt requested or by reputable overnight courier, postage prepaid, addressed to Grantor and Grantee respectively at the address(es) set forth below. Such notices shall be effective upon delivery, if delivered in person, forty-eight (48) hours after the date of postmark, if delivered by certified or registered mail or twenty-four (24) hours after the date of deposit with such overnight courier. Each party shall have the right from time to time to designate a different address to which notices shall be sent by delivery of written notice thereof pursuant to this Section 7.

If to the Grantor:
City of River Falls
c/o Scot Simpson, City Administrator
222 Lewis Street
River Falls, WI 54022.

If to the Grantee:
Sterling Ponds I, LLC
Attn: Mike Flynn
N11404 330th Street
Boyceville, WI 54725

8. **Assignment.** Grantee may not assign its interest in this Agreement without first obtaining the written consent of Grantor, which consent shall be in Grantor’s sole discretion. Notwithstanding the foregoing, Grantee may assign this Agreement to an entity in which Mike Flynn has a controlling, majority interest without the consent of Grantor.

9. **Entire Agreement; Amendments.** This Agreement, together with all exhibits attached hereto, contains the entire agreement of the parties with respect to those matters set forth herein, and all prior negotiations, correspondence, agreements, representations, verbal agreements, and other communications between the parties hereto have been incorporated into this Agreement. No prior agreement or understanding pertaining to any such matters shall be effective unless the terms and provisions thereof are contained herein. This Agreement may be modified only by a written document, signed by the parties in interest at the time of modification.

10. **Headings.** Section headings contained in this Agreement have been inserted for reference only and are not a part of this Agreement or the agreement of the parties hereto.
11. **Governing Law.** This Agreement shall be governed by the laws of the State of Wisconsin.

12. **Negotiated Provisions.** Notwithstanding the fact that the printed form of this Agreement was initially prepared by Grantor, Grantee acknowledges that: (i) the final version of this Agreement was prepared by the joint efforts of Grantor and Grantee; (ii) Grantee has had an opportunity to review this Agreement, consult with its attorney, and negotiate the provisions hereof prior to the execution hereof; (iii) the final version of this Agreement is a fair and equitable instrument; and (iv) this Agreement shall not be interpreted in favor of or against the party preparing it.

13. **Time of the Essence.** Time is of the essence in the performance of all obligations falling due under this Agreement.

14. **Recording.** Grantee acknowledges and agrees that it may not record this Agreement or a memorandum of this Agreement in the real property records of the county in which the Property is located. Provided, however, that Grantor may elect to execute a Memorandum of Agreement which will set forth a legal description of the Property, the term of the Agreement, and any other provisions hereof as Grantor may determine, and record such Memorandum of Agreement in the real property records of the county in which the Property is located.

15. **Effectiveness of Instrument.** Submission of this instrument by or on behalf of either party is not intended to and shall not be deemed to constitute a first right of refusal with respect to the Property. This instrument shall not be effective as a first right of refusal or otherwise and neither party shall have any rights hereunder unless and until this Agreement is executed and delivered by both parties.

16. **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of the executed counterpart of this Agreement via facsimile or electronic mail in portable document file (.pdf) format shall be as effective as delivery of an originally-signed executed counterpart of this Agreement.

[**SIGNATURES ON THE FOLLOWING PAGE**]
GRANTOR:
City of River Falls

By: __________________________
Dan Toland, Mayor

By: __________________________
Amy White, City Clerk

GRANTEE:
MIKE FLYNN

By: __________________________
Name: _______________________
Title: ________________________
EXHIBIT A

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<th>Acreage</th>
<th>Zoning</th>
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</tr>
</tbody>
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*Lot sizes can be resized or divided on individual request.

Contact: Keri Schreiner
715-426-3469
kschreiner@rfcity.org
RESOLUTION NO.

