

RACS Agenda
Redevelopment Authority of the City of Superior
Monday, February 27, 2023–3:00 p.m.
Government Center Room 217



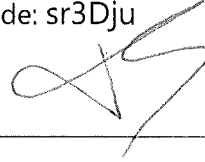
SUPERIOR

WISCONSIN

Living up to our name

Microsoft Teams Meeting; Meeting ID: 272 276 021 57 Passcode: sr3Dju

Dial-in option: 1 872-242-8028,,242073957#



MISSION STATEMENT: To be responsible to undertake and carry out redevelopment and urban renewal projects.
R-94-11790-2/3/1994 as set forth by State Statutes 66.431.

COMMITTEE MEMBERS: Anne Porter (chair), Debra Emery (vice chair), Jim Paine (mayor), Nick Baker (County Commissioner), Councilor Mike Herrick, Sakib Mahmud

1 ROLL CALL

2 APPROVAL OF MINUTES

2.1 RACS Minutes (January 12, 2023)

3 NEW BUSINESS

3.1 Resolution of the Redevelopment Authority of the City of Superior, Wisconsin,
Authorizing a First Amendment to Purchase Agreement with Cas. A. Bernick,
Incorporated

a. Form of First Amendment to Purchase Agreement

4 ADJOURNMENT

Notice is hereby given that a majority of the members of the Common Council may be present at the meeting, and although this may constitute a quorum of the Common Council, the Council will not take any action at this meeting.

Pursuant to the Americans with Disabilities Act of 1990, if you are in need of an accommodation to participate in the public meeting process, please call (715) 395-7200 by 4:30 p.m. on the day prior to the scheduled meeting date (OR dial 711 for Telecommunications Relay Service). The City will attempt to accommodate any request depending on the amount of notice received.

In compliance with Wisconsin Open Meetings Law, this agenda was posted on 02/21/2023 at the following locations: Superior Government Center, Douglas County Courthouse, Superior Public Library, and online at <https://www.ci.superior.wi.us/agendacenter>. It was also emailed the Superior Telegram.

RACS Minutes

January 12, 2023 Regular Meeting

The meeting was called to order by Chair Porter at 4:03 pm on January 12, 2023 in Government Center Room 217.

1 ROLL CALL

PRESENT: Nick Baker, Mike Herrick, Deb Emery, Anne Porter

VIRTUAL: Jim Paine

ABSENT: Sakib Mahmud

CITY STAFF PRESENT: Director Serck, Tech Becken

OTHERS PRESENT: Robert Toftey, Shelley Nelson

2 APPROVAL OF MINUTES

MOTION to approve by Herrick, seconded by Baker, carried.

3 NEW BUSINESS

3.1 Public Hearing

- a. Consider the sale of real property to Chas A Bernick, Incorporated

Director Serck shared details about the property that is currently under a long-term lease that Bernick would like to buy. Bernick is working through environmental studies, including a phase 2 that may impact the sale, but for now Bernick and the City want to continue pursuing the sale. If any significant changes were to be made or new items negotiated, the topic would be brought back to RACS for consideration.

Chair Porter opened the public hearing and called for participation 3 times before closing the public hearing. No public comment was offered.

3.2 Resolution of the Redevelopment Authority of the City of Superior, Wisconsin, Authorizing the Sale of Land to Chas A. Bernick, Incorporated

- a. Draft Purchase Agreement
- b. Draft Assignment of Lease and Consent to Assignment

MOTION to approve the Resolution of the Redevelopment Authority of the City of Superior, Wisconsin, Authorizing the Sale of Land to Chase A. Bernick, Incorporated by Baker, seconded by Herrick and carried.

3.3 Resolution of the Redevelopment Authority of the City of Superior, Wisconsin, Approving a Rail Easement Agreement with the City of Superior, Wisconsin and C. Reiss Terminals, LLC in Connection with Property Located in the Winter Street Industrial Park

- a. Draft Easement Agreement

Director Serck introduced the project and showed the area where the easement will allow a rail spur and use of an existing road that is on property owned by RACS. The C. Reiss project is a large, multi-funding source supported project that combines private, federal, EPA, and state funding. The City is being a conduit and support for all the parties to connect and fund.

Legal Counsel Tofte explained that the easement includes utility access as well as the spur and road use if needed, as C. Reiss is planning to add a building and offices to the area and new infrastructure will most likely be required for that. The easement allows for a new spur off the existing railroad line. Any use of the land included in the easement will be cleared with City staff before the work is done.

MOTION to approve the Resolution of the Redevelopment Authority of the City of Superior, Wisconsin Approving a Rail Easement Agreement with the City of Superior, Wisconsin and C, Reiss Terminals, LLC in Connection with Property Located in the Winter Street Industrial Park by Baker, seconded by Emery and carried.

