



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda - Final Community & Economic Development Committee

Wednesday, November 28, 2018

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order
2. Roll call of membership
3. Approval of minutes from previous meeting

[18-1532](#) CEDC Minutes from 10-10-18

Attachments: [CEDC Minutes 10-10-18.pdf](#)

4. Public Hearings/Apearances

5. Action Items

[18-1650](#) Request to approve 2019-2020PY Community Development Block Grant (CDBG) Community Partner Allocation Recommendations

Attachments: [Alloc Recs Memo to CEDC 11-28-18.pdf](#)

[2019 CDBG Simple Summary of Recommendations.pdf](#)

[2019 CDBG Community Partner Recommendations.pdf](#)

[2019 CDBG Advisory Board Membership.pdf](#)

[CDBG Policy Adopted July 2015.pdf](#)

[18-1533](#) Request to counter the Offer to Purchase of Lot 17, Southpoint Commerce Park, Plat 2 from New Morning Coffee Roasters, Inc. at a purchase price of \$168,400 (\$40,000 per acre), comprised of approximately 4.21 acres; and, contingent upon acceptance of that counter-offer, staff is then authorized to negotiate and execute a development or like agreement providing City investment in the project of up to 50% of the land purchase amount (50% of \$168,400 = \$84,200)

Attachments: [Memo on Offer to Purchase Lot 17 Southpoint Commerce.pdf](#)

[New Morning Coffee Roasters_OTP_Lot 17 Southpoint Plat 2.pdf](#)

[Map_Lot 17 Southpoint Commerce Park Plat 2.pdf](#)

[18-1534](#) The Community and Economic Development Committee may go into closed session pursuant to State Statute §19.85(1)(e) for the purpose of discussing real estate negotiations regarding the potential sale of Lot 17 in the Southpoint Commerce Park, Plat 2 and then reconvene into open session

[18-1666](#) Request to consider reallocation or refund of the \$25,000 from the 2018 budget to fund the Fox Cities Regional Partnership program, Talent Upload, which was cancelled

Attachments: [Memo to CEDC Talent Upload Support 2018 Nov.28.18.pdf](#)
[Talent Upload Funds 2018 Attachments.pdf](#)
[Fox Cities Regional Partnership PowerPoint Presentation.pdf](#)

6. Information Items

[18-1651](#) Contract with Ehlers to prepare project plan amendments to Tax Incremental Financing (TIF) Districts #3 and #11 in an amount not to exceed \$16,650

Attachments: [Ehlers Amend TIDs 3 and 11 Memo.pdf](#)
[Appleton ProjectDisclosure 2019 TID No. 3 and 11 Territory Amendments.pdf](#)
[Map of TIFs 3, 11, 12.pdf](#)
[ProcurementandContractManagementPolicy SoleSource.pdf](#)

7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.



City of Appleton

100 North Appleton Street
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Meeting Minutes - Final Community & Economic Development Committee

Wednesday, October 10, 2018

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

Meeting called to order at 4:30 p.m.

2. Roll call of membership

Present: 4 - Coenen, Reed, Alderperson Dvorachek and Alderperson Plank

Excused: 1 - Alderperson Baker

3. Approval of minutes from previous meeting

[18-1449](#)

CEDC Minutes from 9-26-18

Attachments: [CEDC Minutes 9-26-18.pdf](#)

Alderperson Dvorachek moved, seconded by Reed, that the Minutes be approved. Roll Call. Motion carried by the following vote:

Aye: 4 - Coenen, Reed, Alderperson Dvorachek and Alderperson Plank

Excused: 1 - Alderperson Baker

4. Public Hearings/Appearances

5. Action Items

[18-1469](#)

Request to approve Apple Ridge Development Agreement

Attachments: [Apple Ridge Development Agreement - Clean - 09-28-2018.pdf](#)

Alderperson Plank moved, seconded by Alderperson Dvorachek, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 4 - Coenen, Reed, Alderperson Dvorachek and Alderperson Plank

Excused: 1 - Alderperson Baker

6. Information Items

[18-1450](#)

2019 Community & Economic Development Department Budget

Attachments:

[2019 Budget Overview Letter From Mayor Hanna.pdf](#)

[2019 CEDD Budget.pdf](#)

[2019 Housing & Community Development Grants Budget.pdf](#)

[2019 Community Development Capital Projects Budget.pdf](#)

[2019 Tax Incremental Financing Districts Budget.pdf](#)

[2019 CIP Appleton Redevelopment Authority Budget.pdf](#)

[2019 CIP Southpoint Commerce Park Budget.pdf](#)

This item was presented.

[18-1451](#)

Neighborhood Program Fall Meeting

Attachments:

[NeighborhoodProgramFallMeeting2018_Flyer.pdf](#)

This item was presented.

7. Adjournment

Aldersperson Dvorachek moved, seconded by Aldersperson Plank, that the meeting be adjourned at 5:00 p.m. Roll Call. Motion carried by the following vote:

Aye: 4 - Coenen, Reed, Aldersperson Dvorachek and Aldersperson Plank

Excused: 1 - Aldersperson Baker



MEMORANDUM

“...meeting community needs...enhancing quality of life.”

TO: Community and Economic Development Committee
FROM: Nikki Gerhard, Community Development Specialist
DATE: November 28, 2018
RE: Recommendations for 2019 Community Development Block Grant Funding

Background. The estimated 2019 CDBG award listed in the 2019 City budget was \$559,772. This amount was estimated based on the most recent three years of awards. Staff determined the allocations for the Homeowner Rehabilitation Loan Program, Neighborhood Services Program, Appleton Housing Authority and administrative costs. The remaining amount was available for department projects and community partners through a competitive application process.

Application Information. CDBG applications from City Departments were due to the Community and Economic Development Department on August 31, 2018. One application was submitted, and was recently approved for the full request. CDBG applications from community partners for the 2019 program year were due to the Community and Economic Development Department on September 28, 2018. Seven applications were submitted. Upon receipt, the applications were thoroughly reviewed by the Community and Economic Development Specialist for eligibility under HUD program regulations and it was determined that all were eligible.

After awards were allocated for City programs, administration, and the City Department project, the amount available to allocate to the community partner applicants was \$269,753.52. Only 15% of a grantee's allocation may be used for public service activities, per HUD regulations. In this instance, only a maximum of \$83,965.80 could be allocated towards the public service applications. Because the funded City Department project fell under the public service category, the remaining balance allowable to community partner applicants was \$19,970.32. The total amount requested by community partner applicants whose activities fell under the public service category was \$62,000; while the total amount requested by community partner applicants whose activities did not fall under the public service category was \$273,404.

Application Review. The CDBG Advisory Board met on October 30, 2018. Members were asked to review the applications and decide upon allocation amounts prior to the meeting. The allocation amounts made by each board member were compiled and discussed at the meeting. Allocation recommendations were agreed upon pursuant to this discussion.

The Advisory Board agreed to preliminarily deviate from the CDBG Policy, which states that no allocation may be less than \$10,000, and allocate \$9,970.32 to a public service program. Staff anticipates the official CDBG award to be at least \$200 greater-accounting for the \$29.68 difference-; therefore, it is not expected that the deviation will be included in the request for final allocation approval.

Allocation Approval. The funding allocation recommendations for the Homeowner Rehabilitation Loan

Program, Neighborhood Services Program, Appleton Housing Authority and administrative costs, as determined by staff, the allocation for the Appleton Police Department, and the allocation recommendations from the CDBG Advisory Board for community partners are presented in the attached table for CEDC approval.

The CDBG Advisory Board elected to maintain \$49,879.20 unallocated until the formal 2019 CDBG entitlement awards have been issued by the Department of Housing and Urban Development (HUD). After official award, the CDBG Advisory Board will allocate any remaining funds, at their discretion, and propose those recommendations for approval by the Committee.

Staff recommends approval of the preliminary allocations and deviations, as presented.

The following attachments are provided for additional information on this action item.

Attached Documents:

- 1.) 2019PY CDBG Advisory Board membership
- 2.) CDBG Policy
- 3.) 2019PY Community Partner Application Award Recommendations
- 4.) 2019PY Simple Summary of Award Recommendations

If you have any questions, please contact me at 832-6469 or nikki.gerhard@appleton.org. Thank you!

AWARD RECOMMENDATIONS FOR 2019 CDBG PROGRAM YEAR

City Programs/Appleton Housing Authority/Administration

City of Appleton Homeowner Rehabilitation Loan Program	\$	75,851.00
City of Appleton Neighborhood Services Program	\$	40,000.00
Fair Housing Services	\$	25,000.00
Appleton Housing Authority	\$	60,000.00
CDBG Program Administration Costs	\$	25,172.00
Appleton Police Department	\$	63,995.48

Non-Public Service

Pillars, Inc	\$	100,000.00
Rebuilding Together Fox Cities	\$	50,000.00
St. Bernadette/NAMI Fox Valley	\$	49,904.00

Public Service

Harbor House	\$	10,000.00
LEAVEN	\$	9,970.32

SUBTOTAL \$ 509,892.80

REMAINING UNALLOCATED FUNDS \$ 49,879.20

TOTAL \$559,772.00

**Community Partner Application AWARD RECOMMENDATIONS
for the 2019 CDBG Program Year**

NON-PUBLIC SERVICE	PROJECT ACTIVITY	PROJECTED OUTPUT	FUNDS WILL BE USED TO...	AMOUNT REQUESTED	CDBG ADVISORY BOARD \$ REC
Greater Fox Cities Area Habitat for Humanity	housing	3 properties rehabilitated and sold to qualified homebuyers	acquire 3 properties to do full house rehabilitation and then sell to qualified low or moderate income homebuyers	\$ 88,500.00	\$ -
Pillars, Inc.	housing	Single Room Occupancy unit acquisition	purchase 1 unit and rent out each bedroom to create more affordable housing for individuals struggling with housing instability	\$ 100,000.00	\$ 100,000.00
Rebuilding Together Fox Valley	housing	4 properties rehabilitated	provision of home repairs to low-income homeowners in need, specifically older adults, veterans and individuals with disabilities	\$ 35,000.00	\$ 50,000.00
St. Bernadette Parish/Iris Place Respite Center	public facility	boiler replacement	replace boiler system in NAMI's peer run respite center	\$ 49,904.00	\$ 49,904.00
				\$ 273,404.00	\$ 199,904.00
PUBLIC SERVICE	PROJECT ACTIVITY	PROJECTED OUTPUT	FUNDS WILL BE USED TO...	AMOUNT REQUESTED	CDBG ADVISORY BOARD \$ REC
Harbor House	public service	300 persons served	support counseling/advocacy staff persons that work with women and children affected by domestic violence	\$ 30,000.00	\$ 10,000.00
Pillars, Inc.	public service	150 persons served	support staffing in new Resouce Center	\$ 12,000.00	\$ -
LEAVEN	public service	77 households served	provide rental assistance to those at risk of homelessness through the Emergency Assistance Program	\$ 20,000.00	\$ 9,970.32
				\$62,000.00	\$19,970.32

**City Programs/Appleton Housing Authority/Administration
(previously approved)**

\$226,023.00

**Appleton Police Department
(previously approved)**

\$63,995.48

CDBG Advisory Board Recommendations

\$219,874.32

Remaining Unallocated Funds

\$49,879.20

\$559,772.00

This amount cannot exceed \$19,970.32 due to 15% cap on Public Service Activities per HUD regulations.



City of Appleton
COMMUNITY DEVELOPMENT BLOCK GRANT

2019 CDBG ADVISORY BOARD

Name	Title	Organization	Contact
Tim Hanna	Mayor	City of Appleton	Tim.hanna@appleton.org
Chris Croatt	President	Common Council	813 E Frances St, 54911 District14@appleton.org
Patti Coenen	Chair	CEDC Committee	410 W Prospect Ave, 54911 District11@appleton.org
Marissa Downs	Chair	ARA	6625 North Smoketree Pass, 54913 downs@commonwealthco.net
Becky Boulanger	Executive Director	Women's Fund	4455 W. Lawrence St, 54914 bboulanger@womensfundfvr.org
Steve Uslabar	Commissioner	City Plan Commission	1623 N Durkee St, 54911 steve.uslabar@mcclone.com



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



Community Development Block Grant (CDBG) Policy Adopted 9/8/2008, Amended 5/24/2010, 10/3/2012, 12/19/2012, 7/15/2015

I. PURPOSE

To outline the following aspects of the local Community Development Block Grant (CDBG) Program: a) elements to which the City of Appleton must adhere in order to comply with federal regulations; b) locally-established guidelines; and c) priorities for subrecipient and City Program activity.

II. POLICY

The federal CDBG program was established with the passage of the Housing and Community Development Act of 1974. CDBG funds are distributed to eligible governmental units in two forms:

- (1). Entitlement grants directly to cities and counties, and;
- (2). State grants, which involve annual competitions for non-entitlement communities.

Since 1975, the City of Appleton has received CDBG funds as an entitlement community. The amount of CDBG funds received each year varies based on the appropriation approved by the U.S. Congress and the number of governmental units eligible to participate. While the federal fiscal year operates from October 1 to September 30, the City selected April 1 to March 31 as its CDBG fiscal year. This selection was made as the federal government generally does not release the aforementioned funds until springtime. Federal oversight lies within the U.S. Department of Housing & Urban Development (HUD).

III. FEDERAL REGULATIONS

The citation reference from Title 24 Part 570 – Community Development Block Grants can be found in parentheses next to each heading below. Please view that section for more information on the respective item.

A. Federal Eligibility (24 CFR 570.201)

CDBG funds may be used for the following basic eligible activities:

- | | |
|-------------------------------------|--|
| (1). Acquisition | (11). Housing Services |
| (2). Disposition | (12). Privately-Owned Utilities |
| (3). Public Facilities/Improvements | (13). Homeownership Assistance |
| (4). Clearance/Remediation | (14). Economic Development Assistance |
| (5). Public Services | (15). Technical Assistance |
| (6). Interim Assistance | (16). Institutions of Higher Education |
| (7). Payment of Non-Federal Share | (17). Rehabilitation/Preservation (24 CFR 570.202) |
| (8). Urban Renewal Completion | (18). Planning (24 CFR 570.205) |
| (9). Relocation | (19). Administration (24 CFR 570.206) |
| (10). Loss of Rental Income | |

B. Ineligible Activities (24 CFR 570.207)

The following activities may not be assisted with CDBG funds:

- (1). Buildings (or portions thereof) for the General Conduct of Government
- (2). General Government Expenses
- (3). Political Activities

The following activities are not eligible for CDBG funding, but may be allowed under certain circumstances:

- | | |
|-------------------------------------|-------------------------------|
| (1). Purchase of Equipment | (3). New Housing Construction |
| (2). Operating/Maintenance Expenses | (4). Income Payments |



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



C. Special Economic Development Projects (24 CFR 570.203)

CDBG funds may be used for special economic development activities in addition to other activities. Special economic development activities include:

- (1). Acquisition, construction, reconstruction, rehabilitation or installation of commercial or industrial buildings, structures, and other real property equipment and improvements
- (2). Assistance to a private for-profit business, including, but not limited to, grants, loans, loan guarantees, interest supplements, technical assistance, and other forms of support, for any activity where the assistance is appropriate to carry out an economic development project
- (3). Economic development services, including, but not limited to, outreach efforts; screening of applicants; reviewing/underwriting applications; preparation of all necessary agreements; management of activities; and the screening, referral, and placement of applicants for employment

D. National Objectives (24 CFR 570.208)

In order to qualify for funding, activities must meet one of three CDBG national objectives:

- (1). Low & Moderate Income (LMI) Benefit
 - a. Area Benefit: activities available for the benefit of all the residents in a particular area, where at least 51 percent of those residents are LMI persons.
 - b. Limited Clientele: activities benefiting a specific group (i.e. abused children, elderly persons, battered spouses), at least 51 percent of whom are LMI persons.
 - c. Housing: activities carried out for the purpose of providing or improving permanent residential structures that, upon completion, will be occupied by LMI households.
 - d. Job Creation/Retention: activities designed to create or retain permanent jobs where at least 51 percent of the jobs involve the employment of LMI persons.
- (2). Slum & Blight Removal
 - a. Area Basis: activities undertaken to eliminate specific conditions of blight, physical decay, or environmental contamination that are located in a designated area of distress, including acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or rehabilitation. Rehabilitation must eliminate conditions that are detrimental to public health/safety; acquisition and relocation must be precursors to other activities that eliminate blight.
 - b. Spot Basis: activities undertaken to eliminate specific conditions of blight, physical decay, or environmental contamination at specific sites not located in designated blighted areas, including acquisition, clearance, relocation, historic preservation, remediation of environmentally contaminated properties, or rehabilitation. Rehabilitation must eliminate conditions that are detrimental to public health/safety; acquisition and relocation must be precursors to other activities that eliminate blight.
- (3). Urgent Need
 - a. Activities designed to alleviate existing conditions of recent origin (18 months) that pose serious threats to the health and welfare of the community; this objective may only be used if the community cannot finance necessary activities with other sources.



