



AGENDA OF THE REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY

**THURSDAY, NOVEMBER 1, 2018, 1:30 PM
CITY HALL, ROOM 604 - THE HARRY MAIER ROOM**

A. Roll Call.

- I. Members: Gary Delveaux, Chair; Matt Schueller, Vice-Chair; Ald. Barbara Dorff, James Blumreich, Deby Dehn, Kathy Hinkfuss, and Melanie Parma.
Liaisons: Chelsea Kocken, Jeff Mirkes, and Leah Weycker.

B. Approval of the Agenda.

- I. Approval of the agenda for the November 1, 2018, special meeting of the Redevelopment Authority.

C. Regular Business.

- I. Consideration with possible action on Development Agreement Amendment Number Two (2) with GBES Owner I, LLC for East Town Mall Redevelopment at 2350 E. Mason St. (Tax Parcel 21-126-7) and 2350-2390 E. Mason St. (Tax Parcel 21-126-3).

The Authority may convene in closed session pursuant to Sections 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Authority may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

2. Consideration with possible action on sale of real property at Washington St. (Tax Parcel 15-168).

The Authority may convene in closed session pursuant to Sections 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Authority may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

D. Adjournment.

- 1) THIS MEETING IS RECORDED: THE VIDEO OF THIS MEETING AND MINUTES ARE AVAILABLE ONLINE
AT www.greenbaywi.gov

- 2) **ACCESSIBILITY:** Any person wishing to attend who requires special accommodation because of a disability, should contact the City Safety Manager at 920-448-3125 at least 48 hours before the scheduled meeting time so that arrangements can be made.
- 3) **QUORUM:** Please take notice that a majority or quorum of the Common Council will attend this Redevelopment Authority meeting and will constitute a meeting of the Common Council for purposes of discussion and information gathering relative to this agenda.
- 4) **REPRESENTATION:** The party requesting the communication, or their representative, should be present at this meeting.



Report to the
Redevelopment Authority
of the City of Green Bay

MEETING DATE

November 1, 2018

PREPARED BY

Kevin J. Vonck, CED Director

AGENDA ITEM # C.I.

Consideration with possible action on Development Agreement Amendment Number Two (2) with GBES Owner I, LLC for East Town Mall Redevelopment at 2350 E. Mason St. (Tax Parcel 21-126-7) and 2350-2390 E. Mason St. (Tax Parcel 21-126-3).

The Authority may convene in closed session pursuant to Sections 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Authority may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

BACKGROUND

A Developer, GBES Owner I, LLC, continues to work on reconfiguring the largely-vacant existing East Town Mall property into a multi-tenant retail power center with national name brands.

The Developer is seeking consent to sell 2350-2390 E. Mason Street (Tax Parcel 21-126-3) ("Property B"), which contains the Petco and Hobby Lobby, to an unrelated third party, in order to move forward with the redevelopment of the main mall structure at 2350 E. Mason St. (Tax Parcel 21-126-7) ("Property A"). The Developer is also requesting additional time to submit construction plans and obtain approvals.

The Developer remains committed that assessed property values will not be less than \$7,325,000 by 1 January 2019; \$15,160,000 by 1 January 2020; and \$18,000,000 by 1 January 2022.

RECOMMENDATION

Approve Development Agreement Amendment Number Two (2) with GBES Owner I, LLC for East Town Mall Redevelopment at 2350 E. Mason St. (Tax Parcel 21-126-7) and 2350-2390 E. Mason St. (Tax Parcel 21-126-3), subject to minor legal and technical revisions.

FISCAL IMPACT

There are no changes to the TIF Incentive. No levy dollars will be used for this project.

ATTACHMENTS

1. 8 - East Town - 21-126-7 - 181031 - Development Agreement Amendment 2
2. 8 - East Town - 21-126-7 - 181031 - Development Agreement Amendment 2 - Parcel Map
3. 8 - East Town - 21-126-7 - 180307 - Development Agreement Amendment - Executed
4. 8 - East Town - 21-126-7 - 170919 - Development Agreement - Executed

AMENDMENT NO. 2 TO
DEVELOPMENT AGREEMENT 17-03
EAST TOWN MALL REDEVELOPMENT

THIS AMENDMENT NO. 2 TO DEVELOPMENT AGREEMENT 17-03 (“Amendment 2”) is made by and between the City of Green Bay, Wisconsin, the Redevelopment Authority of the City of Green Bay, Wisconsin (collectively “Green Bay”), and GBES Owner I, LLC, (“Developer”), as of the ____ day of _____, 2018. Individually, each of the foregoing is a “Party”, and they are collectively, the “Parties”.

R E C I T A L S

WHEREAS, the Parties entered into a Development Agreement 17-03 East Town Mall Redevelopment (the “Agreement”) as of the 19th day of September, 2017; and

WHEREAS, the Parties entered into Amendment No. 1 to the Development Agreement 17-03 East Town Mall Redevelopment (“Amendment No. 1”) as of the 19th day of March, 2018; and

WHEREAS, the Parties have agreed to enter into this Amendment No. 2, as provided herein.

AGREEMENT

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein, the Parties agree to the following amendments to the Agreement, as amended by Amendment No. 1:

1. The definition of “Property”, as set forth in Article I, Section 1.1, of the Agreement is stricken in its entirety, and substituted therefore is the following:

“Property A means the parcel identified as 2350 East Mason Street, Tax Key No. 21-126-7 in the City of Green Bay, Wisconsin, described in Exhibit A, containing approximately 14.809 acres.

Property B means the parcel identified as 2350-2390 East Mason Street, Tax Key No. 21-126-3 in the City of Green Bay, Wisconsin, described in Exhibit A, containing approximately 5.788 acres.

Collectively, Property A and Property B are referred to herein as the “Property”.”

2. Subparagraph (c) in Article III, Section 3.1(5) is stricken in its entirety, and substituted therefore is the following:

“Developer intends to sell Property B to an unrelated third party. In the event such intention results in the sale of Property B to an unrelated third party, Developer will not file an objection to a real property assessment of Property A, if

the combined assessments of Property A and Property B are \$4,000,000, or less, in 2017, \$7,325,000, or less, in 2018 and 2019 and \$15,160,000, or less in 2020 and 2021, and \$18,000,000, or less, in 2022 and thereafter during the Term of this Agreement. Upon recording of the intended conveyance of Property B to an unrelated third party, Property B, its new owner and new owner's successors, assigns and mortgage lenders are released from any and all responsibilities provided in the Agreement, as amended, except as provided by the provisions of the Agreement, as amended, contained in Article III, Section 5(d). All of Developer's obligations, including but not limited to the guarantee set forth in Article III, Section 5(a), shall continue.

