VILLAGE OF MCFARLAND *NOTICE OF PUBLIC MEETING*

COMMUNITY DEVELOPMENT AUTHORITY

Wednesday January 4, 2017 **7:00 P.M.** **McFarland Municipal Center**
Conference Room A

AGENDA

1. CALL TO ORDER

2. APPROVAL OF MINUTES
   a. Review and possible approval of draft minutes from the December 7, 2016 Community Development Authority meeting.

3. BUSINESS
   a. Discussion and possible action regarding an Agreement for Financial Assistance with Hillcrest Rentals, LLC (Brian Spanos) for the possible renovation and improvement to the Spanrie Office Building located at 5910 Main Street.

   b. Discussion and possible action regarding potential opportunities for streetscaping amenities within the CTH MN project for 2017 as follows:
      i. Decorative Stamped Concrete Pattern and Color for Commercial Terrace Areas
      ii. Stamped Crosswalk Pattern in Commercial Areas
      iii. Update on Concrete Corridor
      iv. General Project Update

   c. Discussion and possible action regarding the development of draft 2017 Goals and Objectives of the CDA.

4. ADJOURNMENT

Notes:
1) Persons needing special accommodations should call (608)838.3154 at least 24 hours prior to the meeting.
2) A quorum of The Village Board may attend this meeting for the purpose of gathering information relevant to their responsibilities as Village trustees. No matter shall be considered nor shall any action be taken by said Village Board members at this meeting.
3) More specific information about agenda items may be obtained by calling (608)838.3154.

This agenda was posted, or caused to be posted, by my hand on the 30th day of December 2016, at the following three (3) posting places in the Village of McFarland, to wit: McFarland Municipal Center, 5915 Milwaukee Street; E.D. Locke Public Library, 5920 Milwaukee Street; and the McFarland State Bank, 5990 Hwy. 51.

Cassandra Suettinger, Clerk/Deputy Treasurer

Working Draft -MINUTES

Community Development Authority Meeting

December 7, 2016

Members Present:	Art Weber, Ken Brost, Stephanie Brassington, Clair Utter, Eric Johnson, Shawn O'Hearn (arriving at 7:02)
Members Absent:	David Doll
Staff Present:	Pauline Boness, Matt Schuenke
Others Present:	Brian Spanos, Hillcrest Rentals, LLC

1. **Call to order.** Weber called the meeting to order at 7:00 p.m.

2. **Review and possible approval of draft minutes from the August 3, 2016 Community Development Authority meetings.**
   Brost moved to approve the August 3, 2016 minutes, Brassington seconded the motion. Motion carried unanimously 5-0.

3. **Discussion – Brian Spanos – renovation of former Antique store at 5910 Main Street.**
   Brian Spanos of Hillcrest Rentals, LLC discussed possibilities for the former antique store located at 5910 Main Street. They have received approval from the Landmark Committee for the exterior of the property; possibilities for the interior are adding additional office space, and, multifamily rentals in the upper level. They have been working with an architect to discuss options of what can be done and what would fit with the property. Their office is located there and they have a tenant for the unit next door.

   Spanos reviewed the exterior changes which have been approved by the Landmark Committee along with upgrades and changes to the exterior of the building. Spanos provided members a copy of the project bids to date.

   Spanos explained this is more of a wish list of what they would like to do, much will depend on costs, financing, and if there are any grants or funding available. The idea is to maintain as much of the original character, making it more energy efficient, but, some work done to the property over the years cannot be repaired or replicated, they

will be using other materials to repair areas in need. Spanos has been working with Boness in looking for photos to help as they move forward with this project. Utter advised he has some photos he will provide to Spanos.

Boness stated Spanos contacted the Village to see if there was any financial participation on the part of the Village possibly available. The Village did participate in work done on the McFarland House, part in the form of a grant, other paid back over time, much was for structural work to the building. There were conditions to the loans given to the McFarland House.

There was discussion of a potential façade improvement program the Village was looking into, if the Village moved forward with the program it would take some time, possibly 3 – 6 months. Spanos advised they are not in a rush, but would like to proceed in a timely manner, if they did not receive any direction, they will move forward and proceed with the windows.

Weber asked if there would be any signage or lighting. Spanos replied at this time it is a work in process, in their plans currently there is nothing confirmed. Boness advised she will review what was done for McFarland House and bring information back to the next meeting.

Members discussed options of costs, budgets and potential work to be done on the property.

Johnson advised he would not comment due to conflict of interest. Schuenke advised he would like to meet with Spanos and staff outside of this meeting to narrow down what Spanos is looking for with the project, whatever happens if TID money is involved it would have to pass the budget test there would probably have to be a short developers agreements spelling out what might be possible from the TID. Members concurred they would like to have Spanos come back to the next CDA meeting with what ideally their project is.

4. BUSINESS

a. Discussion - revisit powers, duties and functions of the CDA.

Boness reviewed information from packets outlining when the CDA was established and why along with the memo from Schuenke. Schuenke felt there should be background and perspective supplied, the CDA was set up as a Village Ordinance with two parts, either housing related or redevelopment specific. Schuenke reviewed both items with members as outlined in his memo. Members discussed how each of them view the purpose of the CDA and how their views fit with the Ordinance as it was set up, along with issues when the CDA has one view and the Village Board another. Schuenke felt members brought up good ideas, and how they fit in with the need to have objectives and goals.

b. Discussion - regarding potential draft 2017 Goals and objectives of the CDA.

