

For Immediate Release

Riverwalk on the Falls, LLC is in default of Obligations stated in the Development Agreement with the Village of Menomonee Falls. This agreement and associated Municipal Revenue Obligation (MRO) includes \$3,952,860 of financing from Menomonee Falls Tax Incremental District (TID) No. 9. The agreement requires the proposed apartment building to be “completed substantially” and “available for occupancy on or before December 31, 2017.”

I reviewed the Development Agreement to determine if it contained any performance guarantees due to numerous resident complaints regarding the slow construction progress on the one of the best parcels in the heart of the Village, the large sum of TID financing and my special interest in this project as this bad deal for taxpayers pushed me to run for Village Trustee.

After I questioned the Village Manager, Mark Fitzgerald, he confirmed the Default and acknowledged having numerous conversations with the developer to push them to make faster progress. Furthermore, he stated he forgot about the completion obligation and no Notice of Default was sent to the developer as it would require Village Board approval. He also stated the Village Attorney, Mike Morse, determined this topic should be brought forth in an executive session on March 19<sup>th</sup> as this is a contract issue and would fall under negotiation strategy.

I am disappointed this issue will be largely dealt with behind closed doors away from the public eye, so I am publicly calling for the Village Board to do the following:

1. Convene a special meeting to authorize the Village Manager to send a Notice of Default as soon as possible.
2. Renegotiate the MRO with the developer if the developer cannot have the apartments ready for occupancy within 30 days of the notice as allowed in Article X of the agreement.
3. Instruct the Village Manager to review all active Development Agreements or MRO's to determine if there are others in default.
4. Stop negotiations of all Development Agreements and/or MRO's until the review above is complete and appropriate remedies taken to ensure the Village Board is fully informed hence forth of all upcoming developer obligation dates and all future Development Agreements adequately protect the taxpayers of Menomonee Falls from non-performing developers.
5. Require the Mark and John Wimmer (signatories on the Development Agreement) to come before the Board to explain why they did not honor their Obligations.

This was a bad deal for taxpayers before I was a Trustee and it is still a bad deal as it only enriched the seller of the land and ensured greater profits for the developer all on the backs of the taxpayer. The MRO passed the Board with a 4-3 vote.

Paul A. Tadda  
Village Menomonee Trustee – Seat #6  
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