3. The dates specified in Article III, Section 3.1(1) are changed:
 - a) From September 30, 2018 to December 31, 2018, and
 - b) From October 31, 2018 to January, 31, 2019
4. The date specified in Article III, Section 3.1(2) is changed from April 1, 2019 to August 1, 2019.
5. All other provisions of the Agreement, as amended, remain in full force and effect.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date above indicated.

GBES OWNER I, LLC

By: _____
Shlomo Chopp, Manager

STATE OF NEW YORK)
) SS.
KINGS COUNTY)

Personally came before me this ____ day of September, 2018, the above-names SHLOMO CHOPP, the Manager of GBES Owner I, LLC, to be known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of New York

My Commission expires: _____

CITY OF GREEN BAY, WISCONSIN

By: _____
James Schmitt, Mayor

ATTEST:

By: _____
Kris A. Teske, Clerk

**REDEVELOPMENT AUTHORITY OF
THE CITY OF GREEN BAY, WISCONSIN**

By: _____
Gary Delveaux, Vice-Chair

By: _____
Kevin J. Vonck, Executive Director

STATE OF WISCONSIN)
)SS.
BROWN COUNTY)

Personally came before me this ____ day of September, 2018, the above-names GARY DELVEAUX, the Vice-Chair of the REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY, to me known to be the person who executed the foregoing instrument and acknowledged the same.

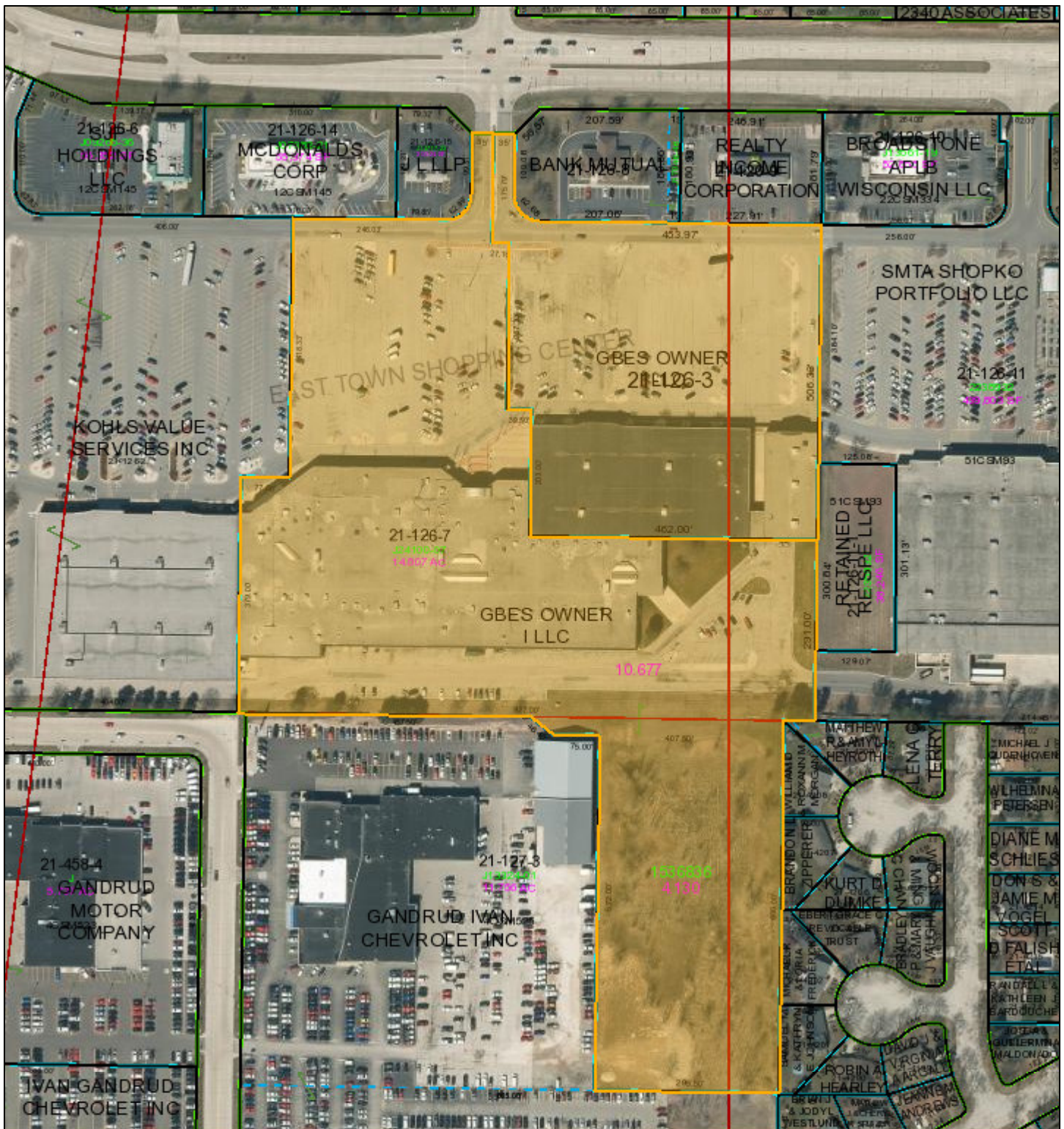
Notary Public, State of Wisconsin
My Commission Expires: _____

STATE OF WISCONSIN)
)SS.
BROWN COUNTY)

Personally came before me this ____ day of September, 2018, the above-names KEVIN J. VONCK, the Executive Director of the REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My Commission Expires: _____

East Town Mall



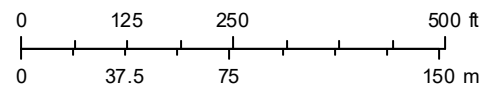
10/31/2018, 8:49:34 AM

1:2,716

TaxParcel

- Condominium
- Gap; Overlap
- Hydrography
- Right of Way

- TaxParcel
- Undetermined



Brown County Municipalities
Brown County
Brown County WI

AMENDMENT NO. 1 TO
DEVELOPMENT AGREEMENT 17-03
EAST TOWN MALL REDEVELOPMENT

THIS AMENDMENT NO. 1 TO DEVELOPMENT AGREEMENT 17-03 ("Amendment") is made by and between the City of Green Bay, Wisconsin, the Redevelopment Authority of the City of Green Bay, Wisconsin (collectively "Green Bay"), and GBES Owner I, LLC, ("Developer"), (individually, each of the foregoing is a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, the Parties have entered into Development Agreement 17-03 East Town Mall Redevelopment (the "Agreement") as of the 19th day of September, 2017, which Agreement provided alternative provisions regarding the Base Year Value of the Property for 2017, and