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



E. Categorical Limits

- (1). At least 70 percent of CDBG funds utilized during three consecutive program years, as specified by the grantee, must be expended for LMI benefit; the costs of planning and program administration are excluded from this calculation. (24 CFR 570.200(a)(3))
- (2). The amount of CDBG funds obligated for public service activities in each program year may not exceed 15 percent of the total entitlement grant for that program year, plus 15 percent of the program income received during the preceding program year. (24 CFR 570.201(e)(1))
- (3). The amount of CDBG funds obligated for planning and administration activities in each program year may not exceed 20 percent of the total entitlement grant for that program year plus the program income received during that program year. (24 CFR 570.200(g))

F. Program Income (24 CFR 570.426)

The City may reuse any revenue generated from projects undertaken with CDBG funding towards other eligible activities within the entitlement community. Furthermore, any program income earned by a subrecipient or City Program may be retained by the subrecipient or City Program provided the income is treated as additional CDBG funds and thus subject to all applicable federal and local requirements.

G. Fair Housing (24 CFR 570.601)

The Secretary of HUD requires that:

- (1). Grantees must administer all activities related to housing and community development in a manner to affirmatively further the policies of the Fair Housing Act. (Public Law 90-284)
- (2). Entitlement communities shall conduct an Analysis of Impediments to Fair Housing Choice every five years, take action to overcome the effects of the identified impediments and maintain records reflecting the analysis and related actions taken.

H. Environmental Review Procedures (24 CFR 570.604)

The environmental review procedures outlined in 24 CFR part 58 must be completed for each CDBG subrecipient and City Program activity, as applicable.

I. Faith-Based Activities (24 CFR 570.200)

Religious or faith-based organizations are eligible to participate in the CDBG program. Local government representatives and CDBG program administrators shall not discriminate against an organization on the basis of its religious affiliation.

J. Submission Requirements (24 CFR 570.302)

CDBG entitlement communities must submit the following documents:

- (1). Action Plan → annually
- (2). Consolidated Annual Performance and Evaluation Report (CAPER) → annually
- (3). Consolidated Plan → every three to five years, as chosen by the entitlement community

Creation of these documents must follow HUD requirements for content and citizen participation (see the City of Appleton CDBG Citizen Participation Plan).

K. Location of Activities (24 CFR 570.309)

CDBG funds may be awarded to an activity outside the jurisdiction of the entitlement community only if it can be determined that the activity directly benefits the entitlement community's residents. Documentation of these benefits must be provided before CDBG funds are awarded for the activity.



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



L. Conflict of Interest (24 CFR 570.611)

No persons affiliated with the entitlement community (including subrecipients and City Programs) who exercise or have exercised any responsibilities with respect to CDBG programming, or who are in a position to participate in a decision-making process, may obtain a financial interest or benefit from a CDBG-assisted activity (including subcontracts), either for themselves or those with whom they have business or immediate family ties, during their tenure or for one year thereafter.

IV. LOCAL PROGRAM GUIDELINES

A. Program Oversight

The Community and Economic Development Committee (CEDC) – composed of five aldermen appointed by the Mayor – serves as the jurisdiction for Common Council oversight of the CDBG Program. Local financial oversight lies with the City of Appleton Finance Department. Local administrative/programmatic oversight lies with the City of Appleton Community and Economic Development Department (CEDD).

B. Consolidated Plan Submission

The City of Appleton has elected to submit a Consolidated Plan to HUD every five years. The Citizen Participation Plan provides for and encourages citizens to participate in the development of the Consolidated Plan, which will begin approximately one year before the required submittal date.

C. Definitions

- Subrecipient – an entity charged with implementation of one or more activities funded with Appleton CDBG dollars
 - community partner subrecipient – local agencies awarded CDBG-funding to implement an eligible activity via a competitive application process
 - public services subrecipient – local agencies awarded CDBG-funding to implement an eligible public service activity via a competitive application process
- Adjusted award – the amount of CDBG funds available to City Programs and subrecipients after administration, fair housing, and audit allocations are deducted

D. Local Categorical Limits

The following limits expand upon federal categorical limits associated with the CDBG program:

- (1). At least 70 percent of CDBG funds utilized over three program years must be expended for LMI benefit; this excludes planning/CDBG administration activities.
- (2). The amount of CDBG funds obligated for public service activities in each program year may not exceed 15 percent of the adjusted award for that year.
- (3). The amount of CDBG funds obligated for planning/CDBG administration activities in each program year may not exceed 20 percent of the total entitlement grant for that year.
- (4). Any single award will not be less than \$10,000.

E. Audit Requirements

Section 2 Part 200 of the Code of Federal Regulations and the State Single Audit Guidelines require major state programs and federal programs to complete a single audit. The necessary amount for fulfilling these requirements will be identified by the Finance Department and the City's independent auditors. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



F. Fair Housing Services

In keeping with the spirit of federal fair housing requirements, an annual allocation for fair housing services will be approved. This activity will be reported as an administrative expense, which claims no benefit. The City of Appleton will utilize the award to contract with an independent entity qualified to provide residents with a variety of fair housing services. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.

G. Program Administration

HUD requires entitlement communities to provide for efficient and adequate administration of CDBG programming. Administration costs may only include: salary/fringe, necessary training/travel, supplies and telephone/postage, in addition to fair housing services and audit costs. The necessary amount for fulfilling this requirement will be identified by the Community and Economic Development and Finance Departments. This amount will be deducted from the estimated amount available for the program year and not included in the estimates of the adjusted award.

H. Annual Allocation of CDBG Funding

The City of Appleton's Program Year begins April 1 and concludes March 31 of the following year. Each program year, administration, audit and fair housing costs, along with adequate funding for the Homeowner Rehabilitation Loan Program, the Neighborhood Program and Appleton Housing Authority will be subtracted from the annual entitlement award amount to determine the adjusted award. The adjusted award will first be available to City of Appleton Departments/Programs/component units that wish to undertake projects. After the City allocation process is complete, any remaining funds may be allocated to community partner applicants.

I. City Allocation Process

Each year adequate funding will be allocated through the City Budget process to the following: Homeowner Rehabilitation Loan Program, Neighborhood Program, Administration Costs and Appleton Housing Authority. Then, other City of Appleton Departments will have the opportunity to submit an application for CDBG funding. The application will include information relating to goals, outputs, budget/financing, detailed activity descriptions, capacity and performance. CEDD staff, per HUD rules and regulations, will perform an administrative review of each plan to ensure that:

1. Proposed activities are included within the listing of eligible activities (24 CFR 570.201)
2. Proposed activities do not fall within a category of explicitly ineligible activities (24 CFR 570.207)
3. Proposed activities will meet one of the national objectives of the program (24 CFR 570.200)
4. Proposed activities will address priority needs as identified in the Consolidated Plan

Upon completion of the administrative review, the plans will be presented to the CEDC. CEDC will also review the submitted plans to ensure the proposed activities meet the four standards listed above and allocate adequate funds for each plan. CEDC's recommendation will then be presented to the Common Council for approval.

J. Community Partner Subrecipient Allocation Process

The community partner application process will begin after allocations for City applications have been approved, and end with recommended allocations being announced after Council approval. Applications will be made available for approximately one month and should be submitted to the CEDD. All applications must be received by the announced deadline; no exceptions will be made. CEDD staff will perform an administrative review of each proposal, per HUD rules and regulations, to ensure the four



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



standards listed under letter E. above, will be met if proposed activities are funded.

Upon completion of the administrative review, the proposals will be presented to the CDBG Advisory Board which will review and make funding recommendations for each proposal. This Board will consist of the following members:

1. Mayor
2. Common Council President
3. Chairperson of the Community and Economic Development Committee or committee designee
4. Chairperson of the Appleton Redevelopment Authority or committee designee
5. Representative from an Experienced Outside Funding Agency – on a rotating basis (i.e. United Way, Community Foundation, JJ Keller Foundation, U.S. Oil Basic Needs Partnership)
6. Citizen member from the City Plan Commission

CEDD staff will supply the Board with applications and all appropriate guidelines along with a summary of each proposal, and an explanation of the proposal score sheet. Board members are asked to allocate funding among the applicants and return their allocations to CEDD staff who will compile all results and present allocation recommendations at a Board meeting during which allocation amounts will be finalized. In completing their funding recommendation, the Board will utilize an estimated CDBG entitlement award dollar amount, which will be calculated based on past awards and any available information on HUD's future funding strategies. Funding recommendations from this Board will be presented as an Action Item to the CEDC. CEDC's recommendation will then be presented to the Common Council for final approval.

K. Estimated vs. Actual Entitlement Award

If there is a differential between the estimated award and the actual award, the CDBG Advisory Board will be consulted and their recommendations will be presented to CEDC and Council for approval.

L. Subrecipient Agreement/Letter of Understanding/Training Session

Community partner subrecipients of CDBG funds must enter into a subrecipient agreement with the City of Appleton. This subrecipient agreement serves as a formal contract addressing the various policies outlined in this document, in addition to contract amount/term, reimbursement requests, accomplishment reporting, monitoring, financial management guidelines, conflict of interest, and additional federal standards, including lead-based paint regulations and the Davis Bacon Act. Furthermore, each City Program receiving CDBG funds must sign a Letter of Understanding (LOU) indicating an understanding of the items above. To ensure all parties understand the requirements of their agreement or LOU, a mandatory training session will be held with new subrecipients before funds are released. Technical assistance from staff will be available to all subrecipients throughout the program year.

M. Statement of Work

All subrecipients and City Programs shall submit a concise Statement of Work that illustrates an implementation plan for their CDBG activity. This Statement, which will be attached to the subrecipient agreement/LOU includes: national objective claimed, activity descriptions, intended beneficiaries (number and type), detailed budget and location(s) of program-related activity.

N. Report Submissions

All subrecipients and City Programs are required to submit a report of their accomplishments with each payment request during the program year when applicable, as well as an Annual Report by April 15th, which is a comprehensive report covering the agreed upon objectives, activities and expenditures for the entire



City of Appleton COMMUNITY DEVELOPMENT BLOCK GRANT



contract period. If said reports are not attached to payment requests when required, payments will be withheld until the report is submitted.

O. Change of Use

If a subrecipient or City Program wishes to utilize funds for an activity not identified on their original application, they are required to submit a detailed letter to the CEDD explaining the reasoning for and amount of the proposed change and a public comment period may be held per the Citizen Participation Plan.

P. Displacement/Relocation

Due to the potential liability for long-term assistance and burdens placed on affected tenants, the City of Appleton will avoid funding CDBG projects that involve permanent residential displacement or business relocation unless displacement/relocation prove to be the only means available to correct a public health/safety hazard or other critical condition.

Q. Procurement

The City of Appleton Procurement Policy applies to all CDBG activities, including both City Programs and subrecipients that involve the purchase of equipment, materials, supplies and/or services. A copy of this policy will be distributed to all subrecipients.

R. Audits

All subrecipients are required to submit one copy of their audited financial statement immediately following the end of their fiscal year during which CDBG funds are received, unless an alternate arrangement has been made with the City of Appleton Finance Department. CDBG applications may include audit costs as a reimbursable expense.

S. Disputes

Any dispute concerning a question of fact arising under a subrecipient program or City Program shall be resolved by CEDD staff, who shall relay his/her decision in writing to the subrecipient or City Program, in addition to furnishing a copy to the Mayor and the CEDC. The decision of CEDD staff shall be final and conclusive unless the subrecipient or City Program furnishes a written appeal to the CEDC within ten days of the date of receipt of such copy. The decision of the CEDC in such appeals shall be final and conclusive unless appealed to a court of competent jurisdiction within 30 days of receipt of the CEDC's decision.

T. Unspent Grant Funds

Any uncommitted CDBG funds remaining at the end of the program year will be reprogrammed for use in the subsequent program year. The subrecipient shall submit a carryover request, including both documentation of plans for expending funds and a timeline for the expenditure, to CEDD staff by April 15. If any unspent grant funds remain after September 30, CEDD staff will meet with the subrecipient to determine if further action needs to be taken to expedite the expenditure of funds.

U. Termination

If the subrecipient or City Program fails to fulfill, in timely and proper manner, its obligations under the Statement of Work, or if they violate any stipulations contained within the subrecipient agreement/LOU, the City has the right to terminate funding of their program. Written notice will be delivered at least 30 days before the termination.



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V. Examination of Records/Monitoring

The subrecipient and City Program shall maintain records (including books, documentation and other evidence) pertaining to the costs of carrying out their activity to the extent of detail that will adequately reflect net costs, direct and indirect labor, materials, equipment, supplies/services, and other expenses. Authorized representatives of the City or HUD shall have access to subrecipient and City Program records at reasonable times of the business day for inspection, audit or reproduction. Subrecipients and City Programs must make these records available throughout the program year and four years after it expires. Furthermore, CEDD staff may schedule monitoring visits with the subrecipient to evaluate the progress/performance of the program and provide technical assistance.

W. Financial Management Systems

Subrecipients and City Programs must employ financial management systems that are capable of generating regular financial status reports indicating the dollar amount allocated (including budget revisions), amount obligated, and amount expended for each activity. The system must permit the comparison of actual expenditures and revenues against budgeted amounts. The City must be able to isolate/trace every CDBG dollar received.

X. Payment Requests

Community partner subrecipients and City Programs will submit requests for payment with attached supporting documentation to the CEDD. Payment requests shall be allowed on a reimbursement basis (i.e. only after expenditures have been incurred) and shall be reviewed to ensure the expenditures are in conformity with the use of funds as described in the Statement of Work. If source documentation is deemed inadequate by Staff, all payments will be withheld until all required documents have been submitted. Payment requests received and approved will be processed and a check issued in accordance with the City of Appleton Finance Department weekly pay cycle. All payment requests must contain an original signature.

Y. Program Income

Any program income (as defined under applicable federal regulations) gained from any activity of the subrecipient may be retained by the subrecipient or City Program provided the income is treated as additional CDBG funds subject to all applicable requirements governing the use of CDBG funds. Anticipated program income must be documented and described in the subrecipient or City Program proposal/application. Furthermore, any and all program income received must be reported to the City of Appleton's Community and Economic Development and Finance Departments, unless otherwise specified in this contract.

Z. CDBG Activity Promotion

All subrecipients and City Programs are required to participate in promotion of the City of Appleton CDBG Program. Expectations will be outlined by staff at the beginning of the program year and may include, but are not limited to:

- Inclusion of the Appleton/CDBG logo in materials/at project sites
- Mentorship of a subrecipient new to the CDBG Program
- Participation in a CDBG Open House to showcase grant activities

V. APPLICATION/PROPOSAL EVALUATION CRITERIA

A. General

In order to receive CDBG funding, subrecipient and City Programs must meet a priority need, as identified



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in the Five-Year Consolidated Plan. Additional preference, however, will be given to CDBG applicant activities that meet one or more of the following criteria:

- (1). Seek a one-time use of CDBG funding
- (2). Benefit residents of LMI census tracts (population at least 46.7 percent LMI)
- (3). Will result in additional housing units being placed on the tax roll
- (4). Demonstrate secured complementary sources of funding (i.e. leverage) and/or strong efforts to solicit and secure complementary funding.
- (5). Serve special needs populations, including, but not limited to:
 - a. Elderly/frail elderly
 - b. Persons with disabilities (developmental and physical)
 - c. Persons with HIV/AIDS and their families
 - d. Persons seeking solutions to alcohol and drug addiction

B. Public Services (subject to 15 percent cap)

Preference will be given to Public Service CDBG applicants whose activities meet one or more of the following criteria:

- (1). Program service costs – one time use
- (2). Administrative expenses – one time use
- (3). Program service costs – continual use
- (4). Administrative expenses – continual use



"...meeting community needs...enhancing quality of life."