RESOLUTION APPROVING DEVELOPER’S AGREEMENT BETWEEN THE CITY OF RIVER FALLS AND STERLING PONDS I, LLC

WHEREAS, the City of River Falls and Sterling Ponds I, LLC have arrived at an agreement to build a multi-tenant office and manufacturing building in the Sterling Ponds Corporate Park; and

WHEREAS, a Developer’s Agreement has been drafted covering minimum improvements and the provision of various forms of financial assistance; and

WHEREAS, the Development Agreement includes the following terms:
• Minimum tax value $7,000,000, minimum tax amount $116,200
• Guarantee term 11 years
• Development incentives in the amount of $1,351,500 (land cost)
• Anticipated start of construction is December 1, 2023, and substantial completion is February 1, 2025

WHEREAS, the Common Council has reviewed the Developer’s Agreement at its meeting of July 25, 2023, and found the terms and conditions acceptable;

NOW, THEREFORE, BE IT RESOLVED that the Common Council hereby approves the Developer’s Agreement between the City of River Falls and Sterling Ponds I, LLC and authorizes the City Administrator to finalize the necessary terms and agreements on behalf of the City.

Dated this 25th day of July, 2023.

________________________________________
Dan Toland, Mayor

ATTEST:

______________________________
Amy White, City Clerk
RESOLUTION NO.

RESOLUTION APPROVING PURCHASE AGREEMENT BETWEEN CITY OF RIVER FALLS AND STERLING PONDS I, LLC

WHEREAS, The City of River Falls is the owner of the approximately nine-acre lot in the Sterling Ponds Corporate Park (Lots B and I); and

WHEREAS, Sterling Ponds I, LLC has identified this property as a site to build an approximately 108,000 sq/ft for lease multi-tenant office and manufacturing building; and

WHEREAS, a purchase agreement has been negotiated, subject to approval from the Common Council; and

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of River Falls approves the attached Purchase Agreement for $1.00 for the sale of approximately nine-acres in the Sterling Ponds Corporate Park to Sterling Ponds I, LLC and authorizes the City Administrator or designee to finalize the sale of the property.

Dated this 25th day of July, 2023.

______________________________
Dan Toland, Mayor

ATTEST:

_____________________________________
Amy White, City Clerk
RESOLUTION NO.

RESOLUTION APPROVING FIRST RIGHT OF REFUSAL BETWEEN THE CITY OF RIVER FALLS AND STERLING PONDS I, LLC

WHEREAS, the City of River Falls and Sterling Ponds I, LLC have arrived at an agreement for a First Right of Refusal (FRR) for the approximately 4.85 acre lot (Lot J) in the Sterling Ponds Corporate Park; and

WHEREAS, if exercised, the purchase price is set at $1.00, but Sterling Ponds I, LLC shall guarantee a minimum taxable value of the development on the property; and

WHEREAS, the FRR will expire on January 1, 2025, and if there is failure to exercise the FRR, the agreement will automatically terminate; and

WHEREAS, the Common Council has reviewed the First Right of Refusal at its meeting of July 25, 2023, and found the terms and conditions acceptable;

NOW, THEREFORE, BE IT RESOLVED that the Common Council hereby approves the First Right of Refusal between the City of River Falls and Sterling Ponds I, LLC and authorizes the City Administrator to finalize the necessary terms and agreements on behalf of the City.

Dated this 25th day of July, 2023.

________________________________________
Dan Toland, Mayor

ATTEST:

________________________________________
Amy White, City Clerk
MEMORANDUM

TO: Mayor Toland and City Council Members
FROM: Josh Solinger, Finance Director/Treasurer
DATE: July 25, 2023
TITLE: Resolutions Providing for the Sale of Approximately $18,415,000 General Obligation Bonds and $5,405,000 in Water System Revenue Bonds for the Mann Valley Corporate Park and Biosolids Facility Projects

RECOMMENDED ACTION
Adopt the required resolutions providing for the sale of approximately $18,415,000 in General Obligation bonds and $5,405,000 in Water System Revenue bonds. The General Obligation bonds include the following components of the Tax Increment District (TID) #19 Mann Valley Corporate Park project: streets, stormwater, sewer, and electric costs. General obligation borrowing will also include the Biosolids facility project. The Water System Revenue bonds will be for the water component of the Mann Valley Corporate Park.

The General Obligation portions attributable to the sewer and electric utilities are being financed using General Obligation debt due to available capacity under the State debt limit and to receive lower interest rates for tax-backed debt versus revenue-backed debt. Tax increment revenue from future development in the corporate park is planned as the funding source for this debt service. Interfund loans from the utilities and the City’s Environmental Fee Fund will finance this debt service until future development generates sufficient tax increment revenue.

