



CITY OF MERRILL

COMMON COUNCIL

AGENDA • WEDNESDAY MARCH 24, 2021

Special Meeting

City Hall Council Chambers

7:00 PM

- I. To attend remotely, call 915-519-4570 and PIN 611 946 333 #.
- II. Call to Order
- III. Silent Prayer
- IV. Pledge of Allegiance
- V. Public Comment Period
- VI. Resolutions:
 1. A Resolution supporting CMJ Investments, LLC, D/B/A "The Lofts at City Hall" application for Wisconsin Economic Development Corporation (WEDC) funds, for a renovation.
- VII. Adjournment

William N. Heideman, CMC, WCMC
City Clerk

The Merrill City Hall is accessible to the physically disadvantaged. If special accommodations are needed, please contact the Merrill City Hall at (715) 536-5594.

RESOLUTION NO. _____

RESOLUTION SUPPORTING CMJ INVESTMENTS, LLC, D/B/A “THE LOFTS AT CITY HALL”, APPLICATION FOR WISCONSIN ECONOMIC DEVELOPMENT CORPORATION (WEDC) FUNDS FOR A RENOVATION

WHEREAS, CMJ Investments, LLC, d/b/a “The Lofts at City Hall”, has purchased the “Old City Hall” located at 713 E 2nd St., and is engaged, among other things, in the business of renovating, updating, maintaining and managing the apartment building located at 713 E. 2nd Street, now known as the “The Lofts at City Hall” to provide workforce housing; and

WHEREAS, it is necessary that funds be procured for that project, including a grant applied by the City of Merrill for CMJ Investments, LLC, d/b/a/ “The Lofts at City Hall”, through the Wisconsin Economic Development Corporation (WEDC); and

WHEREAS, these funds will be used to renovate, restore, and update the “The Lofts at City Hall” property;

NOW THEREFORE, BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF MERRILL, WISCONSIN this 24th day of March, 2021, that the City of Merrill hereby supports speedy approval of the grant application by the City of Merrill for CMJ Investments, LLC, d/b/a “The Lofts at City Hall”, to the WEDC in furtherance of the renovation project to provide workforce housing, and further, wishes CMJ Investments, LLC, d/b/a “The Lofts at City Hall”, the best of luck in their endeavor, and further urges WEDC to expeditiously handle the loan application, approval, and related matters.

Recommended by:

CITY OF MERRILL, WISCONSIN

Moved: _____

Derek Woellner
Mayor

Passed: _____

William N. Heideman
City Clerk

**DEVELOPMENT AGREEMENT
BY AND BETWEEN THE
CITY OF MERRILL, WISCONSIN
AND CMJ INVESTMENTS, LLC**

THE DEVELOPMENT AGREEMENT (the “Agreement”) is entered into as of _____, 2021 by and between the City of Merrill, Wisconsin, (the “City”) a political subdivision of the State of Wisconsin and CMJ Investments, LLC, a Wisconsin Limited Liability Company, (the “Developer”).

RECITALS

- A. The City desires to encourage economic development, the development of underutilized land, the development of workforce housing, expand its tax base and create new jobs within the City.
- B. CMJ Investments, LLC owns a development area described as:

Scott & Blade Add'n Lt 1 Blk 1

Located at: 713 E. 2nd Street, Merrill, Wisconsin
- C. The Developer proposes to remodel and repair existing building to maintain an attractive 16 unit apartment building (Old City Hall) to provide workforce housing.
- D. As an inducement to Developer to undertake the Development and to assist the Development, the City endorses and wholeheartedly approves of the project and the use of City of Merrill Community Development Funds. This endorsement is not and does not constitute a guarantee on the part of the City of the loan for those funds.
- E. The City finds incentives to be necessary to encourage the Development in the Development Area and for Developer to undertake the Development in such a manner as to accomplish the City goals.
- F. The City finds that the redevelopment and the fulfillment generally of the terms and conditions of this Agreement are in the vital and best interest of the City and City residents by expanding the tax base, creating new jobs and causing the redevelopment of underutilized property thereby serving a public purpose in accordance with state and local law.

NOW THEREFORE, in consideration of the promises and mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

ARTICLE I

Section 1.01 Initial Undertaking of the City of Merrill

The City Has:

- a. Reviewed the Business Plans of the Developers.
- b. The City has facilitated a Community Development loan in the amount of \$200,000.

Following Execution of this Agreement, the City agrees that it shall cooperate with Developer to facilitate Developer's performance under this Agreement.

Section 1.02 Initial Undertakings of the Developers

- a. Acquired all necessary real estate interests.
- b. Raised equity and financing necessary for the development.
- c. File necessary plan and permit applications with the City and/or State.
- d. Contract for remodeling of existing building.
- e. Developer will commence construction/remodeling by September 30, 2021.
- f. Shall pay all Real Estate Taxes when due.

ARTICLE II MISCELLANEOUS

Section 3.01 Indemnification.

CMJ Investments, LLC., its successors and assigns shall indemnify and save harmless and defend the other party and its respective officers, agents and employees from any and all liabilities, suits, actions, claims, demands, losses, costs, damages and expenses of every kind and description, including attorney costs and fees for claims of any character, including liability and expenses in connection with the loss of life, personal injury or damage to property or any of them brought because of any injuries or damages received or sustained by any persons or property on account of or arising out of or occasioned wholly or in part by any act or omission on the other party's part or on the part of its agents, contractors, subcontractors, invitees or employees provided that the foregoing indemnification shall not be effective for any claims of the indemnified parties that are not contemplated by this Agreement or which constitute gross negligence or willful misconduct.