MEMORANDUM

TO: Community and Economic Development Committee

FROM: Matt Rehbein, Economic Development Specialist

DATE: November 16, 2018

RE: Offer to Purchase – Lot 17, Southpoint Commerce Park, Plat 2 – New Morning Coffee Roasters, Inc.

The City of Appleton has received an Offer to Purchase from New Morning Coffee Roasters, Inc., for Lot 17, Southpoint Commerce Park, Plat Number 2, comprised of approximately 4.21 acres.

New Morning Coffee Roasters, Inc. anticipates construction of an approximately 20,000 square foot building to roast coffee and for offices. Construction is anticipated to begin in Spring 2019.

The offer to purchase is for the full asking price per acre; however, there are two additional provisions of note listed in the Addendum:

- 1) The purchase price shall be \$40,000 per buildable acre. Buildable acres are 3.65 acres (4.21 acres less .56 acre easement) resulting in a purchase price of One Hundred Forty Six Thousand Dollars (\$146,000) payable at closing subject to the usual and customary prorations.
- 2) The City of Appleton will provide an investment of 50% of the land purchase amount (50% of \$146,000 = \$73,000) to the Buyer upon completion of construction and occupancy of the new building.

The proposed reduction in purchase price to offset for the easement area proposed in Item #1 is not typical. Arguably, this area is not unusable as it counts toward lot coverage area, setback, and with We Energies' permission, potentially maneuvering and/or parking. Staff is not recommending reducing the purchase price to compensate for the easement area.

Item #2 is the same language that has been approved in past transactions to encourage investment in the City resulting in increased net new construction.

The City's commission policy provides for commissions of 8% of the purchase price, which has not been requested in this transaction.

The City's investment in this project would be memorialized by a Development Agreement between the City of Appleton and New Morning Coffee Roasters, Inc.

Staff Recommendation:

The City of Appleton counter the Offer to Purchase of Lot 17, Southpoint Commerce Park, Plat Number 2 from New Morning Coffee Roasters, Inc. at a purchase price of \$168,400.00 (\$40,000.00 per acre), comprised of approximately 4.21 acres; and, contingent upon acceptance of that counter-offer, staff is then authorized to negotiate and execute a development or like agreement providing City investment in the project of up to 50% of the land purchase amount (50% of \$168,400 = \$84,200) **BE APPROVED.**

WB-13 VACANT LAND OFFER TO PURCHASE

1 **LICENSEE DRAFTING THIS OFFER ON** November 16, 2018 **[DATE] IS (AGENT OF BUYER)**
2 **(AGENT OF SELLER/LISTING BROKER) (AGENT OF BUYER AND SELLER) STRIKE THOSE NOT APPLICABLE**
3 **GENERAL PROVISIONS** The Buyer, New Morning Coffee Roasters, Inc. and/or as assigns
4 _____, offers to purchase the Property
5 known as [Street Address] Lot 17 Southpoint Commerce Park Plat 2, Parcel ID 9-5712-17 on Vantage Drive in Appleton, WI
6 in the City _____ of Appleton _____, County of Calumet _____, Wisconsin (Insert
7 additional description, if any, at lines 458-464 or 526-534 or attach as an addendum per line 525), on the following terms:
8 ■ **PURCHASE PRICE:** See Addendum
9 _____ Dollars (\$ See Addendum _____).
10 ■ **EARNEST MONEY** of \$ See Addendum _____ accompanies this Offer and earnest money of \$ _____
11 will be mailed, or commercially or personally delivered within _____ days of acceptance to listing broker or
12 _____
13 ■ **THE BALANCE OF PURCHASE PRICE** will be paid in cash or equivalent at closing unless otherwise provided below.
14 ■ **INCLUDED IN PURCHASE PRICE:** Seller is including in the purchase price the Property, all Fixtures on the Property on the
15 date of this Offer not excluded at lines 18-19, and the following additional items: None
16 _____
17 _____
18 ■ **NOT INCLUDED IN PURCHASE PRICE:** _____
19 _____
20 **CAUTION: Identify Fixtures that are on the Property (see lines 290-294) to be excluded by Seller or which are rented**
21 **and will continue to be owned by the lessor.**
22 **NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are**
23 **included/excluded. Annual crops are not part of the purchase price unless otherwise agreed.**
24 ■ **ZONING:** Seller represents that the Property is zoned: M1 Industrial
25 **ACCEPTANCE** Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical
26 copies of the Offer.
27 **CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term deadlines**
28 **running from acceptance provide adequate time for both binding acceptance and performance.**
29 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer on
30 or before December 17, 2018. Seller may keep the Property on the
31 market and accept secondary offers after binding acceptance of this Offer.
32 **CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.**
33 **OPTIONAL PROVISIONS** TERMS OF THIS OFFER THAT ARE PRECEDED BY AN OPEN BOX (☐) ARE PART OF THIS
34 OFFER ONLY IF THE BOX IS MARKED SUCH AS WITH AN "X." THEY ARE NOT PART OF THIS OFFER IF MARKED "N/A"
35 OR ARE LEFT BLANK.
36 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and
37 written notices to a Party shall be effective only when accomplished by one of the methods specified at lines 38-56.
38 (1) **Personal Delivery:** giving the document or written notice personally to the Party, or the Party's recipient for delivery if
39 named at line 40 or 41.
40 Seller's recipient for delivery (optional): _____
41 Buyer's recipient for delivery (optional): Gregory T Van Zeeland
42 ☐ (2) **Fax:** fax transmission of the document or written notice to the following telephone number:
43 Seller: (_____) Buyer: (_____)
44 ☐ (3) **Commercial Delivery:** depositing the document or written notice fees prepaid or charged to an account with a
45 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery if named at line 40 or 41, for
46 delivery to the Party's delivery address at line 49 or 50.
47 ☐ (4) **U.S. Mail:** depositing the document or written notice postage prepaid in the U.S. Mail, addressed either to the Party,
48 or to the Party's recipient for delivery if named at line 40 or 41, for delivery to the Party's delivery address at line 49 or 50.
49 Delivery address for Seller: _____
50 Delivery address for Buyer: _____
51 ☒ (5) **E-Mail:** electronically transmitting the document or written notice to the Party's e-mail address, if given below at line
52 55 or 56. If this is a consumer transaction where the property being purchased or the sale proceeds are used primarily for
53 personal, family or household purposes, each consumer providing an e-mail address below has first consented electronically
54 to the use of electronic documents, e-mail delivery and electronic signatures in the transaction, as required by federal law.
55 E-Mail address for Seller (optional): _____
56 E-Mail address for Buyer (optional): gvanzeeland@newmorningcr.com
57 **PERSONAL DELIVERY/ACTUAL RECEIPT** Personal delivery to, or Actual Receipt by, any named Buyer or Seller
58 constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

59 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in this
60 Offer at lines 458-464 or 526-534 or in an addendum attached per line 525. At time of Buyer's occupancy, Property shall be
61 free of all debris and personal property except for personal property belonging to current tenants, or that sold to Buyer or left
62 with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

63 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance Seller has no
64 notice or knowledge of Conditions Affecting the Property or Transaction (see lines 163-187 and 246-278) other than those
65 identified in the Seller's disclosure report dated _____, which was received by Buyer prior to
66 Buyer signing this Offer and which is made a part of this Offer by reference **COMPLETE DATE OR STRIKE AS APPLICABLE**
67 and _____

68 _____
69 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE REPORT**

70 **CLOSING** This transaction is to be closed no later than _____ See Addendum

71 _____ at the place selected by Seller, unless otherwise agreed by the Parties in writing.

72 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values:
73 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners association
74 assessments, fuel and _____

75 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

76 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

77 Real estate taxes shall be prorated at closing based on [CHECK BOX FOR APPLICABLE PRORATION FORMULA]:

78 ☒ The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
79 taxes are defined as general property taxes after state tax credits and lottery credits are deducted) (NOTE: THIS CHOICE
80 APPLIES IF NO BOX IS CHECKED)

81 ☐ Current assessment times current mill rate (current means as of the date of closing)

82 ☐ Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
83 year, or current year if known, multiplied by current mill rate (current means as of the date of closing)

84 _____
85 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be**
86 **substantially different than the amount used for proration especially in transactions involving new construction,**
87 **extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local assessor**
88 **regarding possible tax changes.**

89 ☐ Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
90 the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5
91 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
92 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
93 and is the responsibility of the Parties to complete, not the responsibility of the real estate brokers in this transaction.

94 **LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights
95 under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the
96 (written) (oral) **STRIKE ONE** lease(s), if any, are _____

97 _____ Insert additional terms, if any, at lines 458-464 or 526-534 or attach as an addendum per line 525.

98 ☐ **GOVERNMENT PROGRAMS:** Seller shall deliver to Buyer, within _____ days of acceptance of this Offer, a list of all
99 federal, state, county, and local conservation, farmland, environmental, or other land use programs, agreements, restrictions,
100 or conservation easements, which apply to any part of the Property (e.g., farmland preservation agreements, farmland
101 preservation or exclusive agricultural zoning, use value assessments, Forest Crop, Managed Forest, Conservation Reserve
102 Program, wetland mitigation, shoreland zoning mitigation plan or comparable programs), along with disclosure of any
103 penalties, fees, withdrawal charges, or payback obligations pending, or currently deferred, if any. This contingency will be
104 deemed satisfied unless Buyer delivers to Seller, within seven (7) days of Buyer's Actual Receipt of said list and disclosure, or
105 the deadline for delivery, whichever is earlier, a notice terminating this Offer based upon the use restrictions, program
106 requirements, and/or amount of any penalty, fee, charge, or payback obligation.

107 **CAUTION: If Buyer does not terminate this Offer, Buyer is hereby agreeing that Buyer will continue in such programs,**
108 **as may apply, and Buyer agrees to reimburse Seller should Buyer fail to continue any such program such that Seller**
109 **incurs any costs, penalties, damages, or fees that are imposed because the program is not continued after sale. The**
110 **Parties agree this provision survives closing.**

111 ☐ **MANAGED FOREST LAND:** All, or part, of the Property is managed forest land under the Managed Forest Law (MFL).
112 This designation will continue after closing. Buyer is advised as follows: The MFL is a landowner incentive program that
113 encourages sustainable forestry on private woodlands by reducing and deferring property taxes. Orders designating lands as
114 managed forest lands remain in effect for 25 or 50 years. When ownership of land enrolled in the MFL program changes, the
115 new owner must sign and file a report of the change of ownership on a form provided by the Department of Natural Resources
116 and pay a fee. By filing this form, the new owner agrees to the associated MFL management plan and the MFL program rules.
117 The DNR Division of Forestry monitors forest management plan compliance. Changes you make to property that is subject to
118 an order designating it as managed forest land, or to its use, may jeopardize your benefits under the program or may cause
119 the property to be withdrawn from the program and may result in the assessment of penalties. For more information call the
120 local DNR forester or visit <http://www.dnr.state.wi.us>.

121 **FENCES:** Wis. Stat. § 90.03 requires the owners of adjoining properties to keep and maintain legal fences in equal shares
 122 where one or both of the properties is used and occupied for farming or grazing purposes.

123 **CAUTION: Consider an agreement addressing responsibility for fences if Property or adjoining land is used and**
 124 **occupied for farming or grazing purposes.**

125 **USE VALUE ASSESSMENTS:** The use value assessment system values agricultural land based on the income that would be
 126 generated from its rental for agricultural use rather than its fair market value. When a person converts agricultural land to a
 127 non-agricultural use (e.g., residential or commercial development), that person may owe a conversion charge. To obtain more
 128 information about the use value law or conversion charge, contact the Wisconsin Department of Revenue's Equalization
 129 Section or visit <http://www.revenue.wi.gov/>.

130 **FARMLAND PRESERVATION:** Rezoning a property zoned farmland preservation to another use or the early termination of a
 131 farmland preservation agreement or removal of land from such an agreement can trigger payment of a conversion fee equal to
 132 3 times the class 1 "use value" of the land. Contact the Wisconsin Department of Agriculture, Trade and Consumer Protection
 133 Division of Agricultural Resource Management or visit <http://www.datcp.state.wi.us/> for more information.

134 **CONSERVATION RESERVE PROGRAM (CRP):** The CRP encourages farmers, through contracts with the U.S. Department
 135 of Agriculture, to stop growing crops on highly erodible or environmentally sensitive land and instead to plant a protective
 136 cover of grass or trees. CRP contracts run for 10 to 15 years, and owners receive an annual rent plus one-half of the cost of
 137 establishing permanent ground cover. Removing lands from the CRP in breach of a contract can be quite costly. For more
 138 information call the state Farm Service Agency office or visit <http://www.fsa.usda.gov/>.

139 **SHORELAND ZONING ORDINANCES:** All counties must adopt shoreland zoning ordinances that meet or are more
 140 restrictive than Wis. Admin. Code Chapter NR 115. County shoreland zoning ordinances apply to all unincorporated land
 141 within 1,000 feet of a navigable lake, pond or flowage or within 300 feet of a navigable river or stream and establish minimum
 142 standards for building setbacks and height limits, cutting trees and shrubs, lot sizes, water runoff, impervious surface
 143 standards (that may be exceeded only if a mitigation plan is adopted) and repairs to nonconforming structures. Buyers must
 144 conform to any existing mitigation plans. For more information call the county zoning office or visit <http://www.dnr.state.wi.us/>.
 145 Buyer is advised to check with the applicable city, town or village for additional shoreland zoning restrictions, if any.

146 **BUYER'S PRE-CLOSING WALK-THROUGH** Within 3 days prior to closing, at a reasonable time pre-approved by Seller or
 147 Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no significant change
 148 in the condition of the Property, except for ordinary wear and tear and changes approved by Buyer, and that any defects
 149 Seller has agreed to cure have been repaired in the manner agreed to by the Parties.

150 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** Seller shall maintain the Property until the earlier of
 151 closing or occupancy of Buyer in materially the same condition as of the date of acceptance of this Offer, except for ordinary
 152 wear and tear. If, prior to closing, the Property is damaged in an amount of not more than five percent (5%) of the selling price,
 153 Seller shall be obligated to repair the Property and restore it to the same condition that it was on the day of this Offer. No later
 154 than closing, Seller shall provide Buyer with lien waivers for all lienable repairs and restoration. If the damage shall exceed
 155 such sum, Seller shall promptly notify Buyer in writing of the damage and this Offer may be canceled at option of Buyer.
 156 Should Buyer elect to carry out this Offer despite such damage, Buyer shall be entitled to the insurance proceeds, if any,
 157 relating to the damage to the Property, plus a credit towards the purchase price equal to the amount of Seller's deductible on
 158 such policy, if any. However, if this sale is financed by a land contract or a mortgage to Seller, any insurance proceeds shall
 159 be held in trust for the sole purpose of restoring the Property.

160 **DEFINITIONS**

161 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document or
 162 written notice physically in the Party's possession, regardless of the method of delivery.

163 ■ **CONDITIONS AFFECTING THE PROPERTY OR TRANSACTION:** "Conditions Affecting the Property or Transaction" are
 164 defined to include:

- 165 a. Proposed, planned or commenced public improvements or public construction projects which may result in special
 166 assessments or otherwise materially affect the Property or the present use of the Property.
- 167 b. Government agency or court order requiring repair, alteration or correction of any existing condition.
- 168 c. Land division or subdivision for which required state or local approvals were not obtained.
- 169 d. A portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal regulations.
- 170 e. A portion of the Property being subject to, or in violation of, a farmland preservation agreement or in a certified farmland
 171 preservation zoning district (see lines 130-133), or enrolled in, or in violation of, a Forest Crop, Managed Forest (see lines
 172 111-120), Conservation Reserve (see lines 134-138), or comparable program.
- 173 f. Boundary or lot disputes, encroachments or encumbrances, a joint driveway or violation of fence laws (Wis. Stat. ch. 90)
 174 (where one or both of the properties is used and occupied for farming or grazing).
- 175 g. Material violations of environmental rules or other rules or agreements regulating the use of the Property.
- 176 h. Conditions constituting a significant health risk or safety hazard for occupants of the Property.
- 177 i. Underground storage tanks presently or previously on the Property for storage of flammable or combustible liquids,
 178 including, but not limited to, gasoline and heating oil.
- 179 j. A Defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, pesticides, herbicides,
 180 fertilizer, radon, radium in water supplies, lead or arsenic in soil, or other potentially hazardous or toxic substances on the
 181 premises.
- 182 k. Production of methamphetamine (meth) or other hazardous or toxic substances on the Property.
- 183 l. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the
 184 Property.
- 185 m. Defects in any well, including unsafe well water due to contaminants such as coliform, nitrates and atrazine, and out-of-
 186 service wells and cisterns required to be abandoned (Wis. Admin. Code § NR 812.26) but that are not closed/abandoned
 187 according to applicable regulations.