Schuenke stated the Village Board is looking to align itself with the CDA so moving forward both are on the same page and can work together as projects move forward. Schuenke reviewed the background he provided in the packets and would like members to come with two goals for the next meeting. Schuenke advised the branding initiative has been approved in the budget for 2017; the vision is to work on that initiative once the Comprehensive Plan Update is complete. Members discussed perceived duties of the CDA and how they can work with the Village Board along with inactivity of the Village Board when the CDA has made recommendations to them. Members also discussed expectations of branding and the issues of spending the money versus the outcome you receive for money spent along with issues of the previous branding project.

c. **Presentation of the 2017 budget for TID #3 and #4 as approved by the Village Board.**
Schuenke reviewed the summary of TID #3 and #4 budgets as included in the packets.

d. **Discussion - regarding potential opportunities for streetscaping amenities within the CTH MN project for 2017.**
Schuenke reviewed potential plans for improving the aesthetic looks for parts of the downtown area. The design will be finished in January, and not everything in the streetscape needs to be included in the project. Schuenke reviewed and discussed with members the points of three different types of improvements, a bump out, asphalt reconstruction including stamping and coloring of concrete and cross walks. Members discussed costs versus repairs of items along with the reason this is being discussed at a CDA meeting is due to it being in a TID district and TID funds will be used. Schuenke reviewed street lighting options with members. Members also discussed parking issues in the area and the need for more parking versus making it an area where you have to park further away and walk through the area. Schuenke advised this is a process in works and what will take place remains to be seen.

Schuenke reviewed with member's ideas regarding the library and activity improvement such as a patio area to the front of the library along with improvements to the discovery park along with addition of benches, trash receptacles and planters. It is only in the beginning process as there will need to be discussion with both the Public Works and Library Committee. Schuenke brought up way finding signage and partnering with the county and their trail signage specifications, but signage itself is a separate project. Members concurred they would rather see this process take a bit longer and have it done right rather than rushing the process.

5. **Adjournment:** Brost moved to adjourn, seconded by Johnson, motion carried unanimously; meeting adjourned at 8:50 p.m.

Village of McFarland

Memorandum

To: Community Development Authority (CDA)
From: Matthew G. Schuenke, Village Administrator/Treasurer
Date: December 29, 2016
Re: Financial Assistance Agreement for Spanrie Office Building

Executive Summary

The CDA met on December 7th to review a project at 5910 Main Street to update their façade and make interior improvements to add apartments to the second floor. This location was the former Antique Store that was sold to Spanrie Development Group last Fall in order to relocate their offices to the first floor, add a new commercial space on the first floor, and convert the second floor into 3 apartments. Brian Spanos of Spanrie reviewed several aspects of the project with the CDA they are requesting financial assistance to assist in filling their construction gap regarding improvements to the siding, brick/stone work, windows, and doors. The CDA was interested in funding a portion of this work and requested more information from Spanrie as to what might be possible to expand the project to improve its historical significance. This memorandum will summarize what is proposed for funding through the TID, outstanding questions that need direction, and the draft format for the financial assistance.

Funding Proposal

Appendix A includes a comparison of revenues/expenses as well as their associated funding sources, construction budget, and gap analysis. It is proposed that the Village fund through Tax Increment Financing the siding/exterior work, windows on the first floor, exterior door, brick/stone work, sprinkler system, and a new water lateral. The water later was not part of the construction budget but is estimated at $5,000 after speaking with the Village Engineer. The total amount of financial assistance would be approximately $75,520. This doesn't quite cover the gap when you account for the additional lateral expense, so either the equity, loan, or other expenses adjusted for the costs to balance. The table increases the loan amount by about $3,500 to reconcile the costs for the purposes of our discussion. The remainder of the land acquisition, construction costs, and other soft costs would be paid for by the Developer either through their loan or the equity provided. The project will be funded approximately 70% by the loan, 18% through equity, and 12% through the TID.

Outstanding Issues
There are a few outstanding issues the CDA needs to weigh in on in order to continue to bring together an agreement. Please consider the following issues:

- Windows – Appendix B contains a quote for window replacement on the second floor. The current proposal only includes the first floor at a cost of $14,600 plus $6,250 for three new doors. Adding the second floor would add another $13,000 to the project.

- Brickwork – Appendix C contains a quote to expand the potential brickwork on the building. The current proposal only includes spot repair in an amount not to exceed $7,500. Expanding this work could cost as much as $44,900 or an additional $37,400 for the project.

- Sprinkler System – Financially assisting in the sprinkler system does not affect the façade but does help make the 100 plus year old building safer for its inhabitants and neighboring structures. If the Developer is agreeable to the install of a normal system, then the Village could further partner with them to install a new water later when County Highway MN is reconstructed in 2017.

- Financial Assistance – The CDA should discuss the format of the financial assistance as to whether it will be provided as a grant, low or no interest loan, or some combination thereof.

Proposed Financial Assistance Agreement
Appendix D contains a draft of the proposed agreement that could extend financial assistance to the project. This is the same agreement that was used for the McFarland House when financial assistance from the TID was provided several years ago. This is very much a draft with a lot of blanks to fill in and is provided in advance for the CDA to be familiar with the document when the details are prepared through the discussions above. The objective for our meeting is for the direction provided on the funding proposal and outstanding issues to be worked into a final draft that can be reviewed by the Attorney and presented for consideration at the next meeting in February.

Recommendation
Village Staff recommends the following action be taken in the meeting on Wednesday:

1. Review the funding proposal and discuss whether or not the highlighted construction items are appropriated for TIF assistance as well as to the extent provided.