WHEREAS, the Parties have agreed to resolve their dispute on the Base Year Value of the Property for 2017; and

WHEREAS, Article III, Section 3.1 (5.3)(a) of the Agreement provides "If the Base Value of the Property is neither \$3,000,000 nor \$7,325,000 the Parties shall confer and mutually agree on the amendments required by the Base Value determination", and the Parties have done so,

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein, the Parties agree to the following amendments to the Agreement:

1. The Paragraph in Article III of the Agreement denominated 3.1(5) is stricken in its entirety; and substituted therefore is the following:

"Article III, Section 5, Developer further agrees:

- (a) Developer guarantees that the Value of the Property will be not less than \$4,000,000 on January 1, 2017, not less than \$7,325,000 on January 1, 2018 and January 1, 2019, not less than \$15,160,000 on January 1, 2020 and January 1, 2021, not less than \$18,000,000 on January 1, 2022 (each of the foregoing amounts is referred to herein as the "Guaranteed Value" and the dates as the "Valuation Date"), and Developer further guarantees that the \$18,000,000 Guaranteed Value will continue through the Term of this Agreement, pursuant to Section 8.10 herein.

- (b) For the tax year of the initial Valuation Date and thereafter during the Term of this Agreement, Developer guarantees that the amount due to Green Bay on the Value of the Property shall be not less than the Guaranteed Value in Section 3.1 (5)(a) of this Agreement, multiplied by the assessment ratio for the relevant year and multiplied by the mill rate for the relevant year. Developer agrees that, in the event the property taxes due for any year covered by this Agreement shall be based on a Value less than the Guaranteed Value in Section 3.1 (5)(a) of this Agreement, Green Bay may submit a bill to Developer for the differential ("Differential Payment"). For example, assume a Valuation Date of January 1, 2020. Should the assessment ratio be 100% and the mill rate be \$23/M, the amount required to be paid to Green Bay under this Agreement for taxes for 2020 is \$348,680. If the amount which would be due on \$15,160,000 is \$348,680, and the amount of property taxes billed, with the same assumptions, is on \$14,000,000, or \$322,000, the billable Differential Payment is \$26,680. Such a billing shall be submitted to Developer by the City Treasurer by January 15 of the year following the relevant tax year and shall be paid in full by Developer, without interest thereon, by February 15 of that year. If not fully paid when due, the amount remaining unpaid on and after February 15 shall accrue interest at a rate of six percent (6%) per annum until fully paid, notwithstanding any other provision of this Agreement.
- (c) Developer will not file an objection to a real property assessment of the Property which is \$4,000,000, or less, in 2017, \$7,325,000, or less, in 2018 and 2019, \$15,160,000, or less, in 2020 and 2021, and \$18,000,000, or less, in 2022 and thereafter during the Term of this Agreement.
- (d) No future structures, including but not limited to utility buildings and tool sheds, shall be constructed or installed on any portion of the Property without Green Bay's approval, which approval shall not be unreasonably withheld or delayed. The definition of structure shall be the definition contained within the Green Bay Zoning Ordinance.

2. Article IV is stricken in its entirety, and substituted therefore is the following:

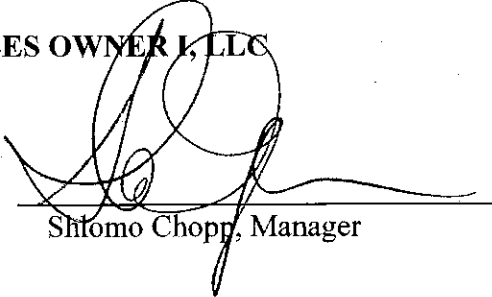
“Article IV – Property Base Value. The Parties agree that the Base Year Value of the Property is \$4,000,000.

3. All other provisions of the Agreement remain in full force and effect.

[SIGNATURE PAGES TO FOLLOW]

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment as of the date above indicated.

GBES OWNER I, LLC

By: 

Shlomo Chopp, Manager

STATE OF NEW YORK)
) ss.
KINGS COUNTY)

Personally came before me this 19 day of March, 2018, the above-named SHLOMO CHOPP, the Manager of GBES Owner I, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.



Notary Public, State of New York

My Commission expires: 2/8/19

MALKA RENNERT
Notary Public, State of New York
No. 24 - 5007973
Qualified in Kings County
Commission Expires Feb. 8, 2019

CITY OF GREEN BAY, WISCONSIN

By: _____

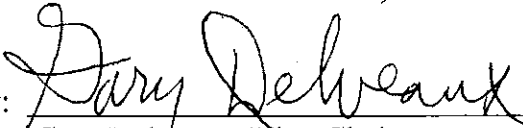
James Schmitt, Mayor

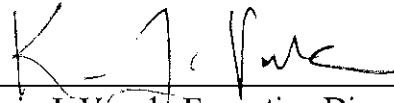
ATTEST: _____

By: _____

Kris A. Teske, Clerk

**REDEVELOPMENT AUTHORITY OF
THE CITY OF GREEN BAY, WISCONSIN**

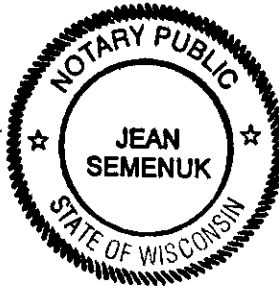
By: 
Gary Delveaux, Vice-Chair

By: 
Kevin J. Vonck, Executive Director

STATE OF WISCONSIN)
)
BROWN COUNTY) ss.

Personally came before me this 7th day of March, 2018, the above-named GARY DELVEAUX, the Vice-Chair of the REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY, to me known to be the person who executed the foregoing instrument and acknowledged the same.

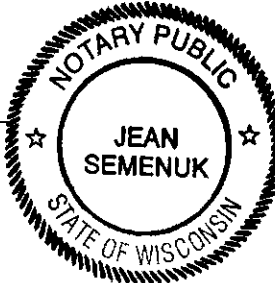

Jean Semenuk
Notary Public, State of Wisconsin
My Commission expires: 7/13/2020



STATE OF WISCONSIN)
)
BROWN COUNTY) ss.