The schedule for the approval and issuance of the bonds is as follows:
- July 25 – Initial approval by the City Council (five resolutions).
- September 12 – Bids received and final City Council approval.
- October – Receipt of closing documents, closing, and receipt of funds.

BACKGROUND
Mann Valley Corporate Park - $15,155,000 for construction and construction administration
On May 23, 2023, the City Council adopted Resolution 6788 accepting a construction bid from Haas Sons, Inc. At the same meeting, Resolution 6789 was adopted awarding a contract to Short Elliot Hendrickson, Inc. to provide construction administration services.
For statutory purposes, the borrowing is categorized in two ways: community development projects in tax incremental districts and Water System Revenue bonds. For practical purposes, the borrowing can be broken down into component parts of the corporate park project:

<table>
<thead>
<tr>
<th>Project Component</th>
<th>Statutory Category</th>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Streets (incl. storm)</td>
<td>Community Development Project (TID)</td>
<td>G.O.</td>
<td>$5,835,000</td>
</tr>
<tr>
<td>Sewer</td>
<td>Community Development Project (TID)</td>
<td>G.O.</td>
<td>$3,105,000</td>
</tr>
<tr>
<td>Electric</td>
<td>Community Development Project (TID)</td>
<td>G.O.</td>
<td>$810,000</td>
</tr>
<tr>
<td>Water</td>
<td>Water System Revenue bonds</td>
<td>Revenue</td>
<td>$5,405,000</td>
</tr>
</tbody>
</table>

Total $15,155,000

In addition to authorizing construction and construction administration services, the Council also created Tax Increment District #19 at the May 23, 2023, meeting (Resolution 6787). The statutory process for creating a new TID requires municipalities to develop a project plan that portrays estimated costs, development, and tax increment revenue for the district.

The project plan for TID #19 anticipates future development generating sufficient tax increment revenue for the district to make debt service payments for this borrowing. In the first few years of the district’s statutory life, development may not be sufficient to generate enough tax increment revenue to make the debt service payments. In this case, interfund loans from the utilities and environmental fee fund will be made to TID #19 for the debt service payments. The loans will be repaid by the TID to the lending funds, plus interest, later in the TID’s life.

**Biosolids Project - $8,665,000 for construction**

On May 24, 2022, the City Council adopted Resolution 6676 establishing the City’s intent to construct its own biosolids facility and withdraw its membership from the West Central Wisconsin Regional Biosolids consortium. A contract to design a biosolids dewatering and drying facility was awarded to Strand Associates, Inc. on August 23, 2022 (Resolution 6692).

The design process is currently at the 60 percent design phase and is expected to be completed in the fall of 2023. Construction will begin before the end of the year. The engineer’s cost estimate for the project is $8,500,000, and staff will work with Strand Associates, Inc. to conduct value engineering as needed.

**Breakdown of General Obligation and Revenue Borrowing**

The General Obligation portion of the 2023 borrowing totals $18,415,000 and the revenue portion totals $5,405,000. A breakdown of the borrowing by General Obligation and revenue portions is provided below:

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Type</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mann Valley – Streets</td>
<td>G.O.</td>
<td>$5,835,000</td>
</tr>
<tr>
<td>Mann Valley – Sewer</td>
<td>G.O.</td>
<td>$3,105,000</td>
</tr>
<tr>
<td>Mann Valley – Electric</td>
<td>G.O.</td>
<td>$810,000</td>
</tr>
<tr>
<td>Biosolids</td>
<td>G.O.</td>
<td>$8,665,000</td>
</tr>
</tbody>
</table>

Total General Obligation $18,415,000

Mann Valley – Water Revenue $5,405,000
DISCUSSION
Approval of the following five resolutions is recommended to finance the Mann Valley Corporate Park and Biosolids projects.

- Initial Resolution Authorizing $9,750,000 General Obligation Bonds for Community Development Projects in Tax Incremental Districts – Resolution will authorize issuance of TID #19 General Obligation debt for the street, sewer, and electric portions of the Mann Valley Corporate Park project.

- Initial Resolution Authorizing $8,665,000 General Obligation Bonds for Sewerage Projects – Resolution will authorize issuance of General Obligation debt for the Biosolids project.