2. Work through each of the outstanding issues to provide direction to the Developer and Staff as to what the CDA is comfortable with as a solution for each of these items.

3. Determine that the format for the Financial Assistance Agreement is acceptable understanding that a final complete draft will be presented for approval at a later date.

Appendix A

E. PROJECT BUDGET AND FINANCIAL STRATEGY

Project Costs	Amount	Source(s) of Financing
(List Individual Project Elements, demolition, signs, etc.)	$	
Land acquisition	$ 199,900	Equity, Loan
Siding + Exterior Work	$ 17,170	TIF
Windows First Floor	$ 14,600	TIF
Exterior Door	$ 6,250	TIF
Brick Stone Work	$ 7,500	TIF
Sprinkler System	$ 25,000	TIF
Water Lateral	$ 5,000	TIF
General Construction	$ 282,118	Loan
	$	
	$	
	$	
(Soft Costs: planning, design, etc.)		
Architect, Permits, Appraisal,	$ 69,461	Equity, Loan
Impact Fees, GC Fee, etc.	$	
	$	
	$	
	$	
Total Project Costs	$ 626,999	

Budget source: ☒ Developer ☐ Architect ☐ Contractor ☐ Other _____

Sources of Financing	Amount	Percent of Total Costs
TIF	$ 75,520	12 %
Equity	$ 112,582	18 %
Loans	$ 438,847	70 %
Grants	$	%
Other (please specify)	$	%
	$	%
		%
Total Project Costs	$	100.0 %

Lender for Project:

_____ Officer _____ Phone _____

Preapproved: ☐ No ☐ Yes, attach a Letter of Commitment from the Lender indicating that the applicant has sufficient financial resources to obtain the private financing for the project.

Grant Sources: _____

Application Status: _____

Estimated Likelihood of Award: _____% Date of Grant Announcement: _____

The Spanos Company
P.O. Box 11
608-834-8804

TIF

RED is Estimate

Construction Budget

McFarland Duplex

Hard Costs

	Description	Number to lower	Materials	Labor	Total
	Framing and material costs		12,273	12,525	24,798
	Finish Carpentry Trim		14,500	10,500	25,000
	LVT,Underlayment, Pad, Carpet			12,650	12,650
	Refinish wood Floors/Tile			6,600	6,600
	Appliances			7,200	7,200
	Painting			4,500	4,500
	Countertops & Cabinets Sinks			21,895	21,895
	Railing Install on front of building			7,500	7,500
	Drywall Painting, primer,insulation			3,500	3,500
	Drywall, Hang, sand tex, sound proofing			19,975	19,975
x	Siding and exterior work			17,170	17,170
	Windows First Floor			14,600	14,600
	Exterior Door			6,250	6,250
	Plumbing, Fixtures			34,390	34,390
2 head vs. 4 head system	Sprinklers (DOES NOT INCLUDE LATERAL if needed)			25,000	25,000
	Light Fixtures			4,000	4,000
	Outside Grading and concrete work			3,500	3,500
	HVAC			33,410	33,410
x	Concrete			7,500	7,500
	Glass Work			3,500	3,500
	Electrical			33,200	33,200
	Brick/Stone work			7,500	7,500
	Mailbox			1,500	1,500
	Garage Doors /openers			1,500	1,500
	Insulation			$ 12,500	12,500
	Cleaning/Dumpsters/Gas Service			6,000	6,000
	Misc/Contingency			$ 7,500	7,500
x				0	0
	Total	**352,638**			**$352,638**

* could be higher $50,000 or $13,000 *

plus $5k for lateral

Soft Costs

Architectural Fee & Printing		15,000	15,000
Engineering/ Survey			
Permit/ Impact Fees		16,800	16,800
Builder's Risk/ Environmental Insurance		1,500	1,500
Property Taxes During Construction		0	0
Appraisal		1,500	1,500
Legal/ Accounting/ Title		1,950	1,950
Brokerage/Leasing			
GC Fee 8% remodel		28,211	28,211
			0
Financial			0
Construction Loan Fee			0
Permanent Loan Fee			0
Permanent Loan Closing Cost			0
Construction / Perm Broker Fee		4,500	4,500
Construction Loan Interest			0
Rentup Deficit	0		0
Developers Fee	0		0
Contingency	0		0
Total Soft Costs	**0**		**69,461**

Total Capital Budget Hard Costs $352,638.01

GAP ANALYSIS
5910 Main St
2 Commerical Unit & 3 Apartments

Hard Cost - Detail

Land Acquisition	$	199,900.00
Demolition/ Removal Costs		
Utility Upgrades & Hookups		
Other	$	-
Construction	$	352,638.00
Total Hard Cost	**$**	**552,538.00**

Soft Cost - Detail

Architect Fee	$	15,000.00
Zoning	$	-
Permits	$	1,300.00
Construction Overhead	$	-
Construction Interest	$	4,500.00
GC Fee	$	28,211.00
Appraisal	$	1,500.00
Legal	$	1,500.00
Taxes - Carry	$	-
Builder's Risk	$	1,500.00
Accounting Fees	$	450.00
Engineering	$	-
Soil Testing	$	-
Surveying	$	-
Contingency	$	-
Impact Fees - 3 units	$	15,500.00
Total Soft Cost	**$**	**69,461.00**

Total Costs	**$**	**621,999.00**

would increase by $5K for new lateral

Sources & Uses of Funds

Loan	$	435,399.30
Equity	$	112,581.82
Total Sources	$	547,981.12
Less : Uses (Cost)	$	(621,999.00)
Gap	$	(74,017.88)

would be a little higher or could adjust equity.