Personally came before me this 7th day of March, 2018, the above-named KEVIN J. VONCK, the Executive Director of the REDEVELOPMENT AUTHORITY OF THE CITY OF GREEN BAY, to me known to be the person who executed the foregoing instrument and acknowledged the same.


Jean Semenuk
Notary Public, State of Wisconsin
My Commission expires: 7/13/2020



DEVELOPMENT AGREEMENT 17-03
EAST TOWN MALL REDEVELOPMENT

THIS DEVELOPMENT AGREEMENT ("Agreement"), made as of the 19 day of ~~SEPTEMBER~~, 2017, by and between the City of Green Bay, Wisconsin, the Redevelopment Authority of the City of Green Bay, Wisconsin (collectively "Green Bay"), and GBES Owner I, LLC., ("Developer"), (individually, each of the foregoing is a "Party" and collectively, the "Parties").

RECITALS

WHEREAS, Green Bay desires to encourage development, expand the tax base, create new jobs and eliminate and prevent blight within the City; and

WHEREAS, for these purposes, Green Bay has created Tax Incremental District No. 19 ("TID No. 19") pursuant to Wisconsin Statutes; and

WHEREAS, Developer has purchased the property located at 2350 East Mason Street, Green Bay, Tax Key No. 21-126-7 and the property located at 2350-2390 East Mason Street, Green Bay, tax Key No. 21-126-3 (the "Property"), which is within TID No. 19, which Property is more fully described in Exhibit A; and

WHEREAS, Developer intends to make improvements to the Property in conjunction with its planned use of the Property for retail spaces to be occupied by retail tenants and others, (the "Project"); and

WHEREAS, Developer has requested Tax Incremental Finance ("TIF") assistance from Green Bay with regard to certain expenses, including, but not limited to, environmental remediation, remodeling, repair or reconstruction of the existing buildings and parking and drive areas and public works infrastructure, all of which will constitute qualified expenditures for which TIF assistance may be afforded Developer; and

WHEREAS, Green Bay has determined that (1) redevelopment of the Property and (2) construction of the Project will serve to encourage development, eliminate and prevent blight within Green Bay, is in the best interests of Green Bay and its residents, and is consistent with the Green Bay Comprehensive Plan; and

WHEREAS, Developer has filed, or will file, with Green Bay:

1. A schedule showing the name of Developer and the mailing address and telephone number of Developer's representatives for the Project incorporated by reference herein as Exhibit B.

2. The plans, specifications, documents and exhibits ("Plans and Specifications"), if and as required by Green Bay, for the redevelopment of the Property and the Project, it being

acknowledged some of the foregoing may be submitted for approval after execution of this Agreement and attached at the time of approval, incorporated by reference herein as Exhibit C.

AND WHEREAS, Developer has filed or will file with Green Bay an application for use and occupancy approvals for the Property, and applications for construction of the Project, Green Bay having given favorable conceptual approval to the proposed Project;

NOW, THEREFORE, in consideration of the foregoing Recitals, which are incorporated herein, and the following promises and mutual obligations of the Parties hereto, each of them does hereby covenant and agree, as follows:

ARTICLE I DEFINITIONS; CONDITIONS PRECEDENT

Section 1.1 Definitions. All capitalized terms used and not otherwise defined herein shall have the following meanings unless a different meaning clearly appears from the context:

“Agreement” means this Redevelopment Agreement, as the same may hereafter be from time to time modified, amended or supplemented in accordance with its terms;

“Base Value” means the Value of the Property in Article IV;

“Differential Payment” means the amount to be paid by Developer as the shortfall, if any, between the amount of taxes due on the Guaranteed Value and the amount of taxes actually billed, for any year;

“Green Bay” means the City of Green Bay, Wisconsin and the Redevelopment Authority of the City of Green Bay;

“Guaranteed Value” means the amount specified in Section 3.1(5)(a) of this Agreement;

“Incremental TIF Revenues” means the real and personal property tax revenues generated by the Property, in excess of tax revenues generated by the Base Value of the Property, from tax year 2017 to the end of the Term of this Agreement. Incremental TIF Revenues do not include real estate taxes payable to the State of Wisconsin;

“Plans and Specifications” means the plans and specifications for the Project, to be prepared by Developer and approved by Green Bay, including Exhibit C attached hereto;

“Prime Rate” means the prime rate as established from time to time by Citibank, N.A.;

“Project” means the redevelopment of the Property in accordance with the Plans and Specifications;

“Property” means the parcels identified as 2350 East Mason Street, Tax Key No.

21-126-7 and 2350-2390 East Mason Street, Tax Key No. 21-126-3, in the City of Green Bay, Wisconsin, described in Exhibit A, containing approximately 20.597 acres;

“Term” has the meaning set forth in Section 8.10 of this Agreement;

“Valuation Date” means the dates specified in Section 3.1(5)(a) of this Agreement;

“Value” means fair market value and does not include the value of any government subsidy or program.

Section 1.2 Condition Precedent. Pursuant to the provisions of Wis. Stat. §66.1105, the Tax Increment Law, Developer has requested that Green Bay include the Property within TID No. 19, in order to provide part of the financing for certain costs of the Project. The inclusion of the Property within TID No. 19 by September 30, 2017 is a condition precedent to the Developer’s obligations under this Agreement.

ARTICLE II REPRESENTATIONS AND WARRANTIES

Section 2.1 Representations and Warranties of Green Bay. Green Bay makes the following representations and warranties:

(1) The City of Green Bay is a municipal corporation of the State of Wisconsin and the Redevelopment Authority of the City of Green Bay is a public body politic of the State of Wisconsin, and each has the power to enter into this Agreement and carry out its obligations hereunder.

(2) Green Bay makes no other representation or warranty, either express or implied, as to the Property, or its conditions or the soil conditions thereon, or that the Property shall be suitable for Developer’s purposes or needs.

(3) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in the breach of, the terms, conditions or provision of any law, ordinance, charter, contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Green Bay is now a party or by which it is bound, or constitutes a default under any of the foregoing.

(4) The execution, delivery and the consummation of the transactions contemplated hereby have been duly authorized and approved by Green Bay and no other or further acts or proceedings of Green Bay are necessary. This Agreement constitutes the legal, valid, and binding agreement and obligations of Green Bay, enforceable against it in accordance with its respective terms, except as enforceability thereof may be limited by applicable bankruptcy, insolvency, reorganization, or similar laws affecting the enforcement of creditors’ rights generally and by general principles of equity.

