



# City of West Allis Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

File Number

Title

Status

R-2004-0271

Resolution

In Committee

Resolution approving Wehr Steel Development Agreement by and among the Community Development Authority of the City of West Allis and Venturedyne, Ltd. and Carnes Company, Inc. for the former Wehr Steel site located at 2154 S. 54 St.

Introduced: 09/07/2004

Controlling Body: Safety & Development Committee

## COMMITTEE RECOMMENDATION

*As Amended*  
~~Approved as amended~~

ACTION DATE: 3/7/06 <del>6/19/06</del>	MOVER	SECONDER		AYE NO PRESENT EXCUSED			
				AYE	NO	PRESENT	EXCUSED
			Barczak	X			✓
			Czaplewski				
			Dobrowski				
		✓	Kopplin				
			Lajsic	X	✓		
			Narlock		✓		
	✓		Reinke	✓			X
	✓		Sengstock		✓		
	X	X	Vitale	X	✓		
		✓	Weigel	X	✓		
TOTAL				3 4	2 0	1 0	1

SIGNATURE OF COMMITTEE MEMBER

Chair

Vice-Chair

Member

## COMMON COUNCIL ACTION

*adopted with amendment to Development agreement*  
*Referred back to S+D Cte m 6-21-05*

ACTION DATE: 3/7/06	MOVER	SECONDER		AYE NO PRESENT EXCUSED			
				AYE	NO	PRESENT	EXCUSED
			Barczak	✓			
			Czaplewski	✓			
		✓	Dobrowski	✓			
			Kopplin	✓			
	✓		Lajsic	✓			
			Narlock	✓			
			Reinke <i>etc</i>				✓
			Sengstock	✓			
			Vitale	✓			
			Weigel	✓			
TOTAL				9	—		1

Dev.

**STANDING COMMITTEES OF THE  
CITY OF WEST ALLIS COMMON COUNCIL  
2004**

**ADMINISTRATION & FINANCE**

Chair: Michael J. Czaplewski  
Vice-Chair: Martin J. Weigel  
Gary T. Barczak  
Thomas G. Lajsic  
Rosalie L. Reinke

**PUBLIC WORKS**

Chair: Richard F. Narlock  
Vice-Chair: Linda A. Dobrowski  
Kurt E. Kopplin  
Vincent Vitale  
James W. Sengstock

**SAFETY & DEVELOPMENT**

Chair: Thomas G. Lajsic  
Vice-Chair: Vincent Vitale  
Gary T. Barczak  
Martin J. Weigel  
Rosalie L. Reinke

**LICENSE & HEALTH**

Chair: Kurt E. Kopplin  
Vice-Chair: James W. Sengstock  
Linda A. Dobrowski  
Richard F. Narlock  
Michael J. Czaplewski

**ADVISORY**

Chair: Rosalie L. Reinke  
Vice-Chair: Gary T. Barczak  
Linda A. Dobrowski  
Vincent Vitale  
Martin J. Weigel



# City of West Allis

## Resolution

7525 W. Greenfield Ave.  
West Allis, WI 53214

**File Number: R-2004-0271**

**Final Action:**

**MAR 07 2006**

Resolution approving Wehr Steel Development Agreement by and among the Community Development Authority of the City of West Allis and Venturdyne, Ltd. and Carnes Company, Inc. for the former Wehr Steel site located at 2154 S. 54 St.

WHEREAS, the Community Development Authority of the City of West Allis (the "Authority") on September 2, 2004, approved to enter into an agreement with Venturdyne, Ltd. and Carnes Company, Inc. to facilitate the development of the property located at 2154 South 54 Street, (the "Property"); and,

WHEREAS, the City of West Allis is in the process of creating a Tax Incremental District Number Eight, comprised of land and improvements on a portion of the former Wehr Steel facility to be used for industrial uses; and,

WHEREAS, the Developer intends to redevelop the property pursuant to the terms and conditions of the Agreement hereby attached; and,

WHEREAS, the Developer and the City desire to set forth in writing the terms and conditions under which the Developer and City duly agreed.