4 ADJOURNMENT

MOTION to adjourn by Herrick , seconded by Baker, carried.

Respectfully submitted by Stephanie Becken.

Commissioner _____ introduced the following resolution and moved its adoption:

RESOLUTION OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF SUPERIOR, WISCONSIN, AUTHORIZING A FIRST AMENDMENT TO PURCHASE AGREEMENT WITH CHAS A. BERNICK, INCORPORATED

BE IT RESOLVED, by the Board of Commissioners of the Redevelopment Authority of the City of Superior (the “Authority”), as follows:

Section 1. Findings.

1.01 The City of Superior, Wisconsin (the “City”) has encouraged redevelopment within the North End of the City for the City for industrial and business purposes and has created the Interstate Business Park to encourage such redevelopment.

1.02 The City has designated the Authority as the agency to carry out business and industrial development within the City.

1.03 The Authority entered into a Lease dated August 29, 1997 (the “Lease”), with RPR Enterprises, a general partnership (“RPR”) for a term of fifty (50) years for real property located within the Interstate Business Park having a street address of 1606 North 6th Street, and legally described on Exhibit A attached hereto (the “Real Property”).

1.04 RPR has informed the Authority that it desires to sell its interest in the Real Property and the commercial building and related improvements (the “Improvements”) thereon and assign its interest in the Lease to Chas A. Bernick, Incorporated (“Bernick”).

1.05 Bernick and RPR have entered into an agreement whereby RPR would sell and Bernick would purchase RPR’s interest in the Real Property and the Improvements thereon and RPR would assign and Bernick would assume all of RPR’s rights and obligations under the Lease.

1.06 As a condition to closing the sale of the Real Property, RPR shall have entered into an Assignment of Lease and Consent to Assignment (the “Assignment”) with Bernick in which RPR assigns all right, title and interest in and to the Lease and Real Property and the Authority, as Landlord, shall have consented to the Assignment.

1.07 The terms and conditions of the sale and purchase of the Real Property were set forth in a Purchase Agreement (the “Purchase Agreement”) dated February 8, 2023 between the Authority and Bernick and the terms and conditions of the consent to the assignment of the Lease proposed to be entered into between the Authority and Bernick are set forth in the Assignment.

1.08 Based upon Bernick’s environmental due diligence with respect to the Real Property to date, the Authority and the Purchaser desire to amend certain terms of the Purchase Agreement

1.09 The terms and conditions of the proposed amendment are set forth in a First Amendment to Purchase Agreement to be entered into between the Authority and Bernick (the “First Amendment”), the forms of which are on file in the office of the Executive Director of the Authority.

Section 2. Approval.

2.01 The form of First Amendment, as presented to the Board, is approved. The Chair and the Executive Director of the Authority are authorized and directed in the name and on behalf of the Authority to execute the First Amendment, with such changes as do not materially change the substance thereof, as the Chair and the Executive Director shall deem necessary and appropriate.

2.02. The Board hereby authorizes and directs the Chair and Executive Director of the Authority to perform all actions and execute all instruments necessary to cause the sale and conveyance of the Real Property to Bernick in accordance with the terms and conditions set forth in the Purchase Agreement as amended by the First Amendment. The Board hereby ratifies and approves all actions taken by the Chair and the Executive Director in connection with the First Amendment taken prior to the date hereof.

Adopted: February 27, 2023.

Attest:

Chair

Executive Director

The motion for the adoption of the foregoing resolution was duly seconded by Commissioner _____ and, upon vote being taken thereon, the following voted in favor thereof:

and the following voted against the same:

and the following were absent:

whereupon, the resolution was declared duly passed and adopted and was approved and signed by the Chair, whose signature was attested by the Executive Director.

EXHIBIT A

LOTS ONE (1) THROUGH FOURTEEN (14), INCLUSIVE, BLOCK FORTY-FIVE (45) AND LOTS FIFTEEN (15) THROUGH TWENTY-EIGHT (28), INCLUSIVE, BLOCK FORTY-FOUR (44), INCLUDING VACATED JOHN AVENUE FROM THE SOUTH RIGHT OF WAY LINE OF NORTH 6TH STREET, SOUTHERLY TO THE NORTH RIGHT OF WAY LINE OF NORTH 7TH STREET, WEST SUPERIOR, FIRST DIVISION, IN THE CITY OF SUPERIOR, DOUGLAS COUNTY, WISCONSIN.