Village could provide TIF up to $75,500 in a format to be determined.

Appendix B

PATRIOT GLASS
3225 E. WASHINGTON AVE
MADISON, WI 53704
608-257-8944

windows

Fax (608) 257-1907
Date/Time: 12/27/16

FAX TRANSMITTAL

TO: SPANRIE GROUP cspanos c6@gmail.com

Fax Number 608 531 2800

No. of pages 2

JOB NAME: 5910 MAIN ST
McFARLAND, WI

QUOTATION for the following sections: {per plans and specifications unless noted}

QUOTATION TO PROVIDE & INSTALL NEW THERMALLY BROKEN WHITE PAINTED ALUMINUM STOREFRONT WINDOWS & ALUMINUM ENTRANCE DOORS. WINDOWS & DOORS SHALL BE GLAZED WITH 1" TEMPERED LO E INSULATED GLASS

(3) ENTRANCE DOORS
(10) WINDOW OPENINGS

EXTRA WINDOWS NOT UPGRADE IN EFFECIENCY

Quotation: $33,850.00

Alternates:

Exclusions: EXCLUDE REMOVAL OF WOOD SIDING ABOVE EXISTING WINDOWS

This proposal is subject to the following terms and conditions:

1. Work will be executed as promptly as possible (if contract is awarded us, subject to delays occasioned by strikes, lock-outs, fires, carriers and other causes beyond our control.
2. We do not clean any glass or storefront construction.
3. Subject to revision if not excepted within 45 days after date.
4. This proposal is based on all work being performed during regular work hours. Extra charge will be made for all overtime work.
5. We hereby assume responsibility for Workers Compensation and Public Liability Insurance applicable to labor performed on this sub contract. (Aditional cost will be added if an additional insured is to be named on certificate of insurance.)
6. E.I.F.S. clause; please be aware that many storefront suppliers will not waeeanty the alumunum window and storefront systems on barrier E.I.F.S. wall.

Yours Very Truly, PATRIOT GLASS COMPANY

Ron Barnett

Appendix C

Kirch Masonry LLC
2260 Cty Rd F
Barneveld WI 53507
608-437-7367
ajkirch@mhtc.net

BRAUNWORK

December 13, 2016

Masonry Proposal:
5910 Main St
McFarland WI
brian@thespanoscompany.com

Grind and tuck-point entire exterior of building.
Mortar color to match original.
Once hired, will search for suitable brick. Desirable match unlikely.
Brick could be salvaged from problem area on south side & used throughout project where needed. Limestone veneer could be laid in problem areas.
Project to be washed by hand with restorative cleaner when completed

Total Proposal: $44,900.00

Any work other than that listed to be done at $65/hour plus expenses.
Nonrefundable deposit of 10% needed for scheduling & material procurement.
Monthly draws to be made if needed.
To be paid in full within 30 days of completion.
Kirch Masonry reserves right of refusal if not accepted within 60 days from this date.

Appendix D

AGREEMENT FOR FINANCIAL ASSISTANCE
SPANRIE OFFICE BUILDING, 5910 MAIN STREET
("Note and Mortgage")

THIS AGREEMENT entered into as of the ___ day of _____, 2017 (the "Agreement") by and between the **Village of McFarland**, Wisconsin municipal corporation (the "Village") and **Hillcrest Rentals, LLC**, (the "Maker" or "Mortgagor"").

W I T N E S S E T H :

WHEREAS, the Village, by Resolution 02-2008 adopted January 14, 2008, created Tax Increment District No. 4, Village of McFarland, pursuant to Wis. Stats. § 66.1105, to eliminate blight, or to directly serve to rehabilitate or conserve the area or to directly serve to promote urban renewal; and

Lawrence E. Bechler
Murphy Desmond S.C.
33 E. Main St., Suite 500
Madison, WI 53703

Tax Parcel No. 154/0610-031-6535-2

WHEREAS, the above-named Maker, also referred to as Mortgagor, desires to rehabilitate the mixed use structure, located at 5910 Main Street in the Village of McFarland; and

WHEREAS, the Village of McFarland desires to financially assist this renovation by providing a total amount of $XXXX in the form of a grant of $XXXX to the Maker/Mortgagor and a loan of $XXXX, both subject to the terms and conditions below;

Comment [MS1]: Terms of Financial Assistance negotiable. Could be cash grant, could be no/low interest loan, etc. and/or any combination thereof based on the project put forth.

NOW, THEREFORE, in consideration of the foregoing recitals and for good and valuable consideration, the receipt and sufficiency are acknowledged by the parties:

1. The Village promises to pay the Maker/Mortgagor the sum of $XXXX, with $XXXX in the form of a grant, upon the Maker/Mortgagor securing an occupancy permit from the Village of McFarland for said rehabilitation.

2. Maker/Mortgagor promises to pay the Village of McFarland the sum of $XXXX, in the form of a loan, under the following terms and conditions.

3. The Maker/Mortgagor shall...

Comment [MS2]: This is where we will list the TIF funded tasks from the construction budget and make reference to the plans through Exhibit A.

4. No payments are required between the making of this Note and Mortgage and the end of the fourth year from the date of this making.

5. Beginning on the last day of year five of this Note and on the last day of each successive year until paid, the Maker/Mortgagor shall make annual installments in the principal amount of $XXXX. During this repayment period, the annual payment shall be reduced by ten percent (XX%), or $XXXX, of the original loan amount ($XXXX) for each year that the first floor is leased or operated for commercial purposes.