NOW, THEREFORE, BE IT RESOLVED that the Common Council of the City of West Allis approves the Wehr Steel Development Agreement with Venturdyne, Ltd. and Carnes Company, Inc. for the property of the former Wehr Steel Site located at 2154 South 54 Street.

BE IT FURTHER RESOLVED that the Director of Development be and is hereby authorized to execute and deliver the Agreements on behalf of the City of West Allis.

BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to make such non-substantive changes, modifications, additions and deletions to and from the various provisions of the Agreement, including any and all attachments, exhibits, addendums and amendments, as may be necessary and proper to correct inconsistencies, eliminate ambiguity and otherwise clarify and supplement said provisions to preserve and maintain the general intent thereof, and to prepare and deliver such other and further documents as may be reasonably necessary to complete the transactions contemplated therein.

cc: Department of Development

Dev-R-361\bjb\9-7-04



ADOPTED

March 7, 2006  
Paul M. Ziehler

Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED

March 9, 2006  
Jeannette Bell

Jeannette Bell, Mayor



**WEHR STEEL  
DEVELOPMENT AGREEMENT**

**THIS DEVELOPMENT AGREEMENT** (this "Agreement"), made and entered into as of the 9<sup>th</sup> day of May, 2006, by and between **VENTUREDYNE, LTD. AND CARNES COMPANY, INC.** collectively referred to as ("Developer"), a Wisconsin S Corporation and a Wisconsin corporation, respectively and the **CITY OF WEST ALLIS** (the "City"), a Wisconsin Municipal Corporation.

**WITNESSETH:**

**WHEREAS**, Developer intends to redevelop the site located at 2154 South 54<sup>th</sup> Street by developing industrial property or properties on the site (the "Project") pursuant to the terms of this Agreement; and,

**WHEREAS**, Developer and the City desire to set forth in writing the terms and conditions under which the Developer and the City have agreed to complete the project.

**NOW, THEREFORE**, for other good and valuable consideration, together with mutual benefits conferred herein, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

A. GENERAL PROVISIONS.

1. The Developer and City will work together to see that the property at 2154 South 54<sup>th</sup> Street is developed as soon as reasonably possible.
2. The City will issue a letter to Venturedyne in the form attached as Exhibit 1 stating that it is working with Developer to promote the development of the property.
3. The City will abandon all efforts to declare the property blighted, or to acquire the property by eminent domain. It is understood that if the City cooperates fully with the Developer and does not stand in the way of development and the permit process, and the Developer has done nothing to develop the property over a reasonable period of time and the City believes it has basis for separate action, this clause does not prevent the City from taking action.
4. The City will provide to the Developer, in the form of credits for various fees, the amount of \$6,182 from the Legal & Administrative Budget for reimbursement of past Building Permit Fees. Any amount of the \$6,182 not refunded to Developer shall be paid from the Legal & Administrative Budget.
5. MMSD Chapter 13, as it relates to this site, requires a developer of the property to retain storm water runoff on site if the net increase in the area of impervious surface is more than ½ acre.



In 2002 the Developer's architect certified that the total site area equaled 13.39 acres, consisting of 11.1 acres impervious and 2.24 acres green space. Based upon this certification, the City Engineer approved the site for MMSD Chapter 13 Compliance in that no storm water runoff plan was necessary.

Since 2002, the City Engineering Department has established procedures that in addition to continuing to require the developer's registered engineer or registered architect to submit a self-certification compliance statement, the City Engineer shall also conduct a field inspection of the site to verify the compliance statement.

If an existing or new site development plan is desired, the Developer's registered engineer or registered architect will be required to submit the specific plans to the City Engineer for approval. If the plan, upon completion of the field inspection of the site complies with MMSD Chapter 13 requirements, the City Engineer will approve the plan for MMSD Chapter 13 compliance.