Section 2.2 Representations and Warranties of Developer. Developer makes the following representations and warranties:

(1) Developer is a Delaware Limited Liability Company in good standing in Wisconsin.

(2) Developer will cause the Project to be constructed in accordance with the terms of this Agreement, the Plans and Specifications and all local, state and federal laws, ordinances and regulations (including, but not limited to, environmental, zoning, energy conservation, building code and public health laws, ordinances and regulations), except for staff approved non-substantive changes to the Plans and Specifications during construction which will not have a material adverse effect on the Project.

(3) The implementation of the Project would not be undertaken by Developer, and, in the opinion of Developer, would not be economically feasible within the reasonably foreseeable future, without the assistance to Developer by Green Bay as provided for in this Agreement.

(4) Developer will use its commercially reasonable and diligent efforts to obtain, or cause to be obtained, in a timely manner, all required permits, licenses and approvals for the Project, and will comply, in a timely manner, with all ordinances and regulations which must be met before the Project may be lawfully implemented.

(5) Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement is prevented, limited by or conflicts with or results in the breach of, the terms, conditions or provision of any contractual restriction, evidence of indebtedness, agreement or instrument of whatever nature to which Developer is now a party or by which it is bound, or constitutes a default under any of the foregoing.

ARTICLE III UNDERTAKINGS BY DEVELOPER AND GREEN BAY

Section 3.1 Developer Obligations. Developer undertakes the following obligations, in consideration of the Green Bay obligations in Section 3.2, below.

(1) Developer will develop the Project at its sole cost under the Plans and Specifications, ~~to be submitted to Green Bay by Developer by September 30, 2018 and approved by Green Bay, provided that Developer's obligation to complete the Project pursuant to this Agreement is contingent on obtaining all required permits and approvals from Green Bay and other government authorities having jurisdiction, and if such approvals have not been obtained on or before October 31, 2018, Developer may terminate this Agreement without further notice or obligation.~~

(2) Following receipt of all approvals for the Project, Developer will commence improvements and commence building the Project as shown on Exhibit C, not later than April

1, 2019.

(3) Developer shall diligently pursue construction activities for the Project with the objective of completing all elements of the Project, on or before December 31, 2019.

(4) Developer agrees to develop the Project, in accordance with the Plans and Specifications, as filed and approved in final form by Green Bay. However, during the progress of the Project, Developer may make changes to the Plans and Specifications as may be in furtherance of the general objectives of the Plans and Specifications and this Agreement and as site conditions or other issues of feasibility may dictate, to further Developer's development objectives; provided, however, any such change shall comply with all applicable laws of Green Bay, and Developer may not make any change without the written consent of Green Bay (not to be unreasonably withheld, conditioned or delayed). Green Bay agrees to consider and approve or reject any proposed change within thirty (30) days after submittal by Developer to Green Bay or such approval shall be deemed given; provided, if Green Bay's approval is needed within a shorter period of time due to Developer's construction schedule or its obligations under Sections 3.1 (2) or (3) of this Agreement, Green Bay shall provide such approval or rejection within ten (10) days of request, and Green Bay will reasonably cooperate with Developer to facilitate and expedite such review process. Such requests for approval shall be submitted to the Director of the Green Bay Department of Community and Economic Development, as representative of Green Bay.

(5) Developer further agrees to the following alternatives:

(5.1) If the Base Value of the Property is \$3,000,000.00:

(a) Developer guarantees that the Value of the Property will be not less than \$3,000,000.00 on January 1, 2017, not less than \$7,325,000 on January 1, 2018 and January 1, 2019, not less than \$15,160,000.00 on January 1, 2020 and on January 1, 2021, not less than \$18,000,000.00 on January 1, 2022 (each of the foregoing amounts is referred to herein as the "Guaranteed Value" and the dates as the "Valuation Date"), and Developer further guarantees that the \$18,000,000.00 Guaranteed Value will continue through the Term of this Agreement, pursuant to Section 8.10 herein.

(b) For the tax year of the initial Valuation Date and thereafter during the Term of this Agreement, Developer guarantees that the amount due to Green Bay on the Value of the Property shall be not less than the Guaranteed Value in Section 3.1 (5.1)(a) of this Agreement, multiplied by the assessment ratio for the relevant year and multiplied by the mill rate for the relevant year. Developer agrees that, in the event the property taxes due for any year covered by this Agreement shall be based on a Value less than the Guaranteed Value in Section 3.1 (5.1)(a) of this Agreement, Green Bay may submit a bill to Developer for the differential ("Differential Payment"). For example, assume a Valuation Date of January 1, 2020. Should the assessment ratio be 100% and the mill rate be \$23.00/M, the amount required to be paid to Green Bay under this Agreement for taxes for 2020 is \$348,680.00. If the amount which would be due on \$15,160,000.00 is \$348,680.00, and the amount of property taxes billed, with the same assumptions, is on \$14,000,000.00, or \$322,000.00, the billable Differential Payment

is \$26,680.00. Such a billing shall be submitted to Developer by the City Treasurer by January 15 of the year following the relevant tax year and shall be paid in full by Developer, without interest thereon, by February 15 of that year. If not fully paid when due, the amount remaining unpaid on and after February 15 shall accrue interest at a rate of six percent (6%) per annum until fully paid, notwithstanding any other provision of this Agreement.

(c) Developer will not file an objection to a real property assessment of the Property which is \$3,000,000.00, or less, in 2017, \$7,325,000.00, or less, in 2018 and 2019, \$15,160,000.00, or less, in 2020 and 2021, and \$18,000,000.00, or less, in 2022 and thereafter ending during the Term of this Agreement.

(d) No future structures, including but not limited to utility buildings and tool sheds, shall be constructed or installed on any portion of the Property without Green Bay's approval, which approval shall not be unreasonably withheld or delayed. The definition of structure shall be the definition contained within the Green Bay Zoning Ordinance.

(5.2) If the Base Value of the Property is \$7,325,000.00:

(a) Developer guarantees that the Value of the Property will be not less than \$7,325,000.00 on January 1, 2017 and January 1, 2018 and January 1, 2019, not less than \$15,160,000.00 on January 1, 2020 and January 1, 2021 and not less than \$18,000,000.00 on January 1, 2022 (each of the foregoing amounts is referred to herein as the "Guaranteed Value" and the dates as the "Valuation Dates") and Developer further guarantees that the \$18,000,000.00 Guaranteed Value will continue during the Term of this Agreement.