(a) If the property is sold prior to the start of year ten (10), all unpaid balance becomes immediately due and payable at the sale or closing.

6. If the first floor use changes at any time during the life of this Note and Mortgage from commercial to residential, the loan becomes immediately due and payable in annual installments, and is not eligible for the ten percent reduction in paragraph 5.

7. This Note and Mortgage bears no (0%) interest.

8. All payments shall be to Village of McFarland at its principal office located at 5915 Milwaukee Street, P.O. Box 110, McFarland, Wisconsin 53558-0110.

9. The Maker/Mortgagor grants to the Village of McFarland a mortgage on the subject property, together with all privileges, hereditaments, easements and appurtenances, all rents, leases, issues and profits, all claims, awards and payments made as a result of the exercise of the right of eminent domain, and all existing and future improvements and fixtures (all called the "Property") to secure the Obligations described in this Note and Mortgage. The property is more particularly described as follows:

Lot 6, Block 29, excluding the North 60 feet, located in the SE 1/4 of the NE 1/4, of Section 3, T6N, R10E, Original Plat, Village of McFarland, Dane County, Wisconsin.

(a) This Mortgage shall be subordinate to any mortgage presently on the subject premises. However, in the event that the Maker/Mortgagor seeks refinancing, the Village of McFarland has the sole discretion whether to subordinate this Note and Mortgage.

10. The Maker/Mortgagor warrants title to the Property, excepting only restrictions and easements of record, municipal and zoning ordinances, current taxes and assessments not yet due and taxes and special assessments, if any, for the year of closing.

11. The Maker/Mortgagor may prepay this Note at any time without penalty.

12. Mortgagor agrees to the Additional Provisions, as may be applicable to the foregoing, attached hereto, which are incorporated herein. The undersigned acknowledges receipt of an exact copy of this Mortgage.

IN WITNESS WHEREOF, the parties have entered this Agreement as of the date first above written.

VILLAGE OF MCFARLAND

By:_____
Brad Czebotar
Village President

Attest:

_____
Cassandra Suettinger
Village Clerk/Deputy Treasurer

MAKER

_____
Steven G. Washa

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

Personally came before me this _____ day of _____, 2017, the above-named Brad Czebotar and Cassandra Suettinger, by and on behalf of the Village of McFarland, to me known to be the persons who executed the foregoing and acknowledged the same.

_____
Typed Name:_____
Notary Public, State of Wisconsin
My Commission: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF DANE)

Personally came before me this _____ day of _____, 2017, the above-named Steven G. Washa, to me known to be the person who executed the foregoing and acknowledged the same.

_____
Typed Name:_____
Notary Public, State of Wisconsin
My Commission: _____

This instrument drafted by:
Attorney Lawrence E. Bechler
Murphy Desmond S.C.

072882-4wpk-140709kka
McFarland House Agr

ADDITIONAL PROVISIONS

Comment [MS3]: I didn't spend a lot of time reading through this. I would assume that we can figure out the previous two pages with minimal assistance from our Attorneys and then have them review this when we have a full draft complete.

1. Mortgage as Security. This Mortgage secures prompt payment to Lender of (a) the sum stated in this Mortgage, plus interest and charges according to the terms of the promissory notes or agreement of Borrower to Lender identified on the reverse side, and any extensions, renewals or modifications signed by any Borrower of such promissory notes or agreement, (b) to the extent not prohibited by the Wisconsin Consumer Act (i) any additional sums which are in the future loaned by Lender to any Mortgagor, to any Mortgagor and another or to another guaranteed or endorsed by any Mortgagor primarily for personal, family or household purposes and agreed in documents evidencing the transaction to be secured by this Mortgage, and (ii) all other additional sums which are in the future loaned by Lender to any Mortgagor, to any Mortgagor and another or to another guaranteed or endorsed by any Mortgagor, (c) all interest and charges, and (d) to the extent not prohibited by law, all costs and expenses of collection or enforcement (all called the "Obligations"). This Mortgage also secures the performance of all covenants, conditions and agreements contained in this Mortgage. Unless otherwise required by law, Lender will satisfy this Mortgage upon request by Mortgagor if (a) the Obligations have been paid according to their terms, (b) any commitment to make future advances secured by this Mortgage has terminated, (c) Lender has terminated any line of credit under which advances are to be secured by this Mortgage, and (d) all other payments required under this Mortgage and the Obligations and all other terms, conditions, covenants, and agreements contained in this Mortgage and the documents evidencing the Obligations have been paid and performed.

2. Taxes. Mortgagor shall pay before they become delinquent all taxes, assessments and other charges which may be levied or assessed against the Property. or against Lender upon this Mortgage or the Obligations or other debt secured by this Mortgage, upon Lender's interest in the Property, and deliver to Lender receipts showing timely payment.

3. Insurance. Mortgagor shall keep the improvements on the Properly insured against direct loss or damage occasioned by fire, flood, extended coverage perils and such other hazards as Lender may require, through insurers approved by Lender, in amounts, without co-insurance, not less than the unpaid balance of the Obligations or the full replacement value, whichever is less, and shall pay the premiums when due. The policies shall contain the standard mortgage, and loss payee clause in favor of Lender and, unless Lender otherwise agrees in writing, the original of all policies covering the Property shall be deposited with Lender. Subject to Lender's approval, Borrower is free to select the insurance agent or insurer through which insurance is obtained. Mortgagor shall promptly give notice of loss to insurance companies and Lender. All proceeds from such insurance shall be applied, at Lender's option, to the installments of the Obligations in the inverse order of their maturities (without penalty for prepayment) or to the restoration of the improvements on the Property. In the event of foreclosure of this Mortgage or other transfer of title to the Property, in extinguishment of the indebtedness secured hereby, all right, title, and interest of Mortgagor in and to any insurance then in force shall pass to the purchaser or grantee. If Mortgagor fails to keep any required insurance on the Property, Lender may purchase such insurance for Mortgagor, such insurance may be acquired by Lender solely to protect the interest of the Lender (it will not cover Mortgagor's equity in the Property), and Mortgagor's obligation to repay Lender shall be in accordance with Section 6.