FIRST AMENDMENT TO PURCHASE AGREEMENT

THIS FIRST AMENDMENT TO PURCHASE AGREEMENT (this “First Amendment”) is made and entered into and effective on this ____ day of March, 2023, by and between THE REDEVELOPMENT AUTHORITY OF THE CITY OF SUPERIOR, WISCONSIN (the “Authority”) and CHAS A. BERNICK, INCORPORATED, a Minnesota corporation (the “Purchaser”).

RECITALS:

A. The Authority and Purchaser entered into that certain Purchase Agreement, dated as of February 8, 2023 (the “Purchase Agreement”) for the sale and purchase of real property commonly known as 1606 North 6th Street, Superior, Wisconsin and legally described in the Purchase Agreement (the “Property”).

B. Based upon Purchaser’s environmental due diligence with respect to the Property to date, Authority and Purchaser desire to amend certain terms of the Purchase Agreement.

C. The Authority and Purchaser desire to amend the terms of the Purchase Agreement as set forth herein.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the Authority and Purchaser agree to amend the Purchase Agreement as follows:

AGREEMENT:

1. Capitalized Terms. Except as set forth in this First Amendment, terms capitalized in this First Amendment, but not otherwise defined, have the meanings ascribed to them in the Purchase Agreement.

2. Remediation. Purchaser’s environmental consultant, Braun Intertec Corporation (“Braun”), has completed a Phase I Environmental Site Assessment and limited environmental testing at the Property (“Phase II ESA”). Braun has recommended to Purchaser that Purchaser self-report certain environmental impacts identified at the Property during the Phase II ESA to the Wisconsin Department of Natural Resources (the “WDNR”). Purchaser intends to do so after closing and shall bear the cost of any additional investigation or testing required by the WDNR in connection with the self-reported environmental impacts. Purchaser has requested that Authority deposit Fifty Thousand Dollars (\$50,000.00) (the “Escrowed Funds”) into an escrow account held by Title Insurer at closing to be utilized for payment of the costs of any remediation required by the WDNR for the Property to achieve case closure status (the “Remediation Costs”) with respect to the environmental condition of the Property. The Escrowed Funds shall be disbursed as follows:

a. If the WDNR does not require that Purchaser perform any remediation at the Property within twelve (12) months after the Closing Date, then all of the Escrowed Funds

shall be returned to Authority within three (3) business days after such 12-month anniversary.

b. If the WDNR requires that Purchaser perform remediation at the Property and Purchaser incurs Remediation Costs less than \$50,000.00, then within three (3) business days after receipt of written notice from Purchaser including: (i) all invoices paid to Purchaser's remediation provider(s) for required remediation; and (ii) a statement from Purchaser that all required remediation has been completed, Title Insurer shall pay for Purchaser's remediation provider(s) the amounts set forth on their invoice(s) and any remaining Escrowed Funds shall be returned to the Authority.

c. If Purchaser incurs Remediation Costs equal to or greater than \$50,000, then Title Insurer shall pay the Escrowed Funds to Purchaser's remediation provider(s) upon the terms set forth in (b)(i) above and Purchaser shall be liable for any and all Remediation Costs in excess of the Escrowed Funds.

d. Purchaser shall provide any documentation regarding the remediation or to substantiate the Remediation Costs as Authority may reasonably request, within a reasonable time after receipt of such request.

3. Miscellaneous. The Purchase Agreement, except as modified herein, is hereby confirmed to be in full force and effect. The individuals executing this First Amendment hereby represent and warrant that they are empowered and duly authorized to so execute this First Amendment on behalf of the parties they represent. This First Amendment shall be binding upon and inure to the benefit of each of the parties hereto and their respective successors and assigns. This First Amendment may be executed in any number of counterparts, each of which when executed shall be deemed an original with all such counterparts taken together shall constitute one and the same instrument. Facsimile or email (PDF format) signatures shall be deemed and treated as originals. The Purchase Agreement, as amended by this First Amendment, constitutes the entire agreement between Purchaser and Authority with respect to the Property and may be amended or altered only by written agreement executed by both parties, and supersedes all prior agreements, whether written or oral, between the parties. Any conflict between the Purchase Agreement and this First Amendment shall be resolved in favor of this First Amendment. The Purchase Agreement, as amended by this First Amendment, and the rights and obligations of the parties hereto, must be construed and enforced in accordance with the laws of the State of Wisconsin.

[Signature Page(s) to Follow]

IN WITNESS WHEREOF, The parties hereto have executed this First Amendment as of the date first stated above.

AUTHORITY:
REDEVELOPMENT AUTHORITY OF THE CITY
OF SUPERIOR, WISCONSIN

By _____
Chair

By _____
Executive Director

PURCHASER:
CHAS. A. BERNICK, INCORPORATED, a
Minnesota corporation

By: _____
Name: Jason Hinnenkamp
Its: CEO