

ECONOMIC DEVELOPMENT COMMITTEE

Time and Place: The Economic Development Committee met on Thursday, July 17, 2014 at 4:30 p.m. in the 2nd floor Board Room at City Hall, 407 Grant Street, Wausau

ED Members Present: Tom Neal (VC), Romey Wagner, Lisa Rasmussen and David Oberbeck

Members Absent: Bill Nagle

Others Present: Megan Lawrence, Maryanne Groat, Mayor Jim Tipple, Anne Jacobson, Travis Lepinski, Ann Werth, Mark Craig, Pat Zillman, Rick Rubow, Andy Davis, Alison Dirr, Kristen Fish, Tom Radenz, Michael O'Malley, John O'Malley, Chuck Ghidorzi, Chris Ghidorzi

In accordance with Chapter 19, Wisc. Stats., notice of this meeting was posted and sent to the Daily Herald in the proper manner.

CALL TO ORDER

Neal noted there was a quorum and called the meeting to order at approximately 4:30 p.m.

APPROVE THE ECONOMIC DEVELOPMENT COMMITTEE MINUTES FROM 5/6/14, 5/13/14, 5/14/14, 5/20/14 AND 5/27/14

Rasmussen motioned to approve minutes. Oberbeck seconded and the motion carried unanimously 4-0.

REVIEW COMMERCIAL LOAN REHABILITATION PROJECT AT 1910 NORTH 6TH AVENUE (ZILLMAN MEAT MARKET)

Mr. Patrick Zillman was introduced to the Committee. He presented his renovation project which would utilize City commercial rehabilitation funds.

Rasmussen motioned to approve. Wagner seconded and the motion carried unanimously 4-0.

DISCUSSION AND POSSIBLE ACTION ON DEVELOPMENT INCENTIVES FOR O'MALLEY AUTOMOTIVE GROUP FOR PROPERTY LOCATED AT 3405 STEWART AVENUE

Fish explained that the O'Malley's are requesting a \$445,000.00 grant, \$418,250.00 in cash and the rest as the value of the 3.66 acres of land. The grant requested would be a pay as you go TIF which would lower the risk put on the City. The new value would be between 3-4 million dollars with a new generation of \$108,500 in taxes. The payback to the city would be under five years. Ten to fifteen new jobs would be created.

No action was taken. More discussion on the topic was done in closed session.

DISCUSSION AND POSSIBLE ACTION ON AMENDMENT TO PARKING SPACE LEASE AGREEMENT BETWEEN CITY OF WAUSAU AND MURDOCK LIMITED PROPERTIES

Wagner motioned to approve parking agreement. Rasmussen seconded and the motion carried unanimously 4-0.

UPDATE ON DEVELOPMENT AGREEMENT BETWEEN THE CITY OF WAUSAU AND 2800 STEWART AVENUE, LLC (GHIDORZI)

No action was necessary as it was only an update.

CLOSED SESSION PURSUANT TO 19.85(1)(E) OF THE WISCONSIN STATUTES FOR DELIBERATING OR NEGOTIATING THE PURCHASE OF PUBLIC PROPERTIES, THE INVESTING OF PUBLIC FUNDS, OR

CONDUCTING OTHER SPECIFIED PUBLIC BUSINESS, WHENEVER COMPETITIVE OR BARGAINING REASONS REQUIRE A CLOSED SESSION.

*** DISCUSSION AND POSSIBLE ACTION ON DEVELOPMENT INCENTIVES FOR O'MALLEY AUTOMOTIVE GROUP FOR PROPERTY LOCATED AT 3405 STEWART AVENUE**

*** UPDATE ON DEVELOPMENT AGREEMENT BETWEEN THE CITY OF WAUSAU AND 2800 STEWART AVENUE, LLC (GHIDORZI)**

*** DISCUSSION AND POSSIBLE ACTION ON AMENDMENT TO PARKING SPACE LEASE AGREEMENT BETWEEN CITY OF WAUSAU AND MURDOCK LIMITED PROPERTIES**

Rasmussen motioned to move into closed session. Wagner seconded. Roll call was performed with all members present electing to go into closed session.

RECONVENE INTO OPEN SESSION TO TAKE ACTION ON CLOSED SESSION ITEMS, IF NECESSARY

Rasmussen motioned to move back into open session. Wagner seconded and the motion carried unanimously 4-0.

Rasmussen motioned to approve the O'Malley project as proposed contingent upon a completed development agreement, outlining a total minimum value of 7 million dollars including phase 2 to be completed on a mutually agreed time line and include developing 10-15 jobs as listed in the TIF proposal, the TIF is a pay as you go type. Wagner seconded and the motion carried unanimously 4-0.

Oberbeck was excused from the meeting at 6:25. There still was a quorum.

DISCUSSION AND POSSIBLE ACTION ON PROPOSED AMENDMENT TO THE DEVELOPMENT AGREEMENT WITH SCANNELL PROPERTIES #92, LLC, REGARDING THE PROPERTY LOCATED AT 7800 INTERNATIONAL DRIVE

Jim Waldron explained that they would like to restart the clock on the 2007 agreement in 2014. The agreement would be for 15 years at the taxation value of 19 million dollars.

Wagner motioned to approve amendment to development agreement. Rasmussen seconded and the motion carried 2-1 with Rasmussen voting against it.

DISCUSSION AND CONSIDERATION REGARDING TAX INCREMENTAL FINANCING DISTRICT #2 HOUSING STOCK IMPROVEMENT FUNDS

Werth explained that there is funding to fight slum and blight. The City owns some lots on 3rd Street that would work good to build side by side Brownstone style homes.

Groat said we have \$630,000 in available funds. The cost of the housing has to be limited to under 30% of one's income.

Werth said the funds could be used as a construction loan and when we get the funds back we could do another project to keep the funds circulating to fight slum and blight.

Rasmussen motioned to direct staff to continue with the housing plan and establish the skeletal frame work of an internal rehab fund. Wagner seconded and the motion carried unanimously 3-0.

DISCUSSION AND POSSIBLE ACTION ON AMENDING SECTION 3.12.040 APPLICABILITY-CITY REPRESENTATIVES, RELATIVE TO LAND ACQUIRED BY THE CITY FOR REDEVELOPMENT PURPOSES

Wagner motioned to approve the amendment. Rasmussen seconded and the motion carried unanimously 3-0.

DISCUSSION AND POSSIBLE ACTION ON INCREASE IN TIF APPLICATION FEES

Werth said we would like to raise the application fee to \$125.

Rasmussen motioned to raise the application fee to \$125. Wagner seconded and the motion carried unanimously 3-0.

ADJOURN

Rasmussen motioned to adjourn. Wagner seconded and the motion carried unanimously 3-0.

The meeting was adjourned at 7:15 p.m.

Respectfully Submitted,
ECONOMIC DEVELOPMENT COMMITTEE

Vice Chairperson
Tom Neal