4. Mortgagor's Covenants. Mortgagor covenants:

(a) Escrow. If an escrow is required by Lender, to pay Lender sufficient funds, at such times as Lender designates, to pay when due (1) the estimated annual real estate taxes and assessments on the Property. (2) all property and hazard insurance premiums, (3) flood insurance premiums, if any, (4) if payments owed under the Obligations are guaranteed by mortgage guaranty insurance, the premiums necessary to pay for such insurance, and (5) other items agreed to be included in the escrow. Lender may, at any time, collect and hold such escrow funds in an amount not to exceed the maximum amount a lender for a federally related mortgage loan may require for Mortgagor's escrow account under the federal Real Estate Settlement Procedures Act of 1974, as amended from time to time. Lender may estimate the amount of escrow funds due on the basis of current data and reasonable estimates of future expenditures of future escrow account funds or as otherwise required by applicable law. Lender shall apply the escrowed funds against taxes. assessments and insurance premiums when due or as otherwise required by law. Escrowed funds may be commingled with Lender's general funds. If the escrowed funds held by Lender exceed the amount permitted to be held by applicable law, Lender shall account to Mortgagor for the excess escrowed funds in a manner determined by Lender or as otherwise required by applicable law. If the escrowed funds held by Lender at any time are not sufficient to pay the escrow account items when due, Lender may notify Mortgagor in writing, and Mortgagor shall pay to Lender the amount necessary to make up the deficiency in a manner determined by Lender or as otherwise required by applicable law;

(b) Condition and Repair. To keep the Property in good and tenantable condition and repair, and to restore or replace damaged or destroyed improvements and fixtures;

(c) Liens. To keep the Property free from liens and encumbrances superior to the lien of this Mortgage and not described herein;

(d) Other Mortgages. To perform all of Mortgagor's obligations and duties under any other mortgage or

security agreement on the Property and any obligation to pay secured by such a mortgage or security agreement;

(e) **Waste.** Not to commit waste or permit waste to be committed upon the Property;

(f) **Conveyance.** Not to sell, assign, lease, mortgage. convey or otherwise transfer any legal or equitable interest in all or part of the Property, or permit the same to occur without the prior written consent of Lender and, without notice to Mortgagor, Lender may deal with any transferee as to his interest in the same manner as with Mortgagor, without in any way discharging the liability of Mortgagor under this Mortgage or the Obligations;

(g) **Alteration or Removal.** Not to remove, demolish or materially alter any part of the Property, without Lender's prior written consent, except Mortgagor may remove a fixture, provided the fixture is promptly replaced with another fixture of at least equal utility;

(h) **Condemnation.** To pay to Lender all compensation received for the taking of the Property, or any part. by condemnation proceeding (including payments in compromise of condemnation proceedings), and all compensation received as damages for injury to the Property, or any part. The compensation shall be applied in such manner as Lender determines to rebuilding of the Property or to the Obligations in the inverse order of their maturities (without penalty for prepayment);

(i) **Inspection.** Lender and its authorized representatives may enter the Properly at reasonable times to inspect it, and at Lender's option to repair or restore the Property and to conduct environmental assessments and audits of the Property;

(j) **Ordinances.** To comply With all laws, ordinances and regulations affecting the Property; and

(k) **Subrogation.** That Lender is subrogated to the lien of any mortgage or other lien discharged, in whole or in part, by the proceeds of the note(s) or agreement identified on the reverse side.

5. **Environmental Laws.** Mortgagor represents, warrants and covenants to Lender (a) that during the period of Mortgagor's ownership or use of the Property no substance has been, is or will be present, used, stored, deposited, treated, recycled or disposed of on, under, in or about the Property in a form, quantity or manner which if known to be present on, under, in or about the Property would require clean-up, removal or some other remedial action ("Hazardous Substance") under any federal, state or local laws, regulations, ordinances, codes or rules ("Environmental Laws"); (b) that Mortgagor has no knowledge, after due inquiry, of any prior use or existence of any Hazardous Substance on the Property by any prior owner of or person using the Property; (c) that, without limiting the generality of the foregoing, Mortgagor has no knowledge, after due inquiry, that the Property contains asbestos, polychlorinated biphenyl components (PCBs) or underground storage tanks; (d) that there are no conditions existing currently or likely to exist during the term of this Mortgage which would subject Mortgagor to any damages, penalties, injunctive relief or clean-up costs in any governmental or regulatory action or third-party claims relating to any Hazardous Substance; (e) that Mortgagor is not subject to any court or administrative proceeding, judgment, decree, order or citation relating to any Hazardous Substance; and (f) that Mortgagor in the past has been, at the present is, and in the future will remain in compliance with all Environmental Laws. Mortgagor shall indemnify and hold harmless Lender, its directors, officers, employees and agents from all loss, cost (including reasonable attorneys' fees and legal expenses), liability and damage whatsoever directly or indirectly resulting from, arising out of, or based upon (i) the presence, use, storage, deposit, treatment, recycling or disposal, at any time, of any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, (ii) the violation or alleged violation of any Environmental Law, permit, judgment or license relating to the presence, use, storage, deposit, treatment, recycling or disposal or any Hazardous Substance on, under, in or about the Property, or the transportation of any Hazardous Substance to or from the Property, or (iii) the imposition of any governmental lien for the recovery of environmental clean-up costs expended under any Environmental Law. Mortgagor shall immediately notify Lender in writing of any governmental or regulatory action or third-party claim instituted or threatened in connection with any Hazardous Substance on, in, under or about the Property.

