

**CITY OF TWO RIVERS
BUSINESS AND INDUSTRIAL DEVELOPMENT COMMITTEE
AND
COMMUNITY DEVELOPMENT AUTHORITY
Tuesday, November 26, 2024, 5:15 PM
3rd Floor City Council Chamber – City Hall**

1. Call to Order

The meeting was called to order by BIDC and CDA Chair Greg Coenen at 5:15 PM.

2. Roll Call

BIDC members present were Greg Coenen, Shannon Derby, David Kalista, Tracey Koach, Keith Lyons, Scott Stechmesser and Dan Wettstein. BIDC members absent and excused: Betty Bittner and Tom Christensen. Mr. Buckley noted that there was a quorum of the BIDC present (7 of 9 members).

CDA members present were Greg Coenen, David Kalista, Tracey Koach, Keith Lyons, Shannon Derby and Scott Stechmesser. CDA members absent and excused: Betty Bittner. Mr. Buckley noted that there was a quorum of CDA present (6 of 7 members).

Others present were Gregory Buckley, City Manager, and Matt Heckenlaible, City Engineer/Public Works Director.

3. CDA Action Items Pertaining to Sandy Bay Highlands Subdivision Phase 3 (Note: CDA Actions on These Items Occurred in Different Order Than They Appeared on the Agenda)

- A. Conveyance of Phase 3 Home Sites from the City to the CDA. Mr. Buckley stated that, following review by the WI Department of Administration, and upon recommendation of the City Engineer and the Plan Commission, the City Council on November 18, 2024 gave final approval to the plat for Phase 3, and approved a resolution authorizing the conveyance of the 32 residential lots comprising Phase 3 to the CDA for marketing and sales.

Mr. Heckenlaible then reviewed the layout of the Phase 3 subdivision, including the 32 lots, the three outlots to be retained in City ownership, and the easement areas impacting some of the residential lots to be offered for sale. He also described work being done under the current contract for extending utility and street infrastructure into Phase 3, noting that such infrastructure will make 26 of the 32 lots in Phase 3 available for development in the Spring of 2025.

Mr. Buckley reviewed the draft pricing plan for the lots, noting that it was the City Council's intention that pricing for the 26 lots generate approximately \$1,700,000, a sum sufficient to recover the principal cost of \$1,476,953 for infrastructure, plus an estimated \$204,408 for realtor commissions and estimated \$13,000 for title insurance and closing costs. He noted, and members Derby and Stechmesser affirmed, that the City Council expects such cost recovery to be pursued in lot pricing, and that no significant discounting of lot prices should be pursued without first consulting with the City Council.

Following discussion, Koach moved, supported by Lyons, for the CDA to accept the conveyance of the Phase 3 lots from the City. The motion was approved by unanimous voice vote.

- B. Consider Pricing Structure for Phase 3 Lots. Mr. Buckley noted that the prices for lots,

as listed on the sheet distributed to committee members, reflected input from realtor Amy Townsend, as well as the revenue expectations identified by the City Council. Following discussion, Koach moved, supported by Derby, to approve the lot prices as presented. There was consensus that any incentives for spec home construction would need to be considered by the CDA on a case-by-case basis.

- C. Consider Listing Agreement for the Phase 3 Lots. Mr. Buckley distributed a list of “Key Points” of a proposed listing agreement for the Phase 3 lots with Amy Townsend of Berkshire Hathaway/Starck Real Estate. Chairman Coenen requested that the CDA vote first on whether to enter into a listing agreement with Ms. Townsend of Berkshire Hathaway/Starck Real Estate, then address the required exclusions to the listing and the commission/fee structure separately.

Lyons moved, supported by Koach, to authorize the City Manager to enter into a listing agreement with Berkshire Hathaway/Starck Real Estate for a period starting as soon as possible and ending on March 31, 2025 for the Phase 3 lots, with additional direction for the City Manager to issue a request for proposals for realtor services, to allow consideration of alternative realtor proposals by the CDA prior to the end of the identified listing period. The motion was approved by a unanimous voice vote.

Chairman Coenen asked for a separate motion on exclusions to the listing agreement. Koach moved, supported by Lyons, to specify that exclusions shall include offers from any licensed builders who intend to build spec homes, for lots priced at \$57,900 or \$62,900 that are addressed in purchase contracts signed by representatives of the CDA and the buyers not later than January 15, 2015. The motion was approved by a unanimous voice vote.

Chairman Coenen asked for a separate motion on the commission/fee structure to be included in the listing agreement. Stechmesser moved, supported by Koach, to approve a commission structure calling for payment of 9 percent to the listing realtor/6 percent to the buyer’s realtor, on split commissions and payment of 12 percent on sales where the listing realtor, Ms. Townsend, procures the buyer. In addition, an administrative fee of \$295 is to apply to all sales that go through the realtor. The motion was approved by a unanimous voice vote.

- D. Consider Protective Covenants to be Applicable to the Phase 3 Lots. Mr. Buckley and Mr. Heckenlaible reviewed a mark-up of the Phase 2 Covenants, modified to serve as covenants for Phase 3. They noted that, while the covenants generally provide for development of traditional single-family homes on all of the lots in Phase 3, there is language allowing the CDA the options of pursuing a residential Planned Unit Development to include Block 2, Lots 17, 18 and 19, located at the far northwest corner of the subdivision.

Following discussion, Lyons moved, supported by Koach, to approve the proposed Phase 3 Protective Covenants, subject to review by the City Attorney, and to authorize revisions by the City Attorney, subject to approval by the City Manager on behalf of the CDA, if such revisions are not considered substantive as to the nature of development allowed in the subdivision. The motion was approved by a unanimous voice vote.

4. Updates on Various Community Development Projects

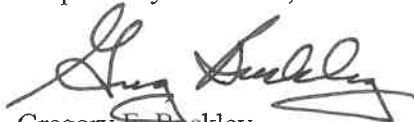
The City Manager provided brief updates on the following projects:

- A. Sauve's Auto Service Expansion Project
- B. Violet Inn Project
- C. Pop-Start Pizza Project
- D. Proposed Apartment Development at 3000 Forest Avenue
- E. Rush Logistics Project at Woodland Industrial Park
- F. Energy Storage Project at Woodland Industrial Park
- G. Other

5. Adjournment

Derby moved, supported by Stechmesser, to adjourn the meeting at 6:20 PM. The motion was approved by voice vote, without dissent.

Respectfully submitted,



Gregory E. Buckley
City Manager

		City Manager's Office
		26-Nov-24
Sandy Bay Highlands Phase 3 Lot Pricing		
# of Lots	Price Per Lot	Total
7	\$57,900	\$ 405,300
5	\$62,900	\$ 314,500
4	\$64,900	\$ 259,600
5	\$69,900	\$ 349,500
5	\$74,900	\$ 374,500
TOTAL 26		\$ 1,703,400
Less: Infrastructure Cost (Principal)		\$ 1,476,953
Less: Real Estate Commission Avg. 12%)		\$ 204,408
Less: Title Ins. and Closing		\$ 13,000
Total Costs to be Recovered		\$ 1,694,361
Average Price Per Lot	\$ 65,515.38	
Does not includes:		
Cost of land		
About \$220,000 in stormwater management features		
Interest cost on borrowed funds		