(b) For the tax year of the initial Valuation Date and thereafter during the Term of this Agreement, Developer guarantees that the amount due to Green Bay on the Value of the Property shall be not less than the Guaranteed Value in Section 3.1 (5.2)(a) of this Agreement, multiplied by the assessment ratio for the relevant year and multiplied by the mill rate for the relevant year. Developer agrees that, in the event the property taxes due for any year covered by this Agreement shall be based on a Value less than the Guaranteed Value in Section 3.1 (5.2)(a) of this Agreement, Green Bay may submit a bill to Developer for the differential ("Differential Payment"). For example, assume a Valuation Date of January 1, 2020. Should the assessment ratio be 100% and the mill rate be \$23.00/M, the amount required to be paid to Green Bay under this Agreement for taxes for 2020 is \$348,680.00. If the amount which would be due on \$15,160,000.00 is \$348,680.00, and the amount of property taxes billed, with the same assumptions, is on \$14,000,000.00, or \$322,000.00, the billable Differential Payment is \$26,680.00. Such a billing shall be submitted to Developer by the City Treasurer by January 15 of the year following the relevant tax year and shall be paid in full by Developer, without interest thereon, by February 15 of that year. If not fully paid when due, the amount remaining unpaid on and after February 15 shall accrue interest at a rate of six percent (6%) per annum until fully paid, notwithstanding any other provision of this Agreement.

(c) Developer will not file an objection to a real property assessment of the Property which is \$3,000,000.00, or less, in 2017, \$7,325,000.00, or less, in 2018 and 2019,

\$15,160,000.00, or less, in 2020 and 2021, and \$18,000,000.00, or less, in 2022 and thereafter during the Term of this Agreement.

(d) No future structures, including but not limited to utility buildings and tool sheds, shall be constructed or installed on any portion of the Property without Green Bay's approval, which approval shall not be unreasonably withheld or delayed. The definition of structure shall be the definition contained within the Green Bay Zoning Ordinance.

(5.3) If the Base Value of the Property is neither \$3,000,000.00 nor \$7,325,000.00:

(a) The Parties shall confer and mutually agree on the amendments required by the Base Value determination.

(b) No future structures, including but not limited to utility buildings and tool sheds, shall be constructed or installed on any portion of the Property without Green Bay's approval, which approval shall not be unreasonably withheld or delayed. The definition of structure shall be the definition contained within the Green Bay Zoning Ordinance.

Section 3.2 Green Bay Obligations. Green Bay undertakes the following obligations, in consideration of the obligations of Developer in Section 3.1, above.

(1) Green Bay shall timely process all necessary or required development and use approvals for the Project, pursuant to applicable City Ordinances.

(2) Green Bay shall provide Project Assistance to Developer through a Project Grant and through Pay Go Payments, up to a maximum total amount of three million dollars (\$3,000,000.00).

(a) Project Grant. Provided Developer is in compliance with the current relevant terms of this Agreement, Green Bay shall provide one million five hundred thousand dollars (\$1,500,000.00) to Developer, or its designee, as a Project Grant, in equal payments of three hundred thousand dollars (\$300,000.00) to Developer, or Developer's Assignee, on June 1, July 1, August 1, September 1, and October 1, 2019.

(b) Pay Go Payments. Green Bay shall make annual payments to Developer, or its designee, from surplus Incremental TIF Revenues, beginning with the collection of 2020 taxes, under the following formula:

(i) There shall first be deducted from Incremental TIF Revenues 110% of the debt service incurred by Green Bay to fund the Project Grant for the relevant year.

(ii) If all of the Incremental TIF Revenues are required to meet 110% of the debt service obligations incurred to fund the Project Grant for the relevant year, there shall be no Pay Go Payment for that year.

(iii) If there is surplus Incremental Tax Revenues, seventy five percent (75%) of that amount shall be paid to Developer, or its designee, within thirty (30) days of payment in full of (1) all taxes, (2) any special assessments levied against the Property under Wis. Stats. §66.0701-0733 then due and payable, and (3) any special charges levied against the Property under Wis. Stat. §66.0627. In no event shall such payments continue after the earlier of December 31, 2037 or the date on which the Developer has received the maximum Project Assistance of three million dollars (\$3,000,000.00). Payments under this sub-paragraph are expressly conditioned on Developer's complete discharge of its obligations set forth in Section 3.1 of this Agreement.

ARTICLE IV PROPERTY BASE VALUE

The Parties agree that the base year Value of the Property shall be the real property assessment of the Property on January 1, 2017, as finally determined.

ARTICLE V COVENANTS RUNNING WITH THE LAND

This Agreement constitutes the entire Agreement between the Parties, and all provisions of this Agreement shall be deemed to be covenants running with the lands described in Exhibit A and shall be binding upon successors and assigns, for the Term of this Agreement. A Memorandum of this Agreement shall be recorded by Green Bay in the Office of the Brown County Register of Deeds.

ARTICLE VI REMEDIES

Section 6.1 Time of the Essence. Time is of the essence as to all dates under this Agreement.

Section 6.2 Event of Default. In the event any Party defaults under this Agreement, which default is not cured within thirty (30) days after written notice thereof to the defaulting Party or within such extended period required to cure the default, provided cure efforts are undertaken in good faith within the foregoing thirty (30) day period and the defaulting Party is diligently pursuing such cure, the non-defaulting Party shall have all rights and remedies available under law or equity with respect to the default, except as otherwise set forth in this Agreement. In the event of any default by any Party in making a payment required to another Party, the cure period for such monetary default shall be ten (10) days after delivery of notice thereof. In addition, and without limitation, any of the Parties shall have the following specific rights and remedies following such notice and failure to cure:

- (1) Injunctive relief,
- (2) Action for specific performance; and

(3) Action for money damages.

Notwithstanding the foregoing, in no event may Green Bay exercise or seek any rights of injunction or specific performance for Developer's failure to acquire the Property.

Section 6.3 Reimbursement. The actual, itemized amounts expended by the non-defaulting Party in enforcing this Agreement, including reasonable attorneys' fees actually incurred and invoiced, together with interest provided for below, shall be reimbursed or paid to the non-defaulting Party which prevails in any such enforcement.

Section 6.4 Interest. Unless otherwise specified in this Agreement, interest shall accrue on all amounts required to be reimbursed by the defaulting Party to the non-defaulting Party at the Prime Rate as established from time to time by Citibank, N.A. plus two percent (2%) per annum, from the date of payment by the non-defaulting Party until the date reimbursed in full with accrued interest.