6. **Authority of Lender to Perform for Mortgagor.** If Mortgagor fails to perform any of Mortgagor's duties set forth in this Mortgage, Lender may after giving Mortgagor any notice and Opportunity to perform which are required by law, perform the duties or cause them to be performed, including without limitation signing Mortgagor's name or paying any amount *so* required, and the cost shall be due on demand and secured by this Mortgage, bearing interest at the highest rate stated in any document evidencing an Obligation, but not in excess of the maximum rate permitted by law, from the date of expenditure by Lender to the date of payment by Mortgagor.

7. **Default; Acceleration; Remedies.** If (a) there is a default under any Obligation secured by this Mortgage, or

(b) Mortgagor fails timely to observe or perform any of Mortgagor's covenants or duties contained in this Mortgage, then, at the option of Lender each Obligation will become immediately payable unless notice to Mortgagor or Borrower and an opportunity to cure are required by 425.105, Wis. Stats., or the document evidencing the Obligation and, in that event, the Obligation will become payable if the default is not cured as provided in that statute or the document evidencing the Obligation or as otherwise provided by law. If Lender exercises its option to accelerate, the unpaid principal and interest owed on the Obligation, together with all sums paid by Lender as authorized or required under this Mortgage or any Obligation, shall be collectible in a suit at law or by foreclosure of this Mortgage by action, or both, or by the exercise of any other remedy available at law or equity.

8. Waiver. Lender may waive any default without waiving any other subsequent or prior default by Mortgagor.

9. Power of Sale. In the event of foreclosure, Lender may sell the Property at public sale and execute and deliver to the purchasers deeds of conveyance pursuant to statute.

10. Assignment of Rents and Leases. Mortgagor assigns and transfers to Lender, as additional security for the Obligations, all rents which become or remain due or are paid under any agreement or lease for the use or occupancy of any part or all of the Property. Until the occurrence of an event of default under this Mortgage or any Obligation, Mortgagor has the right to collect the rents, issues and profits from the Property, but upon the occurrence of such an event of default, and the giving of notice by Lender to Mortgagor declaring that constructive possession of the Property is in Lender, Mortgagor's license to collect is terminated and Lender shall be entitled to such rents, issues and profits and may, after giving Mortgagor any notice and opportunity to perform required by law, notify any or all tenants to pay all such rents directly to Lender. All such payments shall be applied in such manner as Lender determines to payments required under this Mortgage and the Obligations. This assignment shall be enforceable and Lender shall be entitled to take any action to enforce the assignment (including notice to the tenants to pay directly to Lender or the commencement of a foreclosure action) without seeking or obtaining the appointment of a receiver or possession of the Property.

11. Receiver. Upon the commencement or during the pendency of an action to foreclose this Mortgage, or enforce any other remedies of Lender under it, without regard to the adequacy or inadequacy of the Property as security for the Obligations, Mortgagor agrees that the court may appoint a receiver of the Property (including homestead interest) without bond, and may empower the receiver to take possession of the Property and collect the rents, issues and profits of the Property and exercise such other powers as the court may grant until the confirmation of sale, and may order the rents, issues and profits, when *so* collected, to be held and applied as the court may direct.

12. Foreclosure Without Deficiency Judgment. If the Property is a one-to-four family residence that is owner-occupied at the commencement of a foreclosure, a farm, a church or owned by a tax exempt charitable organization, Mortgagor agrees to the provisions of 846.101, Wis. Stats., and as the same may be amended or renumbered from time to time, permitting Lender, upon waiving the right to judgment for deficiency, to hold the foreclosure sale of real estate of 20 acres or less six months after a foreclosure judgment is entered. If the Property is other than a one-to-four family residence that is owner-occupied at the commencement of a foreclosure, a farm, a church or owned by a tax exempt charitable organization, Mortgagor agrees to the provisions of 846.103, Wis. Stats., and as the same may be amended or renumbered from time to time, permitting Lender, upon waiving the right to judgment for deficiency, to hold the foreclosure sale of real estate three months after a foreclosure judgment is entered.

13. Expenses. To the extent not prohibited by law, Mortgagor shall pay all reasonable costs and expenses before and after judgment, including without limitation, attorneys' fees, fees and expenses for environmental assessments, inspections and audits, and fees and expenses for obtaining title evidence incurred by Lender in protecting or enforcing its rights under this Mortgage.

14. Severability. Invalidity or unenforceability of any provision of this Mortgage shall not affect the validity or enforceability of any other provision.

15. Successors and Assigns. The obligations of all Mortgagors are joint and several. This Mortgage benefits Lender, its successors and assigns, and binds Mortgagor(s) and their respective heirs, personal representatives, successors and assigns.

16. Entire Agreement. This Mortgage is intended by the Mortgagor and Lender as a final expression of this Mortgage and as a complete and exclusive statement of its terms, there being no conditions lo the full effectiveness of this Mortgage. No parol evidence of any nature shall be used to supplement or modify any terms.