188 **(Definitions Continued on page 5)**

IF LINE 190 IS NOT MARKED OR IS MARKED N/A, LINES 230-236 APPLY.

190 ☒

FINANCING CONTINGENCY: This Offer is contingent upon Buyer being able to obtain a written _____
See Addendum _____ [INSERT LOAN PROGRAM OR SOURCE] first mortgage

192 loan commitment as described below, within _____ days of acceptance of this Offer. The financing selected shall be in an
193 amount of not less than \$ _____ for a term of not less than _____ years, amortized over not less than _____ years.
194 Initial monthly payments of principal and interest shall not exceed \$ _____. Monthly payments may
195 also include 1/12th of the estimated net annual real estate taxes, hazard insurance premiums, and private mortgage insurance
196 premiums. The mortgage may not include a prepayment premium. Buyer agrees to pay discount points and/or loan origination
197 fee in an amount not to exceed _____ % of the loan. If the purchase price under this Offer is modified, the financed amount,
198 unless otherwise provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the
199 monthly payments shall be adjusted as necessary to maintain the term and amortization stated above.

200 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 201 or 202.**

201 ☐ **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____ %.
202 ☐ **ADJUSTABLE RATE FINANCING:** The initial annual interest rate shall not exceed _____ %. The initial interest
203 rate shall be fixed for _____ months, at which time the interest rate may be increased not more than _____ % per
204 year. The maximum interest rate during the mortgage term shall not exceed _____ %. Monthly payments of principal
205 and interest may be adjusted to reflect interest changes.

206 If Buyer is using multiple loan sources or obtaining a construction loan or land contract financing, describe at lines 458-464 or
207 526-534 or in an addendum attached per line 525.

208 ■ **BUYER'S LOAN COMMITMENT:** Buyer agrees to pay all customary loan and closing costs, to promptly apply for a
209 mortgage loan, and to provide evidence of application promptly upon request of Seller. If Buyer qualifies for the loan described
210 in this Offer or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of the written loan commitment no
211 later than the deadline at line 192. **Buyer and Seller agree that delivery of a copy of any written loan commitment to**
212 **Seller (even if subject to conditions) shall satisfy the Buyer's financing contingency if, after review of the loan**
213 **commitment, Buyer has directed, in writing, delivery of the loan commitment. Buyer's written direction shall**
214 **accompany the loan commitment. Delivery shall not satisfy this contingency if accompanied by a notice of**
215 **unacceptability.**

216 **CAUTION: The delivered commitment may contain conditions Buyer must yet satisfy to obligate the lender to provide**
217 **the loan. BUYER, BUYER'S LENDER AND AGENTS OF BUYER OR SELLER SHALL NOT DELIVER A LOAN**
218 **COMMITMENT TO SELLER OR SELLER'S AGENT WITHOUT BUYER'S PRIOR WRITTEN APPROVAL OR UNLESS**
219 **ACCOMPANIED BY A NOTICE OF UNACCEPTABILITY.**

220 ■ **SELLER TERMINATION RIGHTS:** If Buyer does not make timely delivery of said commitment, Seller may terminate this
221 Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written loan
222 commitment.

223 ■ **FINANCING UNAVAILABILITY:** If financing is not available on the terms stated in this Offer (and Buyer has not already
224 delivered an acceptable loan commitment for other financing to Seller), Buyer shall promptly deliver written notice to Seller of
225 same including copies of lender(s)' rejection letter(s) or other evidence of unavailability. Unless a specific loan source is
226 named in this Offer, Seller shall then have 10 days to deliver to Buyer written notice of Seller's decision to finance this
227 transaction on the same terms set forth in this Offer and this Offer shall remain in full force and effect, with the time for closing
228 extended accordingly. If Seller's notice is not timely given, this Offer shall be null and void. Buyer authorizes Seller to obtain
229 any credit information reasonably appropriate to determine Buyer's credit worthiness for Seller financing.

230 ■ **IF THIS OFFER IS NOT CONTINGENT ON FINANCING:** Within 7 days of acceptance, a financial institution or third party
231 in control of Buyer's funds shall provide Seller with reasonable written verification that Buyer has, at the time of verification,
232 sufficient funds to close. If such written verification is not provided, Seller has the right to terminate this Offer by delivering
233 written notice to Buyer. Buyer may or may not obtain mortgage financing but does not need the protection of a financing
234 contingency. Seller agrees to allow Buyer's appraiser access to the Property for purposes of an appraisal. Buyer understands
235 and agrees that this Offer is not subject to the appraisal meeting any particular value, unless this Offer is subject to an
236 appraisal contingency, nor does the right of access for an appraisal constitute a financing contingency.

237 ☐ **APPRAISAL CONTINGENCY:** This Offer is contingent upon the Buyer or Buyer's lender having the Property appraised
238 at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated
239 subsequent to the date of this Offer indicating an appraised value for the Property equal to or greater than the agreed upon
240 purchase price. This contingency shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers to
241 Seller a copy of the appraisal report which indicates that the appraised value is not equal to or greater than the agreed upon
242 purchase price, accompanied by a written notice of termination.

243 **CAUTION: An appraisal ordered by Buyer's lender may not be received until shortly before closing. Consider whether**
244 **deadlines provide adequate time for performance.**

DEFINITIONS CONTINUED FROM PAGE 3

- 245 **DEFINITIONS CONTINUED FROM PAGE 3**
- 246 n. Defects in any septic system or other sanitary disposal system on the Property or out-of-service septic systems not
247 closed/abandoned according to applicable regulations.
- 248 o. Subsoil conditions which would significantly increase the cost of development including, but not limited to, subsurface
249 foundations or waste material; organic or non-organic fill; dumpsites where pesticides, herbicides, fertilizer or other toxic
250 or hazardous materials or containers for these materials were disposed of in violation of manufacturer's or government
251 guidelines or other laws regulating said disposal; high groundwater; adverse soil conditions (e.g. low load bearing
252 capacity, earth or soil movement, slides) or excessive rocks or rock formations.
- 253 p. Brownfields (abandoned, idled or under-used land which may be subject to environmental contamination) or other
254 contaminated land, or soils contamination remediated under PECFA, the Department of Natural Resources (DNR)
255 Remediation and Redevelopment Program, the Agricultural Chemical Cleanup Program or other similar program.
- 256 q. Lack of legal vehicular access to the Property from public roads.
- 257 r. Homeowners' associations, common areas shared or co-owned with others, zoning violations or nonconforming uses,
258 conservation easements, restrictive covenants, rights-of-way, easements, easement maintenance agreements, or use of
259 a part of Property by non-owners, other than recorded utility easements.
- 260 s. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority to
261 impose assessments against the real property located within the district.
- 262 t. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition.
- 263 u. Property tax increases, other than normal annual increases; completed or pending property tax reassessment of the
264 Property, or proposed or pending special assessments.
- 265 v. Burial sites, archeological artifacts, mineral rights, orchards or endangered species.
- 266 w. Flooding, standing water, drainage problems or other water problems on or affecting the Property.
- 267 x. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.
- 268 y. Significant odor, noise, water intrusion or other irritants emanating from neighboring property.
- 269 z. Substantial crop damage from disease, insects, soil contamination, wildlife or other causes; diseased trees; or substantial
270 injuries or disease in livestock on the Property or neighboring properties.
- 271 aa. Existing or abandoned manure storage facilities on the Property.
- 272 bb. Impact fees, or other conditions or occurrences that would significantly increase development costs or reduce the value of
273 the Property to a reasonable person with knowledge of the nature and scope of the condition or occurrence.
- 274 cc. The Property is subject to a mitigation plan required by DNR rules related to county shoreland zoning ordinances that
275 obligates the owner to establish or maintain certain measures related to shoreland conditions, enforceable by the county
276 (see lines 139-145).
- 277 dd. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion
278 charge or the payment of a use-value conversion charge has been deferred.
- 279 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by excluding
280 the day the event occurred and by counting subsequent calendar days. The deadline expires at midnight on the last day.
281 Deadlines expressed as a specific number of "business days" exclude Saturdays, Sundays, any legal public holiday under
282 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive
283 registered mail or make regular deliveries on that day. Deadlines expressed as a specific number of "hours" from the
284 occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by counting 24 hours
285 per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific event, such as
286 closing, expire at midnight of that day.
- 287 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would
288 significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would
289 significantly shorten or adversely affect the expected normal life of the premises.
- 290 ■ **FIXTURE:** A "Fixture" is an item of property which is physically attached to or so closely associated with land so as to be
291 treated as part of the real estate, including, without limitation, physically attached items not easily removable without damage
292 to the premises, items specifically adapted to the premises, and items customarily treated as fixtures, including, but not limited
293 to, all: perennial crops; garden bulbs; plants; shrubs and trees and fences; storage buildings on permanent foundations and
294 docks/piers on permanent foundations.
- 295 **CAUTION: Exclude any Fixtures to be retained by Seller or which are rented on lines 18-19.**
- 296 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-7.
- 297 **PROPERTY DEVELOPMENT WARNING** If Buyer contemplates developing Property for a use other than the current use,
298 there are a variety of issues which should be addressed to ensure the development or new use is feasible. Municipal and
299 zoning ordinances, recorded building and use restrictions, covenants and easements may prohibit certain improvements or
300 uses and therefore should be reviewed. Building permits, zoning variances, Architectural Control Committee approvals,
301 estimates for utility hook-up expenses, special assessments, changes for installation of roads or utilities, environmental audits,
302 subsoil tests, or other development related fees may need to be obtained or verified in order to determine the feasibility of
303 development of, or a particular use for, a property. Optional contingencies which allow Buyer to investigate certain of these
304 issues can be found at lines 306-350 and Buyer may add contingencies as needed in addenda (see line 525). Buyer should
305 review any plans for development or use changes to determine what issues should be addressed in these contingencies.

306 ☒ **PROPOSED USE CONTINGENCIES:** Buyer is purchasing the Property for the purpose of: See Addendum

307

308

309 [insert proposed use and type and size of building, if applicable; e.g. three bedroom single family home]. The optional
310 provisions checked on lines 314-345 shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers
311 written notice to Seller specifying those items which cannot be satisfied and written evidence substantiating why each specific
312 item included in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice, this Offer shall be null and void. Seller
313 agrees to cooperate with Buyer as necessary to satisfy the contingencies checked at lines 314-350.

314 ☒ **ZONING CLASSIFICATION CONFIRMATION:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's)
315 **STRIKE ONE** ("Buyer's" if neither is stricken) expense, verification that the Property is zoned See Addendum

316 _____ and that the Property's zoning allows the Buyer's proposed use described at lines 306-308.

317 ☒ **SUBSOILS:** This offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither
318 is stricken) expense, written evidence from a qualified soils expert that the Property is free of any subsoil condition which
319 would make the proposed use described at lines 306-308 impossible or significantly increase the costs of such
320 development.

321 ☐ **PRIVATE ONSITE WASTEWATER TREATMENT SYSTEM (POWTS) SUITABILITY:** This Offer is contingent
322 upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither is stricken) expense, written evidence from
323 a certified soils tester that (a) the soils at the Property locations selected by Buyer, and (b) all other conditions that must
324 be approved, meet the legal requirements in effect on the date of this Offer to obtain a permit for a POWTS for use of the
325 Property as stated on lines 306-308. The POWTS (septic system) allowed by the written evidence must be one of
326 the following POWTS that is approved by the State for use with the type of property identified at lines 306-308 **CHECK**

327 **ALL THAT APPLY:** ☐ conventional in-ground; ☐ mound; ☐ at grade; ☐ in-ground pressure distribution; ☐ holding tank;
328 ☐ other: _____

329 ☒ **EASEMENTS AND RESTRICTIONS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE**
330 **ONE** ("Buyer's" if neither is stricken) expense, copies of all public and private easements, covenants and restrictions
331 affecting the Property and a written determination by a qualified independent third party that none of these prohibit or
332 significantly delay or increase the costs of the proposed use or development identified at lines 306-308.

333 ☒ **APPROVALS:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if
334 neither is stricken) expense, permits, approvals and licenses, as appropriate, or the final discretionary action by the
335 granting authority prior to the issuance of such permits, approvals and licenses, for the following items related to Buyer's
336 proposed use: See Addendum

337

338 ☐ **UTILITIES:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if neither
339 is stricken) expense, written verification of the following utility connections at the listed locations (e.g., on the Property, at
340 the lot line, across the street, etc.) **CHECK AND COMPLETE AS APPLICABLE:** ☐ electricity _____;

341 ☐ gas _____; ☐ sewer _____; ☐ water _____;

342 ☐ telephone _____; ☐ cable _____; ☐ other _____.

343 ☒ **ACCESS TO PROPERTY:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE**
344 ("Buyer's" if neither is stricken) expense, written verification that there is legal vehicular access to the Property from public
345 roads.

346 ☐ **LAND USE APPROVAL:** This Offer is contingent upon Buyer obtaining, at (Buyer's) (Seller's) **STRIKE ONE** ("Buyer's" if
347 neither is stricken) expense, a ☐ rezoning; ☐ conditional use permit; ☐ license; ☐ variance; ☐ building permit; ☐
348 occupancy permit; ☐ other _____ **CHECK ALL THAT APPLY**, and delivering
349 written notice to Seller if the item cannot be obtained, all within _____ days of acceptance for the Property for its proposed
350 use described at lines 306-308.

351 ☐ **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) **STRIKE ONE** ("Seller
352 providing" if neither is stricken) a Map of the Property dated subsequent to the date of acceptance of this Offer prepared by a
353 registered land surveyor, within _____ days of acceptance, at (Buyer's) (Seller's) **STRIKE ONE** ("Seller's" if neither is stricken)
354 expense. The map shall show minimum of _____ acres, maximum of _____ acres, the legal description of the
355 Property, the Property's boundaries and dimensions, visible encroachments upon the Property, the location of improvements,
356 if any, and: _____

357 **[STRIKE AND COMPLETE AS APPLICABLE]** Additional map features which may be added include, but are not limited to:
358 staking of all corners of the Property; identifying dedicated and apparent streets; lot dimensions; total acreage or square
359 footage; easements or rights-of-way. **CAUTION: Consider the cost and the need for map features before selecting them.**
360 **Also consider the time required to obtain the map when setting the deadline.** This contingency shall be deemed satisfied
361 unless Buyer, within five days of the earlier of: (1) Buyer's receipt of the map; or (2) the deadline for delivery of said map,
362 delivers to Seller a copy of the map and a written notice which identifies: (1) the significant encroachment; (2) information
363 materially inconsistent with prior representations; or (3) failure to meet requirements stated within this contingency.

364 Upon delivery of Buyer's notice, this Offer shall be null and void.

365 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land dimensions, total square footage, acreage
 366 figures, or allocation of acreage information, provided to Buyer by Seller or by a broker, may be approximate because of
 367 rounding, formulas used or other reasons, unless verified by survey or other means.

368 **CAUTION: Buyer should verify land dimensions, total square footage/acreage figures and allocation of acreage**
 369 **information if material to Buyer's decision to purchase.**

370 **EARNEST MONEY**

371 ■ **HELD BY:** Unless otherwise agreed, earnest money shall be paid to and held in the trust account of the listing broker
 372 (Buyer's agent if Property is not listed or Seller's account if no broker is involved), until applied to the purchase price or
 373 otherwise disbursed as provided in the Offer.

374 **CAUTION: Should persons other than a broker hold earnest money, an escrow agreement should be drafted by the**
 375 **Parties or an attorney. If someone other than Buyer makes payment of earnest money, consider a special**
 376 **disbursement agreement.**

377 ■ **DISBURSEMENT:** If negotiations do not result in an accepted offer, the earnest money shall be promptly disbursed (after
 378 clearance from payor's depository institution if earnest money is paid by check) to the person(s) who paid the earnest money.
 379 At closing, earnest money shall be disbursed according to the closing statement. If this Offer does not close, the earnest
 380 money shall be disbursed according to a written disbursement agreement signed by all Parties to this Offer. If said
 381 disbursement agreement has not been delivered to broker within 60 days after the date set for closing, broker may disburse
 382 the earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
 383 (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; or (4)
 384 any other disbursement required or allowed by law. Broker may retain legal services to direct disbursement per (1) or to file an
 385 interpleader action per (2) and broker may deduct from the earnest money any costs and reasonable attorneys fees, not to
 386 exceed \$250, prior to disbursement.

