

Memorandum of Understanding

Between

City of Sheboygan
and
Weill Center Foundation, Inc.

This Memorandum of Understanding ("MOU") between the City of Sheboygan ("the City") and the Weill Center Foundation, Inc. ("the Weill Center") sets forth the understandings between the parties relating to demolition costs and potential reimbursement of said costs as an allowable TID expense.

Background

The Weill Center has expressed its intent to expand, develop, and improve its facilities in the City's downtown area. While the historic theater building will remain the centerpiece of its facilities, the Weill Center has identified a need to remodel or demolish certain other buildings in the area in order for the expansion and development to occur.

Under the Wisconsin Tax Increment Law (Wis. Stat. §66.1105), cities are authorized to create tax incremental districts (TIDs). Such TIDs allow cities to pay for public improvements and other eligible costs within geographic area covered by the TID by using future taxes collected on the TID's increased property value to repay the cost of the improvements. Cities are further authorized under the law to prepare project plans for such TIDs which set forth the projects and costs eligible to be covered within the TID, and to make sure the purposes of those project plans are carried out.

The Weill Center is located in the City of Sheboygan's Tax Incremental District No. 21 ("TID 21"). TID 21 was created to pay the costs of rehabilitating properties throughout the TID, including demolition necessary to create developable sites and to redevelop key properties in the downtown. The project plan for TID 21 includes the demolition of the buildings that the Weill Center intends to demolish so that it may further develop its downtown property.

Because the demolition is included in the TID 21 project plan, certain costs of that demolition may be considered eligible project costs that may be financed through the TID. The Tax Increment Law generally permits costs for demolition of existing buildings and structures to be eligible project costs, but makes it the responsibility of a City to determine whether a project cost is eligible under that law (Wis. Stat. §66.1105(2)(f)1. & 2.) The TID 21 project plan includes \$500,000 in estimated project costs related to the demolition at the Weill Center. It is the intent of the Weill Center to pay the demolition costs and submit those costs to the City to be reimbursed as TID 21 project costs.

Purpose

The purpose of this MOU is to set forth the understandings of the parties relating to the specific costs of demolition which may be reimbursed by the City as TID 21 project costs and to set forth the process for the Weill Center to submit invoices for reimbursement.

NOW THEREFORE, the City and the Weill Center agree as follows:

Section 1

The parties acknowledge that the following costs of demolition may be considered eligible project costs which may be reimbursed through TID 21:

- a) Asbestos abatement costs
- b) Payments for additional asbestos and lead assessments
- c) Disconnection fees paid to utilities (including electric, gas, and water) to disconnect the buildings from said utilities
- d) Payments for any additional services required to cap off water and gas lines in streets and right-of-ways adjacent to the buildings
- e) Costs for dumpsters for emptying buildings prior to demolition
- f) Payments to demolition contractors for actual demolition costs

Section 2

The parties agree that invoices must be submitted to the City by the Weill Center as provided in this section in order for such invoices to be eligible for reimbursement:

- a) Actual costs must be evidenced by an invoice clearly delineating the work performed and the cost for such work.
- b) All invoices for such costs shall be submitted to the City of Sheboygan Finance Department, c/o Finance Director. Submissions may be via email, postal delivery, or in person.
- c) Invoices must be accompanied by evidence the invoices have been paid. Reimbursement will be paid solely to the Weill Center, not directly to contractors.
- d) Invoices must be submitted no more than thirty (30) days after payment.
- e) Final deadline for submission of invoices shall be January 31, 2025

Section 3

Reimbursement determinations shall be made at the sole discretion of the Finance Director for the City of Sheboygan. Should the Finance Director determine that a particular invoice is not reimbursable, she shall inform the Weill Center of such determination in writing within thirty (30) days of receiving the invoice. Should the Weill Center dispute any such determination, it shall, within thirty (30) days of being informed that the invoice is not reimbursable, appeal the determination in writing to the City Administrator. The City Administrator will then review the determination within thirty (30) days and inform the Weill Center and the Finance Director of his decision to either uphold or overturn the Finance Director's determination. The decision of the City Administrator shall be final.

Section 4

By entering into this MOU, the parties do not intend to create any obligations, expressed or implied, other than those set out herein. Further, this Agreement shall not create any rights in any party not a signatory hereto.

Section 5

Each party to this MOU will be responsible for its own actions in providing services under this MOU and shall not be liable for any civil liability that may arise from the furnishing of the services by the other party.

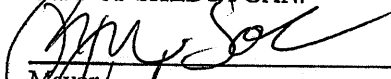
Section 6

This MOU shall become effective upon the signature of the parties hereto through their authorized representatives and will remain in effect unless modified or terminated by the parties by mutual agreement or until terminated by the City due to non-appropriation of the necessary funds to fulfill the City's obligations.


Section 7

Approved by the parties through signature of the following authorized representatives:

CITY OF SHEBOYGAN:



Mayor

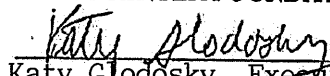


City Clerk

9/9/24
Date

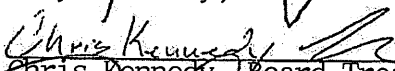
9/9/24
Date

WEILL CENTER FOUNDATION, INC.:



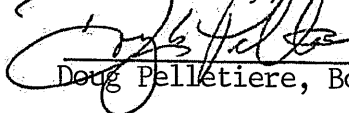
Katy Glodosky, Executive Director

8/27/2024
Date



Chris Kennedy, Board Treasurer

9/3/2024
Date



Doug Pelletiere, Board VP

9/4/2024
Date