Section 3.02 No City Obligations.

The City shall have no obligations or liability for any obligations or responsibilities to any lending institution, architect, contractor or sub-contractor or any

other party retained by Developers in the performance of its obligations and responsibilities under the terms and conditions of this Agreement. The Developers specifically agrees that no representation, statements, assurances or guarantees will be made by Developers to any third party contrary to this provision.

Nothing in this agreement or related documents shall, in any way indebt, obligate, or contractually bind the City of Merrill for repayment or guarantee of any debt undertaken by CMJ Investments, LLC.

Section 3.03 Default.

a. Default and Notice of Default. In the event either party to this Agreement is in default hereunder (the “Defaulting Party”) the other party (the “Non-Defaulting Party”) shall be entitled to take any action allowed by applicable law, by virtue of said default, provided that Non-Defaulting Party gives the Defaulting Party written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than sixty (60) days in which the default may be cured by the Defaulting party. Notwithstanding the foregoing, if any default cannot reasonably be cured within sixty (60) days, the Non Defaulting Party shall refrain from exercising remedies as long as a cure is being diligently pursued.

If either party fails to cure a default as permitted herein, the Non-Defaulting Party, without limiting its remedies under this Agreement, may compel performance by the Defaulting Parting by bringing an action for specific performance. If after the specified time period for cure proceedings are initiated to cure an alleged default, the prevailing party in such proceedings shall be entitled to reimbursement from the other party for its reasonable attorney’s fees and associated costs incurred in such proceedings.

b. Force Majeure. Neither party shall be responsible to the other party for any resulting losses if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of the enemies, strikes, fires, floods, acts of God, unusual weather, or by any other cause not within the control of the party whose performance was interfered with and which by the exercise of reasonable diligence such party is unable to prevent, whether of the class of causes herein above enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause.

Section 3.04 Non Discrimination.

Neither the Development nor any portion thereof shall be used by any party in any manner to permit unlawful discrimination or unlawful restriction on the basis of race, creed, ethnic origin or identity, color, gender, marital status, familial status, age, handicap, sexual orientation, or national origin and the construction and operation of the Development shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.

Section 3.05 Parties and Interest; Survival of Agreements.

Except as otherwise expressly provided herein, this Agreement is made solely for the benefit of the parties hereto and no other person, partnership, association, or corporation shall acquire or have any rights hereunder by virtue hereof. All representations and agreements in this Agreement shall remain operative and at full force and effect regardless of any investigation made by or on behalf of any party. No party may assign its rights under this Agreement without the written consent of the other party.

Section 3.06 Notices.

All notices, demand, certificates, or other communications under this Agreement shall be sufficiently given and shall be deemed given when hand-delivered or when mailed by first class mail postage pre-paid with property addresses indicated below:

To the City: City of Merrill, Wisconsin
 Attention: City Clerk
 1004 East First Street
 Merrill, Wisconsin 54452

With a copy to the City Attorney.

To the Developers: CMJ Investments, LLC
 Mark A. Rein, Cheryl J. Rein & Jody A. Rein
 4010 W. Hollow Trace Drive
 Peoria, IL 61615

Any party may, by written notice to the other party, designate a change of address for the purposes of aforesaid.

Section 3.07 Amendment.

No modification, alteration, or amendment of this Agreement shall be binding upon any party hereto until such modification, alteration, or amendment is reduced to writing and executed by all parties hereto.

Section 3.08 Governing Law.

The laws of the State of Wisconsin shall govern this Agreement.

Section 3.09 Severability.

If any provisions of this Agreement shall be held or deemed to be or shall in fact be inoperative or unenforceable as applied in any particular case, in any jurisdiction or

jurisdictions or in all jurisdictions or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance or of rendering and provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatsoever.

Section 3.10 Compliance with Law.

The parties shall, in undertaking the construction and operation of the Development, comply with all applicable federal, state, and local laws.

Section 3.11 City Authorization.

The execution of this Agreement was authorized by Resolution No. _____ adopted on April 7, 2021, by the Common Council.

IN WITNESS WHEREOF:

The parties have executed this Agreement as of _____, 2021

CITY OF MERRILL, WISCONSIN

Derek Woellner, Mayor

Approved:

Katherine G. Unertl, Finance Director

William N. Heideman, Clerk

Approved as to Form:

Thomas N. Hayden, City Attorney

STATE OF WISCONSIN)

) ss.

COUNTY OF LINCOLN)

Personally came before me this ____ day of _____, 2021, the above named Derek Woellner, Mayor and William N. Heideman, Clerk, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My commission _____

CMJ Investments, LLC

By _____
Mark A. Rein, Manager

STATE OF WISCONSIN)
) ss.
COUNTY OF LINCOLN)

Personally appeared before me this ____ day of _____, 2021, the above named Mark A. Rein of CMJ Investments, LLC to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My commission_____

CMJ Investments, LLC

By _____
Cheryl J. Rein, Manager

STATE OF WISCONSIN)
) ss.
COUNTY OF LINCOLN)

Personally appeared before me this ____ day of _____, 2021, the above named Cheryl J. Rein of CMJ Investments, LLC to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My commission_____

CMJ Investments, LLC

By _____
 Jody A. Rein, Manager

STATE OF WISCONSIN)
) ss.
 COUNTY OF LINCOLN)

Personally appeared before me this ____ day of _____, 2021, the above named Jody A. Rein of CMJ Investments, LLC to me known to be the persons who executed the foregoing instrument and acknowledged the same.

 Notary Public, State of Wisconsin
 My commission _____