387 ■ **LEGAL RIGHTS/ACTION:** Broker's disbursement of earnest money does not determine the legal rights of the Parties in
 388 relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by broker. At least 30 days prior to
 389 disbursement per (1) or (4) above, broker shall send Buyer and Seller notice of the disbursement by certified mail. If Buyer or
 390 Seller disagree with broker's proposed disbursement, a lawsuit may be filed to obtain a court order regarding disbursement.
 391 Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of residential property with 1-4
 392 dwelling units and certain other earnest money disputes. Buyer and Seller should consider consulting attorneys regarding their
 393 legal rights under this Offer in case of a dispute. Both Parties agree to hold the broker harmless from any liability for good faith
 394 disbursement of earnest money in accordance with this Offer or applicable Department of Regulation and Licensing
 395 regulations concerning earnest money. See Wis. Admin. Code Ch. RL 18.

396 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of the
 397 Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the transaction as
 398 defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession data to multiple
 399 listing service sold databases; and (iii) provide active listing, pending sale, closed sale and financing concession information
 400 and data, and related information regarding seller contributions, incentives or assistance, and third party gifts, to appraisers
 401 researching comparable sales, market conditions and listings, upon inquiry.

402 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
 403 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at
 404 <http://www.widocoffenders.org> or by telephone at (608) 240-5830.

405 ☐ **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon delivery
406 of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer notice prior
407 to any deadline, nor is any particular secondary buyer given the right to be made primary ahead of other secondary buyers.
408 Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to delivery of Seller's notice
409 that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days after acceptance of this Offer. All
410 other Offer deadlines which are run from acceptance shall run from the time this Offer becomes primary.

411 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: (1) earnest money payment(s); (2) binding acceptance; (3)
412 occupancy; (4) date of closing; (5) contingency Deadlines **STRIKE AS APPLICABLE** and all other dates and Deadlines in this
413 Offer except: _____.

414 If "Time is of the Essence" applies to a date or Deadline, failure to perform by the exact date or Deadline is a breach of
415 contract. If "Time is of the Essence" does not apply to a date or Deadline, then performance within a reasonable time of the
416 date or Deadline is allowed before a breach occurs.

417 **TITLE EVIDENCE**

418 ■ **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
419 (or trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
420 provided herein), free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
421 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
422 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's disclosure report and
423 in this Offer, general taxes levied in the year of closing and _____.

424 _____
425 _____
426 _____

427 which constitutes merchantable title for purposes of this transaction. Seller shall complete and execute the documents
428 necessary to record the conveyance at Seller's cost and pay the Wisconsin Real Estate Transfer Fee.

429 ■ **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of the
430 purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall pay all
431 costs of providing title evidence to Buyer. Buyer shall pay all costs of providing title evidence required by Buyer's lender.

432 ■ **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's) (Buyer's) **STRIKE**
433 **ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded after the
434 effective date of the title insurance commitment and before the deed is recorded, subject to the title insurance policy
435 exclusions and exceptions, provided the title company will issue the endorsement. If a gap endorsement or equivalent gap
436 coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 442-449).

437 ■ **PROVISION OF MERCHANTABLE TITLE:** For purposes of closing, title evidence shall be acceptable if the required title
438 insurance commitment is delivered to Buyer's attorney or Buyer not more than _____ days after acceptance ("15" if left blank),
439 showing title to the Property as of a date no more than 15 days before delivery of such title evidence to be merchantable per
440 lines 418-427, subject only to liens which will be paid out of the proceeds of closing and standard title insurance requirements
441 and exceptions, as appropriate.

442 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
443 objections to title within _____ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In
444 such event, Seller shall have a reasonable time, but not exceeding _____ days ("5" if left blank) from Buyer's delivery of the
445 notice stating title objections, to deliver notice to Buyer stating Seller's election to remove the objections by the time set for
446 closing. In the event that Seller is unable to remove said objections, Buyer may deliver to Seller written notice waiving the
447 objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, Buyer shall deliver
448 written notice of termination and this Offer shall be null and void. Providing title evidence acceptable for closing does not
449 extinguish Seller's obligations to give merchantable title to Buyer.

450 ■ **SPECIAL ASSESSMENTS:** Special assessments, if any, levied or for work actually commenced prior to the date of this
451 Offer shall be paid by Seller no later than closing. All other special assessments shall be paid by Buyer.

452 **CAUTION:** Consider a special agreement if area assessments, property owners association assessments, special
453 charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are
454 one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments)
455 relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all
456 sewer mains and hook-up/connection and interceptor charges), parks, street lighting and street trees, and impact
457 fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).

458 **ADDITIONAL PROVISIONS/CONTINGENCIES**

459 _____
460 _____
461 _____
462 _____
463 _____
464 _____

465 **DEFAULT** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and
466 conditions of this Offer. A material failure to perform any obligation under this Offer is a default which may subject the
467 defaulting party to liability for damages or other legal remedies.

468 If **Buyer defaults**, Seller may:

- 469 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
470 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for
471 actual damages.

472 If **Seller defaults**, Buyer may:

- 473 (1) sue for specific performance; or
474 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

475 In addition, the Parties may seek any other remedies available in law or equity.

476 The Parties understand that the availability of any judicial remedy will depend upon the circumstances of the situation and the
477 discretion of the courts. If either Party defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution
478 instead of the remedies outlined above. By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of
479 law those disputes covered by the arbitration agreement.

480 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES SHOULD**
481 **READ THIS DOCUMENT CAREFULLY. BROKERS MAY PROVIDE A GENERAL EXPLANATION OF THE PROVISIONS**
482 **OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR OPINIONS CONCERNING YOUR LEGAL**
483 **RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT CLOSING. AN ATTORNEY SHOULD BE**
484 **CONSULTED IF LEGAL ADVICE IS NEEDED.**

485 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller
486 regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds and
487 inures to the benefit of the Parties to this Offer and their successors in interest.

488 **INSPECTIONS AND TESTING** Buyer may only conduct inspections or tests if specific contingencies are included as a part of
489 this Offer. An "inspection" is defined as an observation of the Property which does not include an appraisal or testing of the
490 Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel source,
491 which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or building
492 materials from the Property and the laboratory or other analysis of these materials. Seller agrees to allow Buyer's inspectors,
493 testers and appraisers reasonable access to the Property upon advance notice, if necessary to satisfy the contingencies in
494 this Offer. Buyer and licensees may be present at all inspections and testing. Except as otherwise provided, Seller's
495 authorization for inspections does not authorize Buyer to conduct testing of the Property.

496 **NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of the**
497 **test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any other**
498 **material terms of the contingency.**

499 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed
500 unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to Seller.
501 Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to be reported
502 to the Wisconsin Department of Natural Resources.

503 ☐ **INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 488-502). This Offer
504 is contingent upon a qualified independent inspector(s) conducting an inspection(s), of the Property which discloses no
505 Defects. This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing
506 an inspection of _____

507 (list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.) which discloses no Defects. Buyer shall order the
508 inspection(s) and be responsible for all costs of inspection(s). Buyer may have follow-up inspections recommended in a
509 written report resulting from an authorized inspection performed provided they occur prior to the deadline specified at line 513.
510 Inspection(s) shall be performed by a qualified independent inspector or independent qualified third party.

511 **CAUTION: Buyer should provide sufficient time for the primary inspection and/or any specialized inspection(s), as
512 well as any follow-up inspection(s).**

513 This contingency shall be deemed satisfied unless Buyer, within _____ days of acceptance, delivers to Seller a copy of the written
514 inspection report(s) and a written notice listing the Defect(s) identified in those report(s) to which Buyer objects (Notice of Defects).

515 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

516 For the purposes of this contingency, Defects (see lines 287-289) do not include conditions the nature and extent of which the
517 Buyer had actual knowledge or written notice before signing this Offer.

518 ☒ **RIGHT TO CURE:** Seller (shall)(shall not) ~~STRIKE ONE~~ ("shall" if neither is stricken) have a right to cure the Defects. If
519 Seller has the right to cure, Seller may satisfy this contingency by: (1) delivering written notice to Buyer within 10 days of
520 Buyer's delivery of the Notice of Defects stating Seller's election to cure Defects; (2) curing the Defects in a good and
521 workmanlike manner; and (3) delivering to Buyer a written report detailing the work done within 3 days prior to closing. This
522 Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and: (1)
523 Seller does not have a right to cure or (2) Seller has a right to cure but: (a) Seller delivers written notice that Seller will not cure
524 or (b) Seller does not timely deliver the written notice of election to cure.

525 ☒ **ADDENDA:** The attached _____ Addendum _____ is/are made part of this Offer.

526 **ADDITIONAL PROVISIONS/CONTINGENCIES** _____

527 _____
528 _____
529 _____
530 _____
531 _____
532 _____
533 _____
534 _____

535 This Offer was drafted by [Licensee and Firm] _____

536 _____ on _____

537 (x) Gregory T Van Zeeland Gregory T Van Zeeland 11/16/18
538 Buyer's Signature ▲ Print Name Here ► Date ▲

539 (x) _____
540 Buyer's Signature ▲ Print Name Here ► Date ▲

541 **EARNEST MONEY RECEIPT** Broker acknowledges receipt of earnest money as per line 10 of the above Offer.

542 _____ Broker (by) _____

543 **SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS OFFER
544 SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE PROPERTY ON
545 THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A COPY OF THIS OFFER.**

546 (x) _____
547 Seller's Signature ▲ Print Name Here ► Date ▲

548 (x) _____
549 Seller's Signature ▲ Print Name Here ► Date ▲

550 This Offer was presented to Seller by [Licensee and Firm] _____

551 _____ on _____ at _____ a.m./p.m.

552 This Offer is rejected _____ This Offer is countered [See attached counter] _____
553 Seller Initials ▲ Date ▲ Seller Initials ▲ Date ▲

ADDENDUM TO OFFER TO PURCHASE

Dated November 16, 2018

The following terms and conditions shall be deemed to be part of the foregoing attached Offer to Purchase ("Offer") dated November 16, 2018 by New Morning Coffee Roasters, Inc., for the real estate located in the Appleton Southpoint Commerce Park, City of Appleton, Wisconsin ("Property").

The terms of this Addendum shall supersede any conflicting provisions of the Offer.

1. **Description of Property:** The property that is the subject of this Offer consists of approximately 4.21 acres of land (Lot 17) located on Vantage Drive, Appleton, Wisconsin, in the Southpoint Commerce Park Plat 2, Parcel ID 9-5712-17.
2. **Purchase Price for Real Estate:** The purchase price shall be \$40,000 per buildable acre. Buildable acres are 3.65 acres (4.21 acres less .56 acre easement) resulting in a purchase price of One Hundred Forty Six Thousand Dollars (\$146,000) payable at closing subject to the usual and customary prorations.

The City of Appleton will provide an investment of 50% of the land purchase amount (50% of \$146,000 = \$73,000) to the Buyer upon completion of construction and occupancy of the new building.

3. **Earnest Money:** Buyer shall remit, within five (5) business days following acceptance of this Offer, Three Thousand Dollars (\$3,000) to the escrow account of the title company providing title insurance for this transaction.

Buyer's Intended Use: Buyer intends to acquire the property that is the subject of this Offer for the construction of a new office/distribution facility.

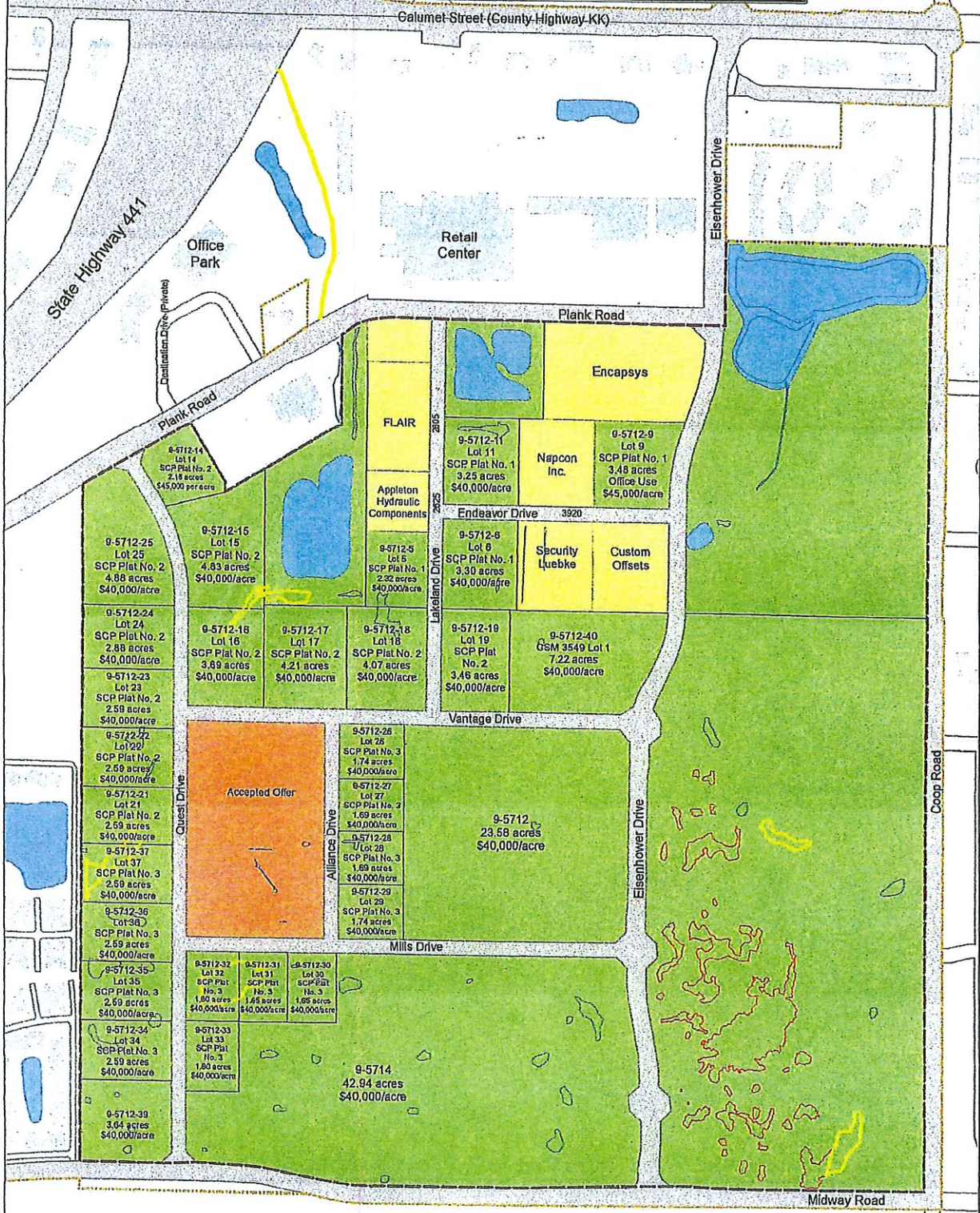
Feasibility/Review Period: Buyer shall have a ninety (90) day Feasibility/Review period following mutual execution of a definitive Offer to conduct various due diligence items as deemed necessary by Buyer, at Buyer's sole discretion and at Buyer's sole expense. Said due diligence items may include, but not be limited to, conducting an environmental phase I or other assessment of the property by a third party of Buyer's choice, engaging a third party to conduct a geotechnical study through soil borings to develop design criteria for support of foundations, floor slabs, and pavements, engaging a surveyor to provide an ALTA or other survey of the property, securing financing for Buyer's acquisition of the property and construction of a new facility for Buyer's intended use, receiving all necessary and requisite City, State, and other municipal permits required by Buyer for Buyer's intended use, and any other analysis or due diligence customary to a commercial real estate transaction, as deemed by Buyer in Buyer's sole discretion.