Section 6.5 Remedies are Cumulative. Except as specified in this Agreement, all remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

Section 6.6 Failure to Enforce Not Waiver. Failure to enforce any provision contained herein shall not be deemed a waiver of that Party's rights to enforce such provision or any other provision in the event of a subsequent default.

Section 6.7 Mediation. Prior to litigation, and as a condition precedent to bringing litigation, any Party deeming itself aggrieved under this Agreement shall be obligated to request nonbinding mediation of the dispute. Mediation shall proceed before a single mediator. The Parties shall agree upon a mediator and if they fail to do so within 30 days, either Party may apply to the Chief Judge of the Circuit Court for Brown County, Wisconsin, for the designation of a mediator. In the event the Parties do not accept the mediator's recommendation, the aggrieved Party may then commence an action. However, the Parties shall agree to alternative dispute resolution, if ordered by the Court.

ARTICLE VII AMENDMENT

This Agreement may be rescinded, modified or amended, in whole or in part, by mutual agreement of the Parties hereto, their successors and/or assigns, only in writing signed by the Parties.

ARTICLE VIII MISCELLANEOUS PROVISIONS

Section 8.1 Execution in Multiple Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

Section 8.2 Construction. The Parties acknowledge and represent that this Agreement has been the subject of negotiation by all Parties and that all Parties together shall be construed to be the drafter hereof and this Agreement shall not be construed against any Party individually as drafter.

Section 8.3 Legal Relationship. Nothing in this Agreement shall be construed to create an employer/employee relationship, joint employer, joint venture or partnership relationship, or a principal/agent relationship.

Section 8.4 Survival. All agreements, representations, covenants and warranties made herein shall survive the execution of this Agreement and the making of the grants hereunder. This Agreement shall be binding upon the Parties, their respective successors and assigns.

Section 8.5 No Waiver. The failure of any Party to require strict performance of any provision of this Agreement will not constitute a waiver of the provision or of any other of that Party's rights under this Agreement. Rights and obligations under this Agreement may only be waived or modified in writing. A writing waiving a right must be signed by the Party waiving the right. If an obligation of a Party is being waived or released, the writing must be signed by the affected Parties. Waiver of one right, or release of one obligation, will not constitute a waiver or release of any other right or obligation of any Party. Waivers and releases shall affect only the specific right or obligation waived or released and will not affect the rights or obligations of any other Party that did not sign the waiver or release.

Section 8.6 Severability of Provisions. If any provision of this Agreement shall be held or declared to be invalid, illegal or unenforceable by reason of its being contrary to any applicable law, such provision shall be deemed to be deleted from this Agreement without impairing or prejudicing the validity, legality or enforceability of the remaining provisions.

Section 8.7 Law Governing. This Agreement will be governed and construed in accordance with the laws of the State of Wisconsin.

Section 8.8 Notices and Demands. Except as otherwise expressly provided in this Agreement, a notice, demand or other communication under this Agreement by any Party to any other shall be sufficiently given or delivered if it is dispatched by registered or certified mail, postage prepaid, return receipt requested, or delivered personally, and

(a) in the case of Developer is addressed to or delivered to:

GBES Owner I, LLC
3622 13th Avenue
Brooklyn, New York 11218
Attn: Shlomo Chopp

(b) in the case of Green Bay is addressed to or delivered to:

Green Bay City Hall
100 North Jefferson Street
Green Bay, WI 54301
Attn: City Clerk

or at such other, or additional, address with respect to any such Party as that Party may, from time to time, designate in writing and forward to the other, as provided in this Section.

Section 8.9 Force Majeure. As used herein, the term "Force Majeure" shall mean any accident, breakage, war, insurrection, civil commotion, riot, act of terror, act of God or the elements, governmental action (except for governmental action by Green Bay with respect to obligations of Green Bay under this Agreement) alteration, strike or lockout, picketing (whether legal or illegal), inability of a Party or its agents or contractors, as applicable, to obtain fuel or supplies, unusual weather conditions, or any other cause or causes beyond the reasonable control of such Party or its agents or contractors, as applicable. No Party to this Agreement shall be in default hereunder for so long as such Party or its agents and contractors, if applicable, are prevented from performing any of its obligations hereunder due to a Force Majeure occurrence.

Section 8.10 Term. Subject to Section 3.1(1) of this Agreement, this Agreement shall continue from the effective date above indicated until December 31, 2037, or the termination of TID 19, whichever occurs first.

Restrictions of Sale, Transfer, Conveyance and Ownership. During the Term of this Agreement, neither Developer nor any future owner shall use, sell, transfer or convey ownership of any of the Property to any person or entity, in any manner which would render all or any part of the Property exempt from real property taxation, or would render the personal property located on any of the Property exempt from personal property taxation, without the prior written consent of Green Bay, and this section of the Agreement constitutes a deed restriction effectuating this provision.

[SIGNATURE PAGES TO FOLLOW]

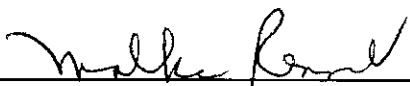
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the date above indicated.

GBES OWNER I, LLC

By: 
Name: Shlomo Chopp
Title: Manager

STATE OF New York)
Kings COUNTY) ss.

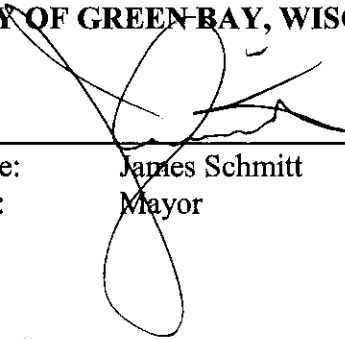
Personally came before me this 13 day of November, 2017, the above-named Shlomo Chopp, the Manager of GBES Owner I, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.