6. Developer agrees to allow and accompany the City Engineer and will provide the engineer or architect who certified the compliance statement to complete the field inspection. This will need to be done with adequate notice and at a reasonable time.

7. Developer will not build buildings over the current City's main east/west sewer easement.
8. The Developer will develop the property to its highest and best use, as determined by the Developer. This will be done within the current zoning of the property. If a zoning change is desired by the Developer, the City and Developer will work together. Developer must make application as set forth in the West Allis Revised Municipal Code. The Parties understand that zoning approval is a legislative process that involves the discretion of Common Council members. The City will use its best efforts to ensure timely consideration of Developer's application.
9. As soon as this Agreement is approved by the Developer and City and the City provides a letter pledging its cooperation with Developer and expedited handling of the development (Exhibit 1), Developer will begin broad-level marketing of the property.
10. This Agreement inures to the benefit of and binds all parties hereto, and their respective successors and assigns. This Agreement may be executed in one or more counterparts, all of which shall constitute one Agreement.

**B. GOOD FAITH.**

The Parties covenant and agree to act in good faith in the performance and enforcement of the provisions of this Agreement and in the cooperation to promote and develop the property and to expedite the development permit and inspection process.

**The City of West Allis**

5-9-06  
Date

By: John F. Stibal  
John F. Stibal,  
Director of Development

Countersigned at West Allis, Wisconsin this 9th day of May, 2006, and I hereby certify that provision has been made to pay the liability that will accrue under this Agreement by the City of West Allis.

Paul M. Ziebler  
Gary Schmid, Comptroller  
PAUL M. ZIEHLER  
CITY ADM. OFF. / CLERK TREAS.

Approved as to form this  
9 day of May, 2006.