Buyer shall have the unilateral right at any time during the Feasibility/Review Period to terminate this transaction with no further obligation to the Seller. Seller agrees if Buyer has terminated the Offer in accordance with Buyer's rights to do so within this Offer, Buyer and Seller shall execute a Mutual

Cancellation and Release terminating the contract authorizing the title company to remit Buyer's earnest money back to Buyer subject to the Non Refundable Earnest Money provision in this Offer.

Closing: This transaction shall close on or before fifteen (15) days following the earlier of (i) the expiration of the Feasibility/Review Period, or (ii) Buyer's written waiver of all contingencies contained in the Offer, unless otherwise agreed to in writing between Buyer and Seller. Closing date shall not be later than May 1, 2019.

Southpoint Commerce Park Appleton, Wisconsin

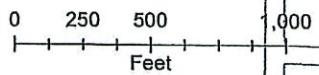


Legend

- For Sale (City Owned)
- Accepted Offer
- Privately Owned Parcels
- City Limits
- Park Boundary

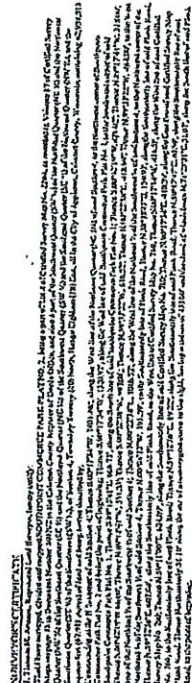
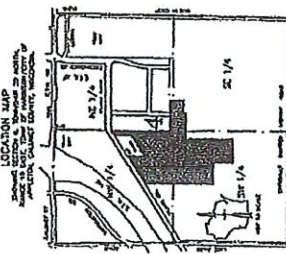
Wetland Type

- Approximate Wetland for Delineation
- Delineated Wetlands
- Delineated Wetlands



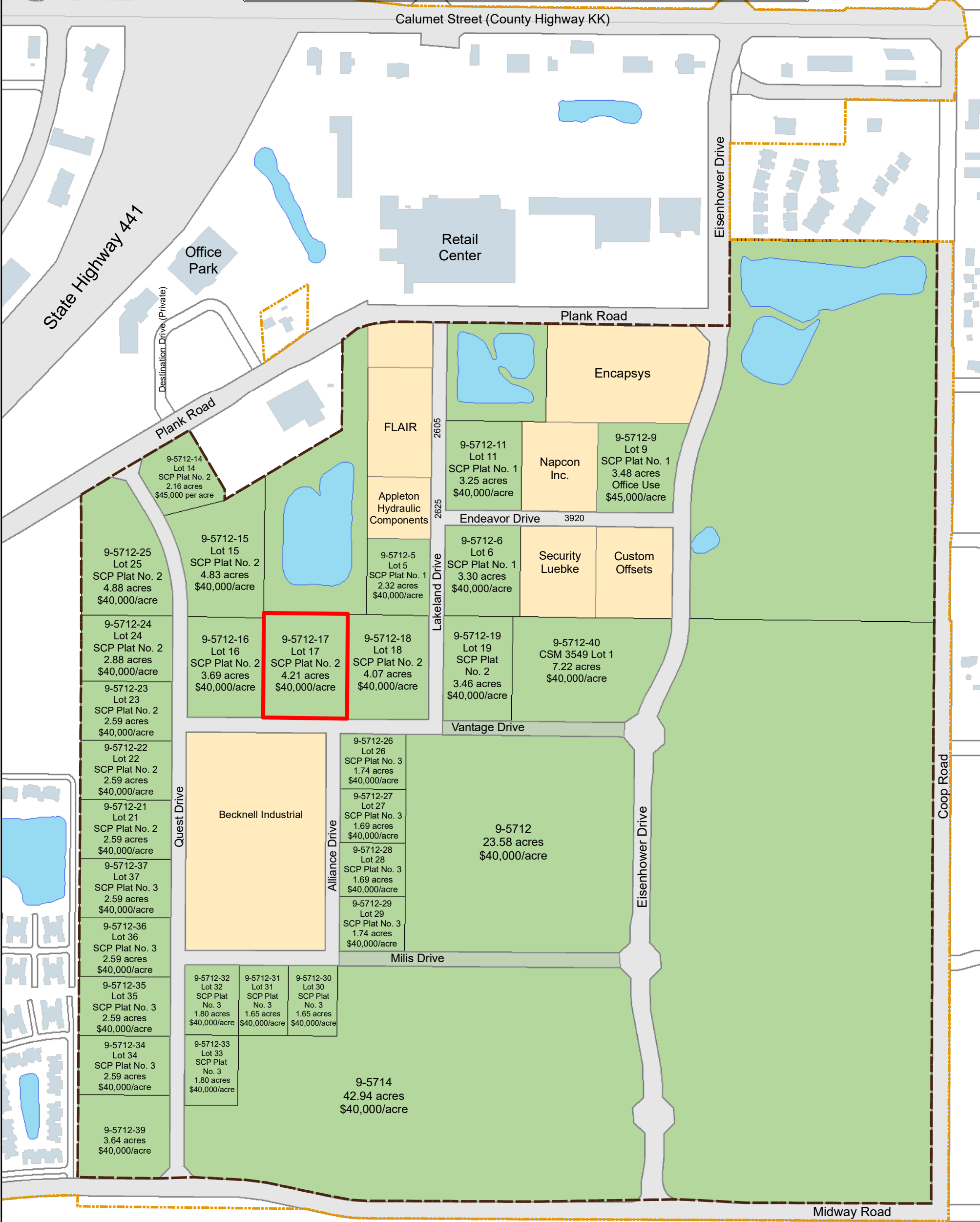
Prepared by City of Appleton
Comm. & Econ. Dev. Dept. 07/2018

PART OF LOT 4 OF CERTIFIED SURVEY MAP NO. 2284 AND PART OF THE SW 1/4 OF THE NE 1/4 OF THE SE 1/4 OF THE NW 1/4 AND THE SE 1/4 OF THE SW 1/4, IN SECTION 4, TOWNSHIP 20 NORTH, RANGE 18 EAST, CITY OF APPLETON, CALUMET COUNTY, WISCONSIN.

[illegible][illegible][illegible]CITY OF APPLETON
DEPARTMENT OF PUBLIC WORKS

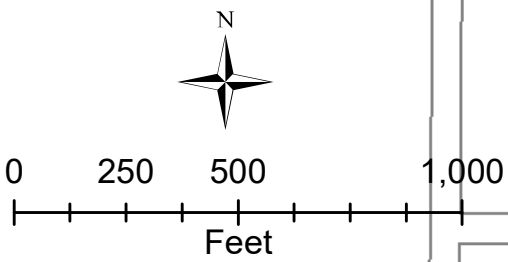
100 North Appleton Street
Appleton, WI 54911
7379 835-3674
/A3 (NID) 837-6699

Southpoint Commerce Park Appleton, Wisconsin



Legend

- Subject Parcel
- For Sale (City Owned)
- Privately Owned Parcels
- City Limits
- Park Boundary





"...meeting community needs...enhancing quality of life."

MEMORANDUM

TO: Community & Economic Development Committee (CEDC)

FROM: Karen Harkness, Director of Community & Economic Development

DATE: November 16, 2018

RE: Talent Upload Support 2018

CEDC (March 14, 2018) and Council (March 21, 2018) approved designating \$25,000 to the Fox Cities Regional Partnership in support of the Talent Upload Program per the 2018 approved City budget.

In March 2018, the City was invoiced and paid the Fox Cities Regional Partnership \$25,000 in sponsorship fees for the Talent Upload Program.

Due to a low number of participants (16), the Fox Cities Regional Partnership cancelled Talent Upload originally scheduled for September 2018.

CEDC needs to make a recommendation pertaining to the subsequent disbursement of the \$25,000 already paid to the Fox Cities Regional Partnership for talent upload.

Attached to this memo are the following documents:

- 2018 Community & Economic Development Marketing Budget
- Invoice and payment of sponsorship
- Agenda, memo and sponsorship overview from CEDC meeting March 14, 2018
- Fox Cities Regional Partnership PowerPoint Presentation October 31, 2018

Please let me know if you have any questions.

CITY OF APPLETON 2018 BUDGET COMMUNITY & ECONOMIC DEVELOPMENT

Marketing & Business Services

Business Unit 10551

PROGRAM MISSION

For the benefit of Appleton's current and prospective businesses and developers, so that business assistance services are identified and conveyed, and Appleton is selected as the prime location for investment, we will provide information and expertise to address business issues and promote the community. We are committed to fostering diversity through policies, processes, programs and educational opportunities that promote understanding and acceptance for all people while creating and supporting a culture of inclusion that celebrates and values our similarities and differences.

PROGRAM NARRATIVE

Link to City Goals:

Implements Key Strategies # 2: "Encourage active community participation and involvement", # 3: "Recognize and grow everyone's talents", # 4: "Continually assess trends affecting the community and proactively respond," # 6: "Create opportunities and learn from successes and failures", and # 7: "Communicate our success through stories and testimonials."

Objectives:

- Continue to enhance the environment in Appleton to promote business and industry and attract investment.
- Continue to examine ways in which City government can be improved to be more responsive, supportive and proactive to business needs.
- Promote Appleton to the broader public, especially business and industry.
- Conduct business retention visits.
- Provide technical assistance for start-up and growing companies.
- Assist and be responsive to prospective and established businesses and developers.
- Promote the City's interest and develop positive relationships through active participation on various boards, committees and organizations.
- Continue implementation of the Comprehensive Plan 2010-2030 and Economic Development Strategic Plan.

Major changes in Revenue, Expenditures, or Programs:

- Salaries, fringe benefits and associated administration costs have decreased with the transfer of the Diversity Coordinator position to the Mayor's office.
- The \$25,000 for the Fox Cities Regional Partnership in this budget is designated for the Talent Upload program.

PERFORMANCE INDICATORS

	Actual 2015	Actual 2016	Target 2017	Projected 2017	Target 2018
Client Benefits/Impacts					
Connection to source of issue resolution or resource					
# Existing businesses assisted	23	35	40	53	40
# Start-up businesses assisted	15	11	35	20	35
Information specific to development in Appleton					
# of prospects information deliveries	34	31	70	100	70
Strategic Outcomes					
Appleton's economy grows and tax base enhanced					
% increase in total equalized value	2.60%	2.06%	2.60%	6.00%	2.60%
Work Process Outputs					
Retention visit clients served	39				
# Business retention visits/follow-ups	30	38	40	40	40

MARK "X" HERE FOR REMITTANCE ☐CITY OF APPLETON
SINGLE INVOICE/PURCHASE AUTHORIZATIONDATE: March 26, 2018VENDOR NAME: Fox Cities Regional Partnership

SUPPLIER NUMBER: _____

COMPLETED BY: BrendaINVOICE NUMBER: 53727DEPARTMENT: Community & Economic DevelopmentINVOICE DATE: 1/2/2018

GOODS/SVC REC'D BY: _____

FUND: _____

P.O. #: _____

	ACCOUNT NUMBER	SUB LEDGER	AMOUNT	PAYMENT REMARKS
ITEM 1	<u>10551, 6599</u>		<u>\$25,000.00</u>	<u>Talent Upload Pledge 2018</u>
ITEM 2				
ITEM 3				
ITEM 4				
ITEM 5				
ITEM 6				
ITEM 7				
ITEM 8				
ITEM 9				
ITEM 10				

DEPT. AUTHORIZATION Karen E. Harkness \$25,000.00

SPECIAL INSTRUCTIONS PLEASE PLACE AN "X" FOR SPECIAL HANDLING	ACCOUNTS PAYABLE USE CHECKS AND BALANCES
<input type="checkbox"/> HOLD CHECK	<input type="checkbox"/> INVOICE ADDITION
<input type="checkbox"/> BACK TO DEPT	<input type="checkbox"/> DEPT AUTH
<input checked="" type="checkbox"/> COPY OF CHECK TO DEPT	<input type="checkbox"/> SALES TAX
<input type="checkbox"/> MULTIPLE CHECK TO VENDOR	<input type="checkbox"/> ACCT NUMBER
<input type="checkbox"/> OTHER	
	FINANCE AUTHORIZATION _____



Fox Cities Regional Partnership
125 N. Superior St.
Appleton, WI 54911
920.831.4905 | fax: 920.734.7161
Info@FoxCitiesRegion.com

Invoice

Invoice Date 1/2/18
Invoice # 53727

City of Appleton
Ms. Karen Harkness
P.O. Box 2428
Appleton, WI 54912-2428

		Terms	Due Date
		Net 30	2/1/18
Description	Quantity	Rate	Amount
2018 Talent Upload Pledge	1	\$25,000.00	\$25,000.00
Subtotal:			\$25,000.00
Tax:			\$0.00
Total:			\$25,000.00
Payment/Credit Applied:			\$0.00
Balance:			\$25,000.00

Fox Cities Regional Partnership is an affiliate of the Fox Cities Chamber of Commerce. It exists for the purpose of strengthening our local economy by supporting local job creation through the retention, expansion and attraction of primary employers. The Regional Partnership serves as the point of contact for local businesses seeking assistance with labor training, funding, government advocacy, building and land opportunities, demographic and economic information and other individual needs. The Regional Partnership serves the communities of Outagamie and Calumet Counties, as well as the northern portions of Winnebago County.



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda - Final Community & Economic Development Committee

Wednesday, March 14, 2018

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

2. Roll call of membership

3. Approval of minutes from previous meeting

[18-0151](#) CEDC Minutes from 1-24-18

Attachments: [CEDC Minutes 1-24-18.pdf](#)

4. **Public Hearings/Appealances**

[18-0157](#) Presentation by Beth Pritzl of the Fox Cities Regional Partnership on the Talent Upload program

Attachments: [FCRP Winter Mag Pages.pdf](#)

5. **Action Items**

[18-0152](#) Request to approve recommended funding of \$25,000 for 2018 sponsorship of Talent Upload program to the Fox Cities Regional Partnership

Attachments: [Memo to CEDC on Talent Upload Sponsorship 2018.pdf](#)
[Talent Upload Sponsorship Request 2018.pdf](#)

[18-0321](#) Request to grant staff authority to authorize or approve administratively the use of insulated metal panels with the appearance of exterior insulation and finish systems (EIFS) or stucco as requested in the Northeast Business Park, Northeast Industrial Park and Southpoint Commerce Park

Attachments: [Memo Building Materials Standards Bus-Ind Parks.pdf](#)
[Southpoint Deed Restrictions.pdf](#)
[Insulated Panel Brochure.pdf](#)



MEMORANDUM

"...meeting community needs...enhancing quality of life."

TO: Community & Economic Development Committee (CEDC)

FROM: Karen Harkness, Director
Monica Stage, Deputy Director

DATE: February 8, 2018

RE: Request to Approve 2018 Sponsorship for Talent Upload Program

The Council approved 2018 Budget includes \$61,000 in the Marketing & Business Services Business Unit of the Community & Economic Development Department Budget. The \$61,000 of funding is divided between \$25,000 for the Fox Cities Regional Partnership to support the Talent Upload program, and the balance of \$36,000 is identified for economic development projects and initiatives.

We have sponsored and found much value in the Talent Upload Program in years past. All of the funds allocated to the Fox Cities Regional Partnership in 2018 will now go solely toward the Talent Upload Program. The attached document speaks to specifics that the City of Appleton receives in turn for the sponsorship.

Staff Recommendation:

Request to approve \$25,000 for 2018 sponsorship for Talent Upload Program as outlined in the attached document **BE APPROVED.**

Brenda Broeske

From: Karen Harkness
Sent: Thursday, January 25, 2018 3:26 PM
To: Brenda Broeske; Monica Stage; Matthew Rehbein
Subject: FW: Invoice request

This will need to go on the next CEDC Agenda!!

K*

Karen Harkness
Director, Community and Economic Development
100 N. Appleton Street
Appleton, Wi. 54911
Office 920-832-6408
Cell 920-209-9520

From: Nora Langolf [mailto:nlangolf@foxcitieschamber.com]
Sent: Thursday, January 25, 2018 3:04 PM
To: Karen Harkness <Karen.Harkness@Appleton.org>
Subject: FW: Invoice request

Hi Karen,

Beth is the expert at all things Talent Upload. Here is her outline. If you need it to be more formal, just let me know.

Nora

I'd be happy to work with Karen/the mayor if she has additional recognition ideas.