Notary Public, State of New York

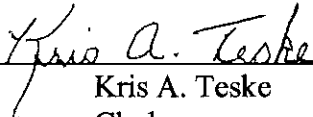
My Commission expires: 2/8/19

MALKA RENNERT
Notary Public, State of New York
No. 24 - 5007973
Qualified in Kings County
Commission Expires Feb. 8, 2019

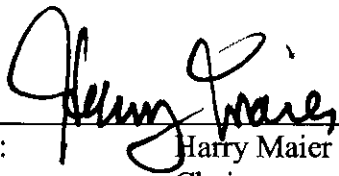
CITY OF GREEN BAY, WISCONSIN

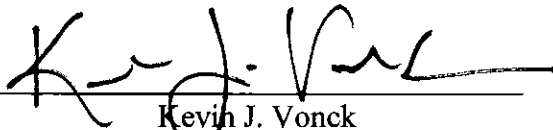
By: 
Name: James Schmitt
Title: Mayor

ATTEST:

By: 
Name: Kris A. Teske
Title: Clerk

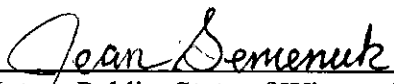
REDEVELOPMENT AUTHORITY OF
THE CITY OF GREEN BAY, WISCONSIN

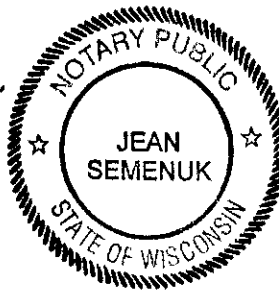
By: 
Name: Harry Maier
Title: Chair

By: 
Name: Kevin J. Vonck
Title: Executive Director

STATE OF WISCONSIN)
) ss.
BROWN COUNTY)

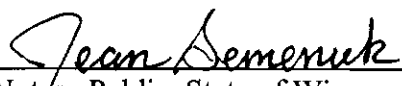
Personally came before me this 7th day of November, 2017, the above-named Harry Maier, the Chair of the Redevelopment Authority of the City of Green Bay, to me known to be the person who executed the foregoing instrument and acknowledged the same.


Notary Public, State of Wisconsin, Brown Co.
Jean Semenuk
My Commission expires: 7/13/2020



STATE OF WISCONSIN)
) ss.
BROWN COUNTY)

Personally came before me this 7th day of November, 2017, the above-named Kevin J. Vonck, the Executive Director of the Redevelopment Authority of the City of Green Bay, to me known to be the person who executed the foregoing instrument and acknowledged the same.


Notary Public, State of Wisconsin, Brown Co.
Jean Semenuk
My Commission expires: 7/13/2020

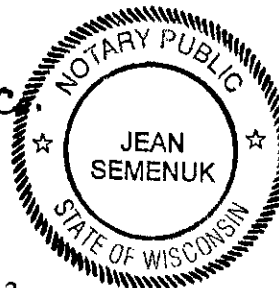


EXHIBIT LIST

- Exhibit A** – Description of Property
- Exhibit B** – Developer's Contacts
- Exhibit C** – Plans and Specifications

EXHIBIT A

LEGAL DESCRIPTION

PARCEL A:

Parcel A1:

Lot Six (6), according to the recorded East Town Shopping Center, in the City of Green Bay, East side of Fox River, Brown County, Wisconsin.

Parcel A2:

Lot One (1), except that part thereof described in Jacket 5706 Records Image 6; and Outlot One (1), according to the recorded East Town Shopping Center, in the City of Green Bay, East side of Fox River, Brown County, Wisconsin

Parcel A3:

A non-exclusive easement for ingress and egress for the benefit of Parcel A1 created in an instrument recorded December 3, 1981 in Jacket 5129 Records Image 34, as document No. 970136 and amended by an instrument recorded August 30, 1998 in Jacket 13562 Records Image 1 as Document No. 1163750 and as further amended and restated by an instrument recorded June 30, 1998 as Document No. 1624163 and any and all further amendments thereof.

PARCEL B:

Parcel B1:

Part of Parcel Two (2), Volume 4 Certified Survey Maps, page 523, Map No. 1253, said map being part of the Southeast 1/4 of the Northwest 1/4 and part of Government Lot 2, all in Section Nine (9), Township Twenty-three (23) North, Range Twenty-one (21) East, in the City of Green Bay, East side of Fox River, Brown County, Wisconsin, described as follows:

Commencing at the Northeast corner of said Parcel 2, Volume 4 Certified Survey Maps, page 523, being the point of beginning; thence North 89°24'00" West, 407.50 feet along the North line of said Parcel 2; thence South 52°16'59" East, 46.40 feet; thence South 89°24'00" East, 75.00 feet; thence South 00°36'00" West, 572.00 feet; thence South 89°24'00" East, 295.50 feet to the East line of said Parcel 2; thence North 00°36'00" East along said East line, 600.00 feet to the point of beginning.

Parcel B2:

A non-exclusive easement for ingress and egress for the benefit of Parcel B1 created in an instrument recorded January 29, 1997 as Document No. 1536838, and any and all further amendments thereto.

PARCEL C:

Parcel C1:

Lot Seven (7), according to the recorded East Town Shopping Center, in the City of Green Bay, East side of Fox River, Brown County, Wisconsin.

Parcel C2:

A non-exclusive easement for ingress and egress for the benefit of Parcel A1 created in an instrument recorded December 3, 1981 in Jacket 5129 Records Image 34, as Document No. 970136 and amended by an instrument recorded August 30, 1998 in Jacket 13562 Records Image 1 as Document No. 1163750 and as further amended and restated by an instrument recorded June 30, 1998 as Document No. 1624163 and any and all further amendments thereof.

EXHIBIT B
DEVELOPER'S CONTACT

Shlomo Chopp
GBES Owner I, LLC
3622 13th Avenue
Brooklyn, New York 11218

EXHIBIT C
PLANS AND SPECIFICATIONS



Report to the
Redevelopment Authority
of the City of Green Bay

MEETING DATE

November 1, 2018

PREPARED BY

Kevin J. Vonck, CED Director

AGENDA ITEM # C.2.

Consideration with possible action on sale of real property at Washington St. (Tax Parcel 15-168).

The Authority may convene in closed session pursuant to Sections 19.85(1)(e), Wis. Stats., for purposes of deliberating or negotiating the sale of public properties, investing of public funds or conducting other specified public business as necessary for competitive or bargaining reasons. The Authority may thereafter reconvene in open session pursuant to Section 19.85(2), Wis. Stats., to report the results of the closed session and consider the balance of the agenda.

BACKGROUND

To be discussed at meeting.

RECOMMENDATION

To be discussed at meeting.

FISCAL IMPACT

None.

ATTACHMENTS

I. 8 - RDA - Washington St - 15-168

Washington St. (Tax Parcel 15-168)



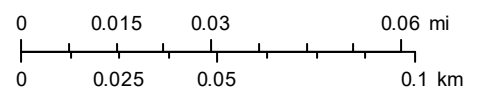
10/31/2018, 12:51:07 PM

1:1,920

TaxParcel

- Condominium
- Gap; Overlap
- Hydrography
- Right of Way

- TaxParcel
- Undetermined



Brown County Municipalities
Brown County
Brown County WI