Scott E. Post  
Scott E. Post, City Attorney

**Venturedyne, Ltd.**

5-9-06  
Date

By: Brian L. Nahey  
Brian L. Nahey, President & CEO

**Carnes Company, Inc.**

5-9-06  
Date

By: Brian L. Nahey  
Brian L. Nahey, President & CEO

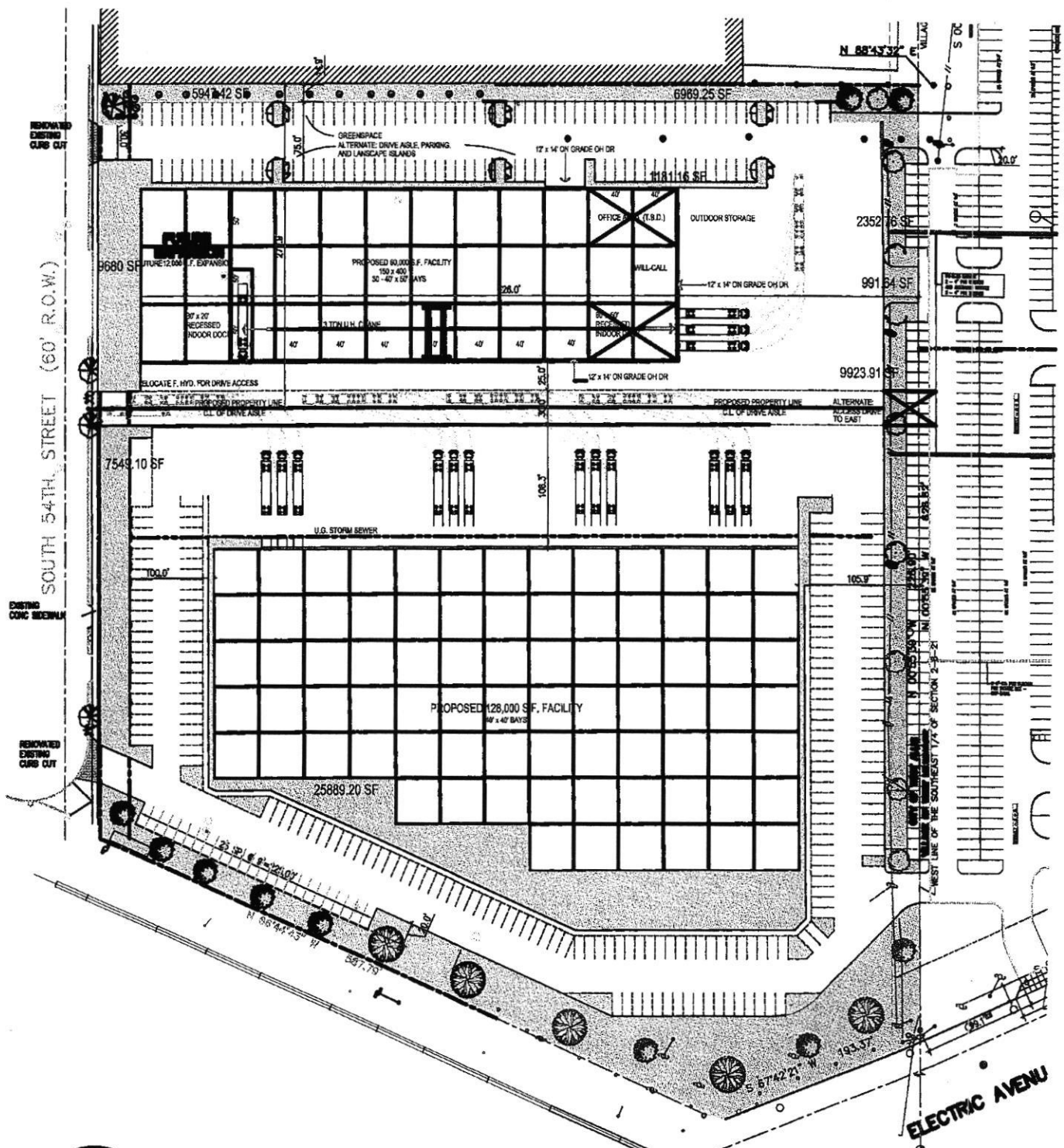
Exhibit 1

To Whom It May Concern:

The City of West Allis is working exclusively with Venturedyne, Ltd. and Luterbach to promote and develop the property on 2100 South 54<sup>th</sup> Street, known as the Wehr Steel site.

The City and the Developer share a desire to develop the site as quickly as possible and thus the City pledges to expedite the development, permit, and inspection process, etc.





## PHASE I AND II PROPOSED SITE PLAN - LAYOUT No. 7

SCALE: 1" = 50' 0"

### SITE AREA CALCULATIONS

	BUILDING SITE 1	BUILDING SITE 2	TOTAL SITE
LOT SIZE			578,584 S.F.
BUILDING AREA			188,000 S.F.
PAVING			264,595 S.F.
FUTURE BUILDING			12,000 S.F.
FUTURE PAVING			
GREEN SPACE			109,989 S.F.
FUTURE EXP. ADJUSTMENT			
GREEN SPACE (%)			19%

2.525 ACRES

**WEHR STEEL  
DEVELOPMENT AGREEMENT**

**THIS DEVELOPMENT AGREEMENT** (this "Agreement"), made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2005, by and between **VENTUREDYNE, LTD. AND CARNES COMPANY, INC.** collectively referred to as ("Developer"), a Wisconsin S Corporation and a Wisconsin corporation, respectively and the **CITY OF WEST ALLIS** (the "City"), a Wisconsin Municipal Corporation.

**WITNESSETH:**

**WHEREAS**, the City has created Tax Incremental District (TID) Number Eight, comprised of land and improvements on a portion of the former Wehr Steel facility, as described in Exhibit 1 and shown on Map A; and,

**WHEREAS**, Developer intends to redevelop the site located at 2154 South 54<sup>th</sup> Street by developing industrial property or properties on the site (the "Project") pursuant to the terms of this Agreement; and,

**WHEREAS**, Developer and the City desire to set forth in writing the terms and conditions under which the Developer and the City have agreed to complete the project.