- Resolution Directing Publication of Notice to Electors Relating to Bond Issue – Resolution describes requirements for publication of initial notice to public.

- Resolution Providing for the Sale of Not to Exceed $18,415,000 General Obligation Corporate Purpose Bonds – Provides information on sale of bonds, including requiring a public sale and creation of an official statement.

- Resolution Providing for the Sale of Approximately $5,405,000 Water System Revenue Bonds – Provides information on sale of bonds, include requiring a public sale and creation of an official statement.

Actual financing can be less than the amounts authorized above but cannot be greater without a new resolution. If financing bids are not acceptable, bids can be rejected, and alternative options be revisited.

FINANCIAL CONSIDERATIONS
General Obligation Bonds
The City’s intent is for TID #19 to assume debt service payments for the General Obligation debt being issued to finance costs for infrastructure in Mann Valley. The project plan for TID #19 contemplates that interfund loans from the Sewer Utility, Electric Utility, and Environmental Fee Fund may be used for several years to finance the TID’s debt service payments. The TID will be responsible for debt service payments after development occurs in the District and will be responsible for repaying any interfund loans that may be required.

Under current Wisconsin Statutes, the City’s General Obligation indebtedness may not exceed five percent (5%) of the equalized value of taxable property in the City. As of December 31, 2022, the City’s total amount applicable to debt is 32.15% of the total limit of $74,730,770. Using the estimated 2023 equalized value, the percentage of General Obligation debt would be 53% of the limit following issuance of the new debt. No debt issues are planned for 2024 that would increase the City’s total General Obligation indebtedness.

A pre-sale report with an estimated G.O. debt service schedule will be made available to Council prior to the meeting and reviewed at the meeting by Ehlers.
Memorandum to Mayor and City Council  
July 25, 2023  
Page 4

Water Revenue Bonds  
The City's intent is for TID #19 to reimburse the Water Utility for future debt service costs associated with installing water infrastructure in Mann Valley. The Water Utility may be used for several years to finance the debt service, which will be treated as an interfund loan from the Utility to TID #19. A pre-sale report with an estimated revenue debt service schedule will be made available to Council prior to the meeting and reviewed at the meeting by Ehlers.

CONCLUSION  
The City requires debt financing for Council-approved projects to construct a new corporate park in Mann Valley and construct a new biosolids dewatering and drying facility at the Wastewater Treatment Plant. The staff recommendation is to approve the five proposed resolutions providing for the sale not to exceed $18,415,000 in General Obligation bonds and approximately $5,405,000 in Water System Revenue Bonds for the Mann Valley Corporate Park and Biosolids projects.
Resolution No.

INITIAL RESOLUTION AUTHORIZING $9,750,000 GENERAL OBLIGATION BONDS FOR COMMUNITY DEVELOPMENT PROJECTS IN TAX INCREMENTAL DISTRICTS

BE IT RESOLVED by the Common Council of the City of River Falls, Pierce and St. Croix Counties, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed $9,750,000 for the public purpose of providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs included in the project plans for the City's Tax Incremental Districts.

Adopted, approved and recorded July 25, 2023.

________________________________________
Danial H. Toland
Mayor

ATTEST:

________________________________________
Amy White
City Clerk
Resolution No.

INITIAL RESOLUTION AUTHORIZING $8,665,000 GENERAL OBLIGATION BONDS FOR SEWERAGE PROJECTS

BE IT RESOLVED by the Common Council of the City of River Falls, Pierce and St. Croix Counties, Wisconsin, that there shall be issued, pursuant to Chapter 67, Wisconsin Statutes, general obligation bonds in an amount not to exceed $8,665,000 for the public purpose of paying the cost of sewerage projects.

Adopted, approved and recorded July 25, 2023.

_________________________
Danial H. Toland
Mayor

ATTEST:

_________________________
Amy White
City Clerk
RESOLUTION DIRECTING PUBLICATION OF NOTICE TO ELECTORS
RELATING TO BOND ISSUES

WHEREAS, initial resolutions authorizing general obligation bonds have been adopted by the Common Council of the City of River Falls, Pierce and St. Croix Counties, Wisconsin (the "City") and it is now necessary that said initial resolutions be published to afford notice to the residents of the City of their adoption;

NOW, THEREFORE, BE IT RESOLVED that the City Clerk shall, within 15 days, publish a notice to the electors in substantially the form attached hereto in the official City newspaper as a class 1 notice under ch. 985, Wis. Stats.