Village of McFarland

Memorandum

To: Community Development Authority
From: Matthew G. Schuenke, Village Administrator/Treasurer
Date: December 30, 2016
Re: County Highway MN (Main Street) Streetscape Concepts

Executive Summary

The second phase of County Highway MN is scheduled for reconstruction in 2017 following the completion of the first phase in 2016. The Public Works Committee met on November 8th and December 13th to discuss design related elements to this project with the CDA reviewing these concepts on December 7th. Staff has been working on following up on these concepts and their feasibility within the scope of the project in order to bring forward to additional groups as a means to expand the discussion. The Community Development Authority involvement now is to help make decisions about some of the design related elements that need to be worked into the bid for the project. This memorandum will follow up on additional planning behind the concepts discussed at the last meeting and review their ongoing feasibility within this project.

Streetscaping Concepts

Please note the following issues regarding the project presented in order as they are listed on the meeting agenda:

i. Decorative Stamped Concrete Pattern and Color for Commercial Terrace Areas (Appendix A) – It is desired to place stamped and colored concrete within the terrace from the railroad tracks just past Spartan Pizza as the defined commercial area. There are several stamping pattern options within your packet with three circled for consideration. A flat variety, random pattern, and straight edge design were selected as the range of options to review. The selected Cobblestone pattern is likely most compatible with the district due to the many brick like structures in the Downtown. Additionally, it will be close to the stamped pattern planned for the crosswalks to be discussed in the next item. There are several options for coloring with samples to be displayed in the meeting. The CDA should take action on this item to narrow down the preferred style for stamping and coloring.

ii. Stamped Crosswalk Pattern in Commercial Areas (Appendix B) – The Public Works Committee desires to include a stamped crosswalk pattern within the commercial areas. This has the potential to be an expensive item and including it as an alternative bid allows us to find out to what extent. Included in your packet is a brick like design that has been utilized in other communities. They were also open to this idea as a compromise to help provide a different treatment for the 4 crossings at Long/Main and 2 crossings at Anthony/Main. The CDA should take action on this item to select the preferred pattern for this treatment.

iii. Update on Concrete Corridor – The idea of construction the downtown area in concrete was brought forward to the Public Works Committee. The Public Works Committee understood the aesthetic benefit this would provide; however, was not supportive of the idea due to concerns over cost, functionality, joints, constructability, and long term maintenance. The Village Engineer and Public Works Director will be present at the meeting on Wednesday night to provide further background on the issue and be available to answer any questions from the CDA on the issue. No action is necessary on this item.

iv. General Project Update – Several other themes have been discussed to date and an update is provided below on these items:

- *Exchange/Farwell Intersection* – The Public Works Committee has directed Staff to remove the Exchange/Farwell Street intersection from the planned construction in 2017 and deferred this work to 2018. They desire to study this intersection further to better understand the traffic impacts it currently experiences and what sort of improvements the Village could consider beyond the existing condition. A traffic study will be conducted in the first half of 2017 that will gather data on the existing traffic patterns. The analysis will then look at the effect of reconstructing that intersection as it currently is as well as alternatives to upgrade it to a roundabout or a signalized intersection. This report will also compare costs of each option. The County will assist in the funding the additional improvements if the traffic study demonstrates that the project meets certain warrants. Following the completion of the study, further review will be conducted on the desired design of this intersection to be included within Phase III of the project in 2018.

- *Stormwater Features* – The Public Works Committee reviewed potential options for in ground stormwater treatments in a few isolated locations. Their effect in improving runoff was very minimal compared to their cost. They would provide an aesthetic benefit; however, and the Committee instead encouraged above ground planters to be considered as an alternative. Further review of options for planters will be considered with the other aesthetic amenities for the project.

- *Street Lighting* – This aspect of the project is on hold for the time being pending new information from Alliant Energy. The Village will need to work with Alliant to install any sort of designed new lighting and options at the present are very few. Staff is in contact with Alliant to continue this discussion in order to put forth a plan that addresses the needs of the Village both for functionality and aesthetics.

- *Library Patio Improvement* – If there is to be an improvement as was suggested, it will be done as a stand-alone project following further study. The Library and Parks Committee desires to study the future use of Discovery Garden Park on the East side of the building and with this patio proposed on the West side, it would be best if the whole block were looked at by a landscape architect. Allowing an expert to prepare a plan for consideration by all groups to be on the same page will help to consolidate ideas and move forward the best project possible. Staff is working to engage possible consultants to assist in this matter in the near future.

- *Aesthetic Amenities* – Staff will work to partner with the Lions Club to install a drinking fountain near the gazebo outside of the construction project. Further desired amenities (i.e. – benches, bike racks, etc.) within available space will be considered at a later date outside of the construction project.

- *Wayfinding Signage* – Staff will work with Dane County on using similar trail signage to encourage users into the Downtown area. Future wayfinding signage as may be desired will be implemented as its own project either as part of the branding initiative or shortly thereafter.

Recommendation

The objective at the meeting on Wednesday is to take action on the design for the terrace area and crosswalks as well as review the many updates for the project. The focus right now is to get the project ready for bid so that the construction remains on schedule. Once it is ready for bid, then more work can go into some of the other items listed.

Appendix A

Paved Terrace Treatments

These patterns are imprinted on the fresh concrete surface. The color is mixed throughout the concrete mixture so chipping does not expose different colors.

Appendix B

Village of McFarland

2017 CTH MN Improvements

Streetscape Options

Potential Crosswalk Treatments

Duratherm System

Utilizes plastic material melted into physical grooves in the asphalt.

Photos taken in 2016 of a 2013 installation on USH 12