**NOW, THEREFORE**, for other good and valuable consideration, together with mutual benefits conferred herein, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

**A. GENERAL PROVISIONS.**

1. The Developer and City will work together to see that the property at 2154 South 54<sup>th</sup> Street is developed as soon as reasonably possible.

2. The City will issue a letter to Venturedyne in the form attached as Exhibit 2 stating that it is working with Developer to promote the development of the property.
3. The City will abandon all efforts to declare the property blighted, or to acquire the property by eminent domain.
4. The City has created a Tax Incremental District (TID) effective January 1, 2005. The TID has budgeted Five Hundred Thousand Dollars (\$500,000) for property improvements, \$50,000 for engineering and legal costs and \$82,500 for contingency for a total of \$632,500. The City will pay the Developer \$550,000 for property improvements and engineering costs according to paragraph #7. The Developer will assume the contingency risk for any excess engineering and property improvement cost.
5. In addition to the amount in paragraph 4, the City will provide to the Developer from the Legal & Administrative Budget the amount of \$6,182 for reimbursement of Building Permit Fees. It is also agreed that the storm water plan previously approved and agreed to for the site remains approved through future development.
6. If the Developer replaces any public improvements such improvements will be done per City standard specifications in effect as of the date of this Agreement and limited to what is currently in existence. If there is a need for a new City R.O.W., the old R.O.W. of the City will be abandoned (and left in place). Improvements will need to be reviewed, inspected, and accepted by the City Engineer. Such acceptance by the City Engineer will not be unreasonably withheld.

7. The Developer will develop the property to its highest and best use, as determined by the Developer. This will be done within the current zoning of the property. If a zoning change is desired by the Developer, the City and Developer will work together to make it happen. The Developer will be reimbursed for the engineering and capital construction costs for the property improvements (the \$550,000) from the annual proceeds of the TID for a 15 year period starting January 1, 2005. The reimbursement of the \$550,000 will come dollar per dollar from the increase in property taxes generated by the development. The base year of 2004, per the October 14, 2004 Tax Incremental Finance District Number Eight Project Plan, shows an assessment of \$914,000 for an approximate tax of \$24,300.
8. To summarize, it is understood that as a demonstration of good faith by Developer and as an economic incentive for the City, Developer will start construction of property improvements to the site as soon as the TID is approved, this Agreement signed, Exhibit 2 signed, and the engineering approved. Thus, the property will be ready for development quickly and the City will have no investment until development occurs.
9. As soon as this Agreement is approved by the Developer and City and the City provides a letter pledging its cooperation with Developer and expedited handling of the development (Exhibit 2), Developer will begin broad-level marketing of the property and construction of property improvements.
10. Developer will provide the City with a semi-annual update on the progress of development efforts.

11. So as to ensure that the tax increment will be sufficient to enable the City to reimburse Developer the Developer gives its word that it will use its best efforts to maximize the density of development on the site and the City pledges its cooperation to do the same.

**B. OPTION TO PURCHASE**

1. If Developer's Architect has not submitted the State of Wisconsin Completion Certification for approximately 50% of the property if the property has been subdivided, within five years of the signing of this Agreement or 100% if the property has not been subdivided, within six years, Developer will sell the property to the City at market value with no need for any condemnation proceedings. The dates will be extended for one additional year if there is another event that has a similar impact on the economy that September 11, 2001 did.

