City of WHITEWATER	Common Council Agenda Item
Meeting Date:	November 17, 2026
Agenda Item:	Resolution on offer to purchase City-owned property, Parcel # /A405400001
Staff Contact (name, email, phone):	Mason Becker, mbecker@whitewater-wi.gov, 262.473.0148

BACKGROUND
(Enter the who, what when, where, why)

The City has received an Offer to Purchase from KML RE Holdings, LLC (Matthew Mehring of Anderson Ashton) for City-owned Lot 1RA, Parcel # /A405400001. The buyer intends to construct a mixed-use commercial development anchored by a grocery store and childcare center. The offer follows the letter of intent for this project previously accepted by the Common Council.

In general terms, the offer provides a nominal purchase price of $1.00 and gives the buyer a 180-day review period, beginning once the City approvals are complete, to conduct due diligence, secure financing and tenants, and obtain the necessary zoning and other approvals. Closing would occur after the buyer's contingencies are satisfied.

The buyer's attorney has provided a redline of Addendum A. The proposed changes are largely clarifying in nature, including requiring approval of the offer by both the PARC and the Common Council, identifying Tax Increment District (TID) #11 on a pay-as-you-go (PAYGO) basis as the anticipated source of public infrastructure support, adding a commercial lease contingency, and allowing assignment to affiliated entities. The City Attorney is completing a review of the redline, and staff anticipates that all or most of the proposed changes will be accepted.

Approval of the offer is an initial step. The specific terms of any City participation in the project, including infrastructure improvements, will be set out in a Development Agreement. Any PAYGO TIF incentive would also be reviewed by Ehlers, the City's TIF advisors. The Development Agreement will be reviewed separately and brought to the Common Council for consideration at a future date.

Site Plan Review for the project would also return to the PARC as part of the normal approval process.

PREVIOUS ACTIONS – COMMITTEE RECOMMENDATIONS
(Dates, committees, action taken)

- The Common Council accepted the Letter of Intent from Anderson Ashton for this project on June 16, 2026
- The PARC reviewed the Offer to Purchase on November 9, 2026 and forwarded to the Common Council with a positive recommendation

FINANCIAL IMPACT
(If none, state N/A)

The property would be sold for a nominal price of $1.00, returning the land to the tax rolls. The buyer is seeking City participation of approx. $500,000 in public infrastructure improvements through TID #11 on a PAYGO basis. The final amount and terms of any City participation will be determined through the Development Agreement, which will be presented to the Common Council in the future.

STAFF RECOMMENDATION

Recommend that the Common Council approve the resolution on Offer to Purchase and Addendum A for Parcel # /A405400001.

ATTACHMENT(S) INCLUDED (If none, state N/A)
- WB-13 Vacant Land Offer to Purchase – KML RE Holdings, LLC - Addendum A to Offer to Purchase - Draft Resolution 2026-R-66 - Letter of Intent from Anderson Ashton