Adopted, approved and recorded July 25, 2023.

__________________________________
Danial H. Toland
Mayor

ATTEST:

__________________________________
Amy White
City Clerk

(SEAL)
Resolution No.

RESOLUTION PROVIDING FOR THE SALE OF NOT TO EXCEED $18,415,000 GENERAL OBLIGATION CORPORATE PURPOSE BONDS

WHEREAS, the City of River Falls, Pierce and St. Croix Counties, Wisconsin (the "City") has adopted initial resolutions (the "Initial Resolutions") authorizing the issuance of general obligation bonds for the following public purposes and in the following amounts:

(a) $9,750,000 for providing financial assistance to community development projects under Section 66.1105, Wisconsin Statutes, by paying project costs included in the project plans for the City's Tax Incremental Districts; and

(b) $8,665,000 for sewerage projects; and

WHEREAS, the Common Council hereby finds and determines that the projects described in the Initial Resolutions are within the City's power to undertake and therefore serve a "public purpose" as that term is defined in Section 67.04(1)(b), Wisconsin Statutes.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Combination of Issues. The issues referred to above are hereby combined into one issue of bonds designated "General Obligation Corporate Purpose Bonds" (the "Bonds") in an amount not to exceed $18,415,000 for the purposes above specified.

Section 2. Sale of the Bonds. The Common Council hereby authorizes and directs that the Bonds be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Bonds as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) be and hereby is directed to cause notice of the sale of the Bonds to be disseminated in such manner and at such times as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall cause an Official Statement to be prepared and distributed. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.
Section 5. Reimbursement. The Common Council hereby officially declares its intent pursuant to Treasury Regulation Section 1.150-2 to reimburse any expenditures made in connection with the projects described in the Initial Resolutions prior to the issuance of the Bonds with the proceeds of the Bonds in an amount not to exceed $18,415,000.

Adopted, approved and recorded July 25, 2023.

__________________________________________
Danial H. Toland
Mayor

ATTEST:

__________________________________________
Amy White
City Clerk

(SEAL)
Resolution No.

RESOLUTION PROVIDING FOR THE SALE OF APPROXIMATELY $5,405,000 WATER SYSTEM REVENUE BONDS

WHEREAS the City of River Falls, Pierce and St. Croix Counties, Wisconsin (the "City") is presently in need of approximately $5,405,000 for certain additions, improvements and extensions to the Water System (collectively, the "Project"); and

WHEREAS it is desirable to borrow said funds through the issuance of revenue bonds pursuant to Chapter 66, Wisconsin Statutes.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City that:

Section 1. Issuance of the Bonds. The City shall issue its Water System Revenue Bonds in the approximate amount of $5,405,000 (the "Bonds") for the purpose above specified.

Section 2. Sale of the Bonds. The Common Council hereby authorizes and directs that the Bonds be offered for public sale. At a subsequent meeting, the Common Council shall consider such bids for the Bonds as may have been received and take action thereon.

Section 3. Notice of Sale. The City Clerk (in consultation with Ehlers & Associates, Inc. ("Ehlers")) be and hereby is directed to cause notice of the sale of the Bonds to be disseminated in such manner and at such times as the City Clerk may determine and to cause copies of a complete Notice of Sale and other pertinent data to be forwarded to interested bidders as the City Clerk may determine.

Section 4. Official Statement. The City Clerk (in consultation with Ehlers) shall cause an Official Statement to be prepared and distributed. The appropriate City officials shall determine when the Official Statement is final for purposes of Securities and Exchange Commission Rule 15c2-12 and shall certify said Official Statement, such certification to constitute full authorization of such Official Statement under this resolution.
Section 5. Reimbursement. The Common Council hereby officially declares its intent pursuant to Treasury Regulation Section 1.150-2 to reimburse any expenditures made in connection with the Project prior to the issuance of the Bonds with the proceeds of the Bonds in an amount not to exceed $5,405,000.

Adopted, approved and recorded July 25, 2023.

_____________________________
Danial H. Toland
Mayor

ATTEST:

_____________________________
Amy White
City Clerk

(SEAL)