If the City and Developer are not able to reach agreement as to the fair market value, such fair market value shall be determined by appraisal as follows. Either party may by notice to the other, appoint a disinterested MAI appraiser as one of the appraisers. Within ten (10) working days thereafter the other party shall, by written notice to the party appointing the first appraiser, appoint another disinterested MAI appraiser as a second appraiser. The appraisers thus appointed shall appoint a third disinterested MAI appraiser, and such three appraisers shall as promptly as possible determine such value, provided however that:

- (a) if the second appraiser shall not have been appointed as aforesaid, the first appraiser shall proceed to determine such value; and
- (b) if, within ten (10) working days after the appointment of the second appraiser, the two appraisers appointed by the parties shall be unable to agree upon the appointment of a

third appraiser, they shall give written notice of such failure to agree to the parties, and, if the parties fail to agree upon the selection of such third appraiser within five (5) working days after the appraisers appointed by the parties gave notice as aforesaid, then within five (5) working days thereafter either of the parties upon written notice to the other party hereto may apply for such appointment to the highest court of general jurisdiction in the county in which the Property is located.

2. The parties shall each be entitled to present evidence and argument to the appraisers. The determination of the majority of the appraisers or the sole appraiser, as the case may be, shall be conclusive upon the parties and judgment upon the same may be entered in any court having jurisdiction thereof. The appraisers shall give written notice to the parties stating their determination, and shall furnish to each party a copy of such determination signed by them. The expense of such appraisal(s) shall be borne equally by the parties. In the event of the failure, refusal or inability of any appraiser to act, a new appraiser shall be appointed in his stead, which appointment shall be made in the same manner as provided above for the appointment of the appraiser so failing, refusing or unable to act

### **C. GOOD FAITH.**

The Parties covenant and agree to act in good faith in the performance and enforcement of the provisions of this Agreement.

**The City of West Allis**

\_\_\_\_\_  
Date

By: \_\_\_\_\_

John F. Stibal,  
Director of Development

Countersigned at West Allis, Wisconsin this \_\_\_\_ day of \_\_\_\_\_, 2005,  
and I hereby certify that provision has been made to pay the liability that will accrue  
under this Agreement by the City of West Allis.

\_\_\_\_\_  
Gary Schmid, Comptroller

Approved as to form this  
\_\_\_\_ day of \_\_\_\_\_, 2005.

\_\_\_\_\_  
Scott E. Post, City Attorney

**Venturedyne, Ltd.**

\_\_\_\_\_  
Date

By: \_\_\_\_\_

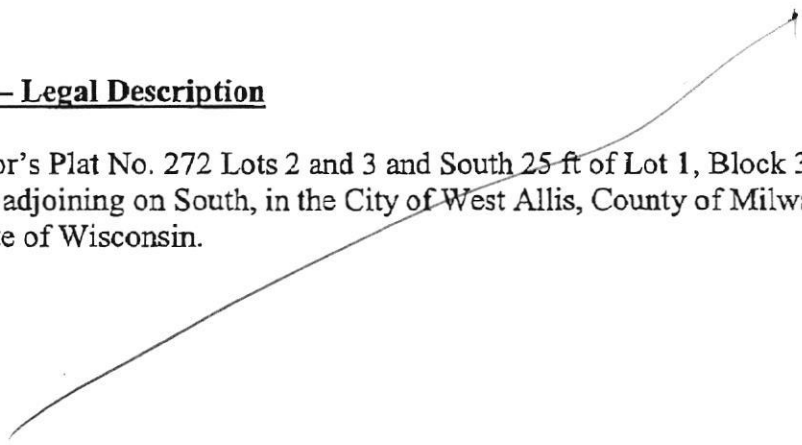
**Carnes Company, Inc.**

\_\_\_\_\_  
Date

By: \_\_\_\_\_

**Exhibit No. 1 – Legal Description**

Assessor's Plat No. 272 Lots 2 and 3 and South 25 ft of Lot 1, Block 3 and vacant section adjoining on South, in the City of West Allis, County of Milwaukee and the State of Wisconsin.





## Exhibit 2

To Whom It May Concern:

The City of West Allis is working exclusively with Venturedyne, Ltd. and Bill Luterbach to promote and develop the property on 2100 South 54<sup>th</sup> Street, known as the Wehr Steel site. The City and the Developer share a desire to develop the site as quickly as possible and thus the City pledges to expedite the development, permit, and inspection process, etc.

