



*** All present are expected to conduct themselves in accordance with our City's Core Values ***

OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Special Meeting: ECONOMIC DEVELOPMENT COMMITTEE
Date/Time: Tuesday, July 22, 2014 at 4:00 PM
Location: City Hall, 1st Floor, Board Room
Members: Bill Nagle (C), Tom Neal (VC), Romey Wagner, David Oberbeck and Lisa Rasmussen

AGENDA ITEMS FOR CONSIDERATION/ACTION

- 1 Public Comment on Matters Appearing on the Agenda
- 2 Discussion and Possible Action on the 2014 Development Agreement between City of Wausau and Apogee Wausau Group
- 3 Discussion and Possible Action on Development Incentives for Olson Tire & Auto for the property at 3515 Stewart Avenue

Adjournment

Bill Nagle (Chair)

This notice was posted at City Hall and emailed to the Wausau Daily Herald newsroom on 07/18/14

It is possible and likely that members of, and possibly a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, Alderpersons, Mayor, Department Heads, Hebert, Lawrence, Lenz, Stratz, Werth

DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is made as of the 27th day of May, 2014 (the “Effective Date”), by and between the City of Wausau, Wisconsin, a Wisconsin municipal corporation (hereinafter referred to as “City”); and Apogee Wausau Group, Inc., a Wisconsin corporation (hereinafter referred to as “Apogee”).

RECITALS

WHEREAS, Apogee is the owner of real property located at 7800 International Drive, in the City of Wausau, County of Marathon, State of Wisconsin (the “Property”);

WHEREAS, Apogee desires to consolidate business operations located within the City of Wausau and Colorado, by among other actions, relocating certain operations from Colorado to the City of Wausau;

WHEREAS, Apogee believes the above described consolidation will expand manufacturing capabilities and product lines, increasing employment and capital and facility growth opportunities;

WHEREAS, Apogee’s plan to relocate business operations from Colorado to the City of Wausau is conditioned upon the satisfaction of certain conditions, including, without limitation, the receipt of the requested grant from the City of Wausau.

WHEREAS, Apogee has requested a grant of Five Hundred Thousand and 00/100s Dollars (\$500,000.00) from the City to reimburse and offset costs such as facility relocation, and investment in and installation of retooling of fixtures or equipment necessary for manufacturing expansion and related product line startup costs and losses;

WHEREAS, the Finance Committee and Economic Development Committee and the Common Council of the City have reviewed the developer grant request and finds the following:

1. That the Apogee business relocation and related growth would not occur without the financial assistance from the City financed from Tax Increment District Number Five.
2. That the development incentives for relocation, fixture and equipment investment, installation and retooling, together with land assembly by the City, are an eligible expense under the tax increment financing laws.
3. That this project furthers the purposes of Tax Increment Financing and the objectives of the Tax Increment District Number Five Project Plan objectives.
4. That payment of the City’s assistance to Apogee is necessary and covenant to effectuate the purposes for which the Tax Increment Five was created and to implement its project plan.

5. That development incentives, land assembly and payments made at the discretion of the common council were listed as project plan costs within the Tax Increment District Five Project Plan Two amendment.
6. That the expansion of manufacturing capabilities and product lines; and increased employment, capital and facility growth in the long and short term is in the vital and best interest of the City and its residents and in accordance with the public purpose and conditions of applicable state and local laws and the standards under which the tax increment district was undertaken and implemented.

WHEREAS