Talent Upload Premier Sponsorship:

- Mayor to speak to students
- Recognition on all marketing materials related to the event
 - Website (logo with link)
 - Printed materials to recruit students and employers (logo)
 - All signage at each of the activities within the event
 - Tags on social media posts related to Talent Upload
- Goal of 200 Students/30 employers
- Event to be held 9/20-9/22 (tentative—will be finalized by end of first quarter 2018)

Beth

From: Karen Harkness [mailto:Karen.Harkness@Appleton.org]
Sent: Thursday, January 25, 2018 2:36 PM
To: Nora Langolf <nlangolf@foxcitieschamber.com>
Subject: RE: Invoice request

Nora,

Thanks for this invoice.

I should have mentioned this to Peter but I also need our "sponsorship" outline. In years past, we had an outline of what this investment would accomplish and what we would get. Such as, the Mayor usually welcomes the group, logo is on information, how many participants, date of event, etc.

Can you all provide this information as well?

Thanks again.

K*

Karen Harkness
Director, Community and Economic Development
100 N. Appleton Street
Appleton, Wi. 54911
Office 920-832-6408
Cell 920-209-9520



THANK YOU!

- City of Appleton key collaborator in launch of the Fox Cities Regional Partnership
- Contributor to Fox Cities Regional Partnership for 5 years
- Supporter of our more innovative programming



COMMON GOALS

- Talent Attraction, Retention and Development
- Business Retention, Expansion and Attraction
- Regional Economic Vitality
- Diversity and Inclusion



MEETING OUTCOMES

- Introduce key players
- Rebuild partnership between the City of Appleton and the Fox Cities Regional Partnership
- Agree on best steps going forward



COLLABORATIVE PRIORITIES

TALENT ATTRACTION/RETENTION

- BAZAAR AFTER DARK: 2 on Wisconsin Ave
 - 2016 : 3,500 attendees
 - 2017 : 8,000 attendees
 - Organic social media reach 100,000+
 - Harmony Pizza



COLLABORATIVE PRIORITIES

TALENT ATTRACTION/RETENTION

- OCTOBERFEST
 - ~200k attendees per year
- LICENSE TO CRUISE
 - ~100k attendees per year
- Economic Outlook Event
 - ~500 attendees per year



COLLABORATIVE PRIORITIES

TALENT ATTRACTION/RETENTION

ARTERY

- 4 Appleton Events ~600 attendees per event
 - Outer Edge Stage, Jones Park, Gill Tech, Paper Discovery Center

FUTURE 15 YP AWARDS

- 3 of 4 at Outer Edge Stage ~250 each



COLLABORATIVE PRIORITIES

YOUNG PROFESSIONAL EVENTS (5 of 9 YP Week events in Appleton)

PULSE 2018		
8/23/18	20	Happy Hour @ Strategies, Ltd. w/FCC
4/19/18	100	Cultivating your Career event w/ GirlScouts @ River View Gardens
4/22/18	55	Fermentasting Brunch Bus Reinvent Ferment, Bowl Ninety-One
4/25/18	40	Travel Hacking lunch 'n learn with Fannatical Sabbatical @ The Draw
4/25/18	30	Happy Hour at Mondo Wine Bar with West Corporation
4/26/18	12	School of Rock (Show at the PAC) w/ happy hour at D2's
4/27/18	45	Yoga @ 95 Yoga House + Refuge Lounge happy hour
3/1/18	185	Future 15 YP Awards ceremony @ OuterEdge Stage
2/8/18	30	Happy Hour @ Appleton Beer Factory with Sinfonia
1/11/18	20	Happy Hour @ Fox River House w/Miron YP's



COLLABORATIVE PRIORITIES

TALENT UPLOAD

Year	Accepted	Visiting
2014	32	56
2015	48	78
2016	49	80
2017	59	96

Thrivent, Pierce, Trilliant, Plexus, Bemis, McMAHON, C3, Werner Electric, Expera, J.J. Keller and Associates



COLLABORATIVE PRIORITIES

TALENT ATTRACTION/RETENTION IN 2019

- Intern exchange days
- Winter Break "Intern Upload"
- "Fox Cities Days" on campus
- Website with attraction resources
- Family Friendly Workplace
- Collaborating on Veteran's initiative (eg. Pierce, West, Gulfstream)
- YP Week
- 3 Bazaar After Darks
- Holiday Artery
- Future 15
- UP Tech Schools



COLLABORATIVE PRIORITIES

K-12 EDUCATION

- Matched 800 AASD students to work-based learning opportunities
 - Partnering businesses include AZCO, SECURA & Orthopedic Sports Inst.
- 8,600 AASD students participated in 8th Grade Career Expo to date
 - Participating businesses include Miller Electric, Skyline, Boldt & GNC Laminations
- New in 2018 - High School College and Job Fair



COLLABORATIVE PRIORITIES

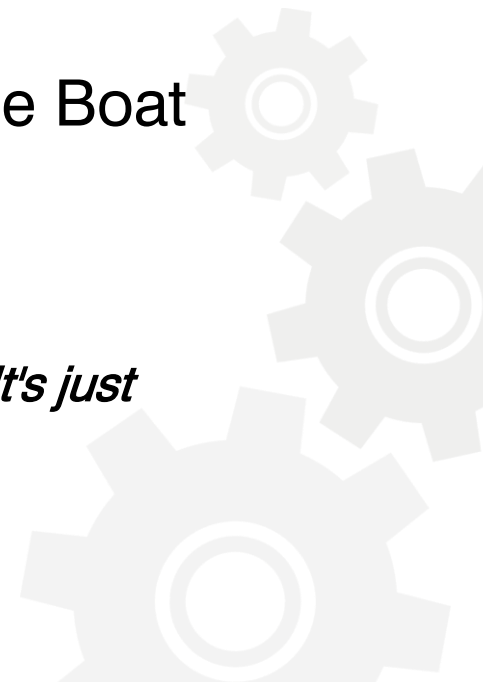
K-12 EDUCATION

- Connected 75 AASD young women to STEM Career opportunities at Smart Girls Rock
- Facilitated interactive experiences for 44 AASD educators
 - Host businesses include ATW/Air Wisconsin, Rivertype Boat Tours, Katalpa Health, Neenah Foundry

Smart Girls Rock Quote

“As women, we usually don’t get certain kinds of jobs because of a stereotype. It’s just really neat seeing all these women have these jobs.”

*Olivia Kjorlien, Freshman
Appleton North High School*



COLLABORATIVE PRIORITIES

ATTRACTING BUSINESS

FoxCitiesRegion.com WEBSITE over last year

1. Major employers: 5,642 views
2. Sites and Buildings: 2,644 views
3. Demographics: 2,211 views
4. Benefit Survey: 855 views
5. Business resources: 789 views



COLLABORATIVE PRIORITIES

ATTRACTING BUSINESS

FoxCitiesRegion.com WEBSITE over last year

- 16k new users over last year
- 19k sessions
- 15k sessions from outside NEW
- 2.3 pages per session
- More than 50% of acquisitions through organic search



COLLABORATIVE PRIORITIES

ATTRACTING BUSINESS

- License Regional Property Database
- Hosted 4 FAM Tours (19 site selectors)
- At least 5 calls from SS, 2 RFIs
- Maintaining relationships with Site Selectors



COLLABORATIVE PRIORITIES

BUSINESS RETENTION & EXPANSION

- 127 Visits in Appleton proper over 5 years
- HQ Visits (eg. Gulfstream)
- Spearheaded support for KC Coldspring
- Distribution of RFIs for Fox Cities' businesses



COLLABORATIVE PRIORITIES

BUSINESS RETENTION & EXPANSION

- Research and Marketing
 - Eagle Point: Drone Video
 - Ducommon: Research and Handoff
 - Airport: Research project leading to new Allegiant Flights, American Airlines, Denver Flight
 - Allegiant leadership now uses data set we identified to plan new flights



COLLABORATIVE PRIORITIES

DIVERSITY & INCLUSION

- Becky joining Karen Nelson's Dignity & Respect Committee
- Madison 365—connecting Fox Cities 365
- Reviewing Future 15 nomination/application process



APPLETON/FCRP RELATIONSHIP

- Agree on best steps going forward
 - Follow up in 3 mo. booked



THANK YOU!





"...meeting community needs...enhancing quality of life."

MEMORANDUM

TO: Community and Economic Development Committee (CEDC)

FROM: Karen Harkness, Director of Community & Economic Development

DATE: November 2, 2018

RE: Ehlers Contract to Prepare Project Plan Amendments to TIF #3 and TIF #11

Background

Tax Incremental Financing (TIF) District #3, originally created in 1992, is bounded by Richmond and Superior Streets, from the County Courthouse to the School Administration Building.

Primary projects included the Green and Yellow Ramps, the Radisson Paper Valley Hotel (currently the Red Lion Hotel Paper Valley) expansion, the Evans Title building, Appleton Retirement Community, the CopperLeaf Boutique Hotel & Spa and Richmond Terrace development.

TIF #3 was scheduled to close in 2021, but in 2011 was declared a distressed TID as allowed by ACT 310. The investment period ended in 2016. This designation allows the extension of the district's life by up to ten years beyond the original closing date and prohibits a TID overlay. TIF #3 is scheduled to close in 2031.

TIF #3 has several sites/properties that have low assessed value and high potential for redevelopment. Without TIF assistance, these parcels will not be redeveloped.

TIF #11 was created in 2017 and is contiguous to TIF #3. TIF #11 is bounded by East College Avenue from Durkee Street to just west of Superior Street, south to Water Street and north to East Washington Street. TIF #11 is scheduled to close in 2044.

Primary projects include U.S. Venture Headquarters, the Zuelke Building Redevelopment and several projects in due diligence phases.

Proposal

We propose to amend TIF #3 and remove low valued sites/properties while at the same time amending TIF #11 to include these sites in order to assist with rehabilitation and conservation of existing properties and businesses, as well as redevelopment of vacant, blighted and underutilized properties to support renewal of the area.

This would allow the City to provide targeted investments in this commercial corridor in conjunction with the private market, while recapturing the cost of participation through the increased property tax revenues. This encourages redevelopment, investment in property, higher community utilization, and, ultimately, an increase in assessed value and net new construction.

Ehlers Contract

Attached is a proposed sole source contract with Ehlers to prepare the Project Plans and related documents to amend TIF Districts #3 and #11, follow statutory requirements for approval, and to submit all required documents to the State for approval.

Ehlers fee is \$12,500 for the scope of service outlined in Appendix B of the attached contract. The City is responsible for the Wisconsin Department of Revenue Fees required to file the amendments, base year packet, base value redetermination, and annual administration fee in the amount of \$4,150, for a total cost of \$16,650.

The City Finance Department reviewed and concurred with our request for a single source contract for these services based on the following: Ehlers offers a technically complex professional service that few are qualified to provide. They possess a unique knowledge and experience set for TIF amendments in Wisconsin and the Fox Valley. The proposal for these services demonstrates a complete understanding of the City's requirements and a fee structure that is reasonable and customary for the scope of work. Soliciting additional proposals would introduce additional time, cost, and uncertainty into the process.

According to the City's Procurement and Contract Management Policy, purchases of goods or services under \$25,000 may be made without competition when it is agreed in advance between the department and the Purchasing Office that there is a valid reason to purchase from one source or that only one source is available. This is before CEDC as informational as no action is required for fees under \$25,000.

September 20, 2018

Karen Harkness, Director, Community and Economic Development
City of Appleton, Wisconsin
100 N Appleton St
Appleton, WI 54911

Re: Written Municipal Advisor Client Disclosure with the City of Appleton (“Client”) for 2019 TID No. 3 and TID No. 11 Territory Amendments (“Project” Pursuant to MSRB Rule G-42)

Dear Karen:

As a registered Municipal Advisor, we are required by Municipal Securities Rulemaking Board (MSRB) Rules to provide you with certain written information and disclosures prior to, upon or promptly, after the establishment of a municipal advisory relationship as defined in Securities and Exchange Act Rule 15Ba1-1. To establish our engagement as your Municipal Advisor, we must inform you that:

1. When providing advice, we are required to act in a fiduciary capacity, which includes a duty of loyalty and a duty of care. This means we are required to act solely in your best interest.
2. We have an obligation to fully and fairly disclose to you in writing all material actual or potential conflicts of interest that might impair our ability to render unbiased and competent advice to you. We are providing these and other required disclosures in **Appendix A** attached hereto.
3. As your Municipal Advisor, Ehlers shall provide this advice and service at such fees, as described within **Appendix B** attached hereto.

This documentation and all appendices hereto shall be effective as of its date unless otherwise terminated by either party upon 30 days written notice to the other party.

During the term of our municipal advisory relationship, this writing might be amended or supplemented to reflect any material change or additions.

We look forward to working with you on this Project.

Sincerely,

Ehlers



Todd Taves, CIPMA
Senior Municipal Advisor/Principal

¹ This document is intended to satisfy the requirements of MSRB Rule G-42(b) and Rule G-42(c).

Appendix A

Disclosure of Conflicts of Interest/Other Required Information

Actual/Potential Material Conflicts of Interest

Ehlers has no known actual or potential material conflicts of interest that might impair its ability either to render unbiased and competent advice or to fulfill its fiduciary duty to Client.

Other Engagements or Relationships Impairing Ability to Provide Advice

Ehlers is not aware of any other engagement or relationship Ehlers has that might impair Ehlers' ability to either render unbiased and competent advice to or to fulfill its fiduciary duty to Client.

Affiliated Entities

Ehlers offers related services through two affiliates of Ehlers, Bond Trust Service Corporation (BTSC) and Ehlers Investment Partners (EIP). BTSC provides paying agent services while Ehlers Investment Partners (EIP) provides investment related services and bidding agent service. Ehlers and these affiliates do not share fees. If either service is needed in conjunction with an Ehlers municipal advisory engagement, Client will be asked whether or not they wish to retain either affiliate to provide service. If BTSC or EIP are retained to provide service, a separate agreement with that affiliate will be provided for Client's consideration and approval.

Solicitors/Payments Made to Obtain/Retain Client Business

Ehlers does not use solicitors to secure municipal engagements; nor does it make direct or indirect payments to obtain or retain Client business.

Payments from Third Parties

Ehlers does not receive any direct or indirect payments from third parties to enlist Ehlers recommendation to the Client of its services, any municipal securities transaction or any financial product.

Payments/Fee-splitting Arrangements

Ehlers does not share fees with any other parties and any provider of investments or services to the Client. However, within a joint proposal with other professional service providers, Ehlers could be the contracting party or be a subcontractor to the contracting party resulting in a fee splitting arrangement. In such cases, the fee due Ehlers will be identified in a Municipal Advisor writing and no other fees will be paid to Ehlers from any of the other participating professionals in the joint proposal.

Municipal Advisor Registration

Ehlers is registered with the Securities and Exchange Commission (SEC) and Municipal Securities Rulemaking Board (MSRB).

Material Legal or Disciplinary Events

Neither Ehlers nor any of its officers or municipal advisors have been involved in any legal or disciplinary events reported on Form MA or MA-I nor are there any other material legal or disciplinary events to be reported. Ehlers' application for permanent registration as a Municipal Advisor with the (SEC) was granted on July 28, 2014 and contained the information prescribed under Section 15B(a)(2) of the Securities and Exchange Act of 1934 and rules thereunder. It did not list any information on legal or disciplinary disclosures.

Client may access Ehlers' most recent Form MA and each most recent Form MA-I by searching the Securities and Exchange Commission's EDGAR system (currently available at <http://www.sec.gov/edgar/searchedgar/companysearch.html>) and searching under either our Company Name (Ehlers & Associates, Inc.) or by using the currently available "Fast Search" function and entering our CIK number (0001604197).

Ehlers has not made any material changes to Form MA or Form MA-I since that date.

Conflicts Arising from Compensation Contingent on the Size or Closing of Any Transaction

The forms of compensation for municipal advisors vary according to the nature of the engagement and requirements of the client. Compensation contingent on the size of the transaction presents a conflict of interest because the advisor may have an incentive to advise the client to increase the size of the securities issue for the purpose of increasing the advisor's compensation. Compensation contingent on the closing of the transaction presents a conflict because the advisor may have an incentive to recommend unnecessary financings or recommend financings that are disadvantageous to the client. If the transaction is to be delayed or fail to close, an advisor may have an incentive to discourage a full consideration of such facts and circumstances, or to discourage consideration of alternatives that may result in the cancellation of the financing or other transaction.

Any form of compensation due a Municipal Advisor will likely present specific conflict of interests with the Client. If a Client is concerned about the conflict arising from Municipal Advisor compensation contingent on size and/or closing of their transaction, Ehlers is willing to discuss and provide another form of Municipal Advisor compensation. The Client must notify Ehlers in writing of this request within 10 days of receipt of this Municipal Advisor writing.

MSRB Contact Information

The website address of the MSRB is www.msrb.org. Posted on the MSRB website is a municipal advisory client brochure that describes the protections that may be provided by MSRB rules and how to file a complaint with the financial regulatory authorities.

Appendix B

Tax Incremental Financing Services

Scope of Service

Client has requested that Ehlers assist Client with preparing and securing approval of Project Plan Amendments to subtract territory from Tax Increment District No. 3 and to add territory to Tax Incremental District No. 11 (“Project”). Ehlers proposes and agrees to provide the following scope of services:

Phase I – Feasibility Analysis

Omitted. Client will provide Ehlers with pertinent information related to the parcels to be subtracted and added as well as its most current tax increment and cash flow projections which can be used to satisfy the statutory requirement for inclusion of an economic feasibility study in the Project Plan.

Phase II – Project Plan Development and Approval

This phase includes preparation of the Project Plan, and consideration by the Plan Commission¹, governing body, and the Joint Review Board. This phase begins after receiving notification from the Client to proceed and ends after the Joint Review Board acts on the Project. As part of Phase II services, Ehlers will:

- Based on the goals and objectives identified in Phase I, prepare a draft Project Plan that includes all statutorily required components.
- We will coordinate with your staff, engineer, planner or other designated party to obtain a map of the proposed boundaries of the district, a map showing existing uses and conditions of real property within the district, and a map showing proposed improvements and uses in the district.
- Submit to the Client an electronic version of the draft Project Plan for initial review and comment.
- Coordinate with Client staff to confirm dates and times for the meetings indicated within the following table. Ehlers will ensure that selected dates meet all statutory timing requirements and will provide documentation and notices as indicated.

¹If Client has created a Redevelopment Authority or a Community Development Authority, that body may fulfill the statutory requirements of the Plan Commission related to creation or amendment of the district.

Meeting	Ehlers Responsibility	Client Responsibility
Initial Joint Review Board	<p>Prepare Notice of Meeting and transmit to Client's designated paper.</p> <p>Mail meeting notice, informational materials, and draft Project Plan to overlapping taxing jurisdictions.</p> <p>Provide agenda language to Client.</p> <p>Attend meeting to present draft Project Plan.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Prepare meeting minutes.</p> <p>Designate Client Joint Review Board representative.</p> <p>Identify and recommend Public Joint Review Board representative for appointment.</p>
Plan Commission Public Hearing	<p>Prepare Notice of Public Hearing and transmit to Client's designated paper.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p>
Plan Commission Public Hearing	<p>For blighted area districts and in need of rehabilitation or conservation districts, provide a format for the required individual property owner notification letters.</p> <p>Attend hearing to present draft Project Plan.</p>	<p>Prepare and mail individual property owner notices (only for districts created as blighted area, or in need of rehabilitation or conservation).</p> <p>Prepare meeting minutes.</p>
Plan Commission	<p>Provide agenda language to Client.</p> <p>Attend meeting to present draft Project Plan.</p> <p>Provide approval resolution for Plan Commission consideration.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Distribute Project Plan & resolution to Plan Commission members in advance of meeting.</p> <p>Prepare meeting minutes.</p>
Governing Body Action	<p>Provide agenda language to Client.</p> <p>Attend meeting to present draft Project Plan.</p> <p>Provide approval resolution for governing body consideration.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Provide Project Plan & resolution to governing body members in advance of meeting.</p> <p>Prepare meeting minutes.</p>
Joint Review Board Action	<p>Mail meeting notice and copy of final Project Plan to overlapping taxing jurisdictions.</p> <p>Prepare Notice of Meeting and transmit to Client's designated paper.</p> <p>Provide agenda language to Client.</p> <p>Attend meeting to present final Project Plan.</p> <p>Provide approval resolution for Joint Review Board consideration.</p>	<p>Post or publish agenda and provide notification as required by the Wisconsin Open Records Law.</p> <p>Prepare meeting minutes.</p>

- Throughout the meeting process, provide drafts of the Project Plan and related documents in sufficient quantity for the Client's staff, Plan Commission, governing body and Joint Review Board members.
- Provide advice and updated analysis on the impact of any changes made to the Project Plan throughout the approval process.

Phase III – State Submittal

This phase includes final review of all file documents, preparation of filing forms, and submission of the base year or amendment packet to the Department of Revenue. This phase begins following approval of the district by the Joint Review Board and ends with the submission of the base year or amendment packet. As part of Phase III services, Ehlers will:

- Assemble and submit to the Department of Revenue the required base year or amendment packet to include a final Project Plan document containing all required elements and information.
- Provide the Client with an electronic copy of the final Project Plan (and up to 15 bound hard copies if desired).
- Provide the municipal Clerk with a complete electronic and/or hard copy transcript of all materials as submitted to the Department of Revenue for certification.
- Act as a liaison between the Client and the Department of Revenue during the certification process in the event any questions or discrepancies arise.

Compensation

In return for the services set forth in the "Scope of Service," Client agrees to compensate Ehlers as follows:

	Amend TID No. 3	Amend TID No. 11
Phase I	Omitted	Omitted
Phase II	\$ 5,500	\$ 5,500
Phase III	\$ 750	\$ 750
Total	\$ 6,250	\$ 6,250

For any service directed by Client and not covered by this, or another applicable Appendix, Ehlers will bill Client at an hourly rate that is dependent upon the task/staff required to meet Client request at no less than \$125.00/hour and not to exceed \$300.00/hour.

Payment for Services

For all compensation due to Ehlers, Ehlers will invoice Client for the amount due at the completion of each Phase. Our fees include our normal travel, printing, computer services, and mail/delivery charges. The invoice is due and payable upon receipt by the Client.

Client Responsibility

The following expenses are not included in our Scope of Services, and are the responsibility of Client to pay directly:

- Services rendered by Client's engineers, planners, surveyors, appraisers, assessors, attorneys, auditors and others that may be called on by Client to provide information related to completion of the Project.
- Preparation of maps necessary for inclusion in the Project Plan.
- Preparation of maps necessary for inclusion in the base year or amendment packet.
- Publication charge for the Notice of Public Hearing and Notices of Joint Review Board meetings.
- Legal opinion advising that Project Plan contains all required elements. (Normally provided by municipal attorney).
- Preparation of District metes & bounds description. (Needed in Phase III for creation of new districts, or amendments that add or subtract territory).
- Department of Revenue filing fee and annual administrative fees. The current Department of Revenue fee structure is:

Current Wisconsin Department of Revenue Fee Schedules	
Base Year Packet	\$1,000
Amendment Packet with Territory Addition	\$1,000
Amendment Packet with Territory Subtraction	\$1,000
Base Value Redetermination	\$1,000
Amendment Packet	No Charge
Annual Administrative Fee	\$150

The above Proposal is hereby accepted

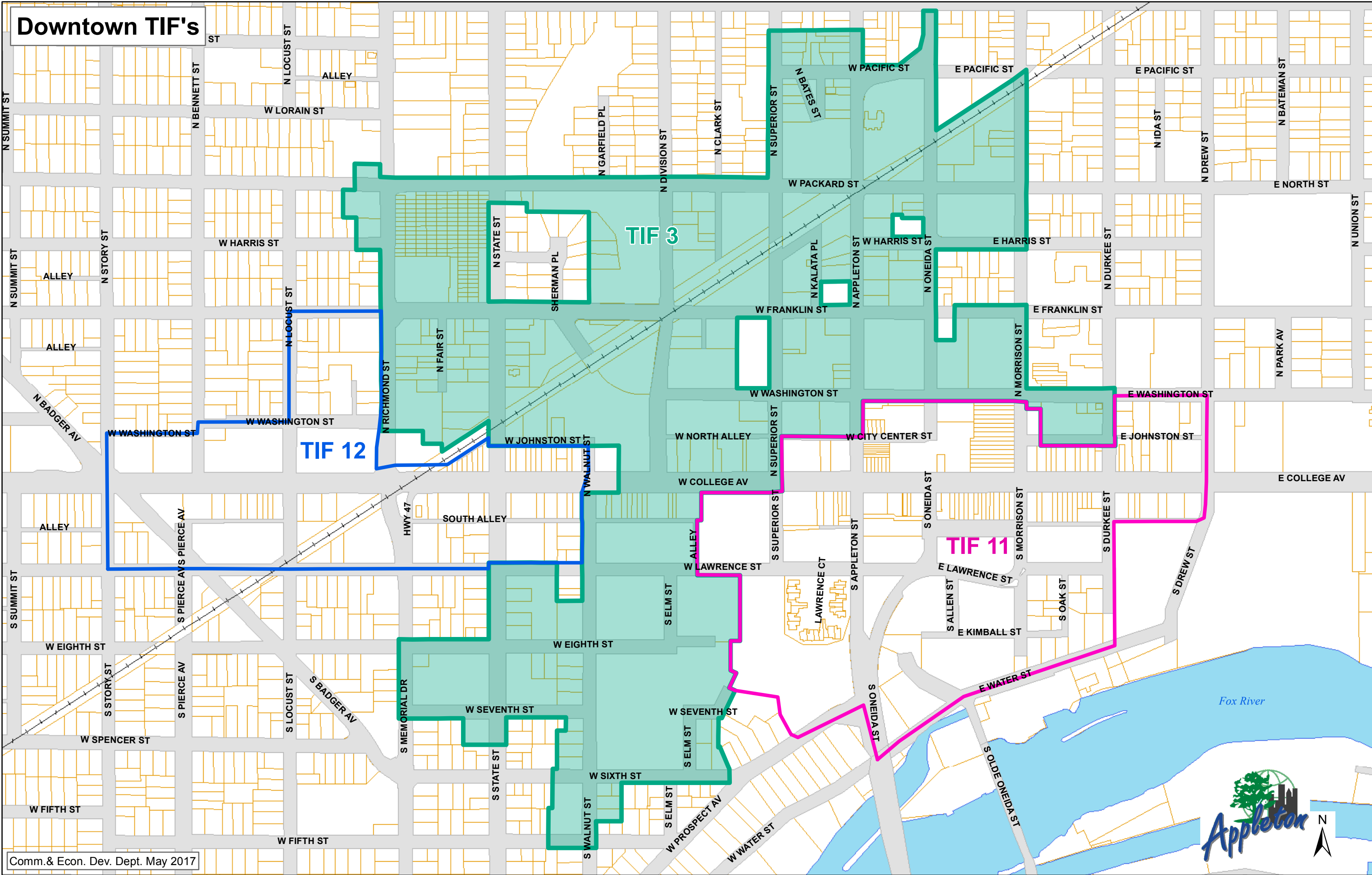
by the City of Appleton, Wisconsin,

by its authorized officer this ____ day of _____, 2018.

Signed

Title: _____

Downtown TIF's



CITY OF APPLETON POLICY		TITLE: PROCUREMENT AND CONTRACT MANAGEMENT POLICY	
ISSUE DATE: 09/01/10	LAST UPDATE: 10/07/15	SECTION: Finance	FILE NAME:
POLICY SOURCE: Finance Department			TOTAL PAGES: 18
Reviewed by Attorney's Office Date: 09/10/15	Finance Committee Approval Date: 08/25/10 Date: 08/08/12 Date: 09/26/12 Date: 09/22/15	Council Approval Date: 09/01/10 Date: 08/15/12 Date: 10/03/12 Date: 10/07/15	

I. PURPOSE

Procurement Policy – To allow the City to acquire, on a competitive basis, all goods and services at the best value possible and to operate in a manner that maximizes the effectiveness and efficiency of services provided by and for the City.

Contract Management Policy – To allow for the City to manage all contracts, and change orders associated with all contracts, in a manner that maximizes the effectiveness and efficiency of those contracts and change orders while ensuring adequate internal controls are followed.

II. POLICY

This policy establishes a Purchasing Office, Purchasing Manager and a contract management process. The Purchasing Office will have the responsibility to institute and maintain an effective and economical program for the purchase of goods and services. The Purchasing Manager, acting as a representative of the Mayor and reporting to the Finance Director, will ensure the proper and efficient administration of this program, and monitor compliance with these procedures, rules and regulations throughout City operations.

The purpose of the purchasing program is to enable departments to acquire needed equipment, materials, supplies and services of suitable quality for the purpose intended from the lowest priced responsible and responsive bidder while enhancing competition and providing fair opportunity and equitable treatment for all vendors.

This will be accomplished by utilizing a combined effort between City departments and the Purchasing Office. The Purchasing Office will concentrate efforts on standardizing and centralizing purchases of common use items among all departments while enlisting individual departments' expertise in purchasing specialized items unique to their departments. When purchasing these specialized items, the individual department becomes responsible for ensuring that the provisions of this policy are followed.

D. STANDARD CONTRACTS

When the Purchasing Manager has standardized the purchasing of a good or service and has issued standard purchase orders or contracts for these goods or services, such goods or services shall be purchased from the agreed upon vendor for the length of the agreement. Exceptions will be made only when the requisition clearly states the reason for which the standard item is unacceptable.

E. COOPERATIVE PURCHASING

The Purchasing Manager and other authorized City personnel shall have authority to join with other units of government, with quasi-government agencies funded in whole or in part by the City, and with other purchasing associations in cooperative purchasing plans when the best interest of the City would be served.

Competitively bid cooperative purchasing contracts onto which the City "piggybacks" must contain language specifically allowing participation by other government agencies. They are considered to have met competitive requirements, and no additional quotes are necessary. Additionally, if identical products can be obtained at a lower price than current cooperative purchasing contracts, no additional quotes are required.

F. PURCHASING FROM GOVERNMENT UNITS

Materials, supplies, machinery and equipment offered for sale by the federal or state government or by any municipality may be purchased without bids at prices to be agreed upon between the Purchasing Manager and the respective department for which the item is to be acquired. Expert assistance for appraisal of such items may be employed at the discretion of the Purchasing Manager.

G. SOLE SOURCE

Purchases of goods or services under \$25,000 may be made without competition when it is agreed in advance between the department and the Purchasing Office that there is a valid reason to purchase from one source or that only one source is available.

For sole source purchases over \$2,000 but less than \$7,500, the department shall obtain verbal approval from the Purchasing Office, and document the reasons and agreement at the department level. The Purchasing Manager may suggest or assist in locating additional competitive sources.

- (1) For sole source purchases over \$7,500 but less than \$25,000, a written justification shall be forwarded to the Purchasing Manager, who will either concur with the sole source or assist in locating additional competitive sources.

- (2) Any sole source purchase of \$25,000 or more must have a recommendation by the Committee of Jurisdiction and an approval of the Common Council.
- (3) The use of the sole source exception to the competitive bidding process will expire on an annual basis.
- (4) A sole source purchase may be allowed when a needed item becomes available on a one-time basis at an “exceptionally advantageous” price. The buyer must be able to show that the purchase price of the item presents a unique and temporary opportunity for significant savings relative to its market value. Examples include auctions, used equipment offerings, liquidations, etc. Approval procedures G.(1) through G.(3) above still apply.

H. EMERGENCY PURCHASES

Any City department or agency may purchase in the open market, without filing a requisition or estimate, or receiving competitive bids, any supplies, materials or equipment for immediate delivery to meet emergencies arising from unforeseen causes. The following situations constitute an emergency under this provision of the policy:

- (1) Any situation in which there exists immediate and substantial danger to the health, life or property of any person or any situation in which there exists potential for increased damage to City property if the situation is not immediately remedied;
- (2) Any situation where the normal operation of any City department or Agency is seriously impaired or is in jeopardy of being seriously impaired; or
- (3) When the Mayor’s Office declares an emergency.

I. PURCHASE OF RECYCLED MATERIALS

The Purchasing Manager will ensure that the average recycled content of all paper purchased by the City measured as a proportion, by weight, of the fiber content of all paper products purchased in the year is not less than those percentages specified in Wisconsin Statute §66.0131(3)(a)(2).

J. PURCHASE ORDERS

Purchase orders should be issued for all purchases of goods and services unless such payment is covered by an existing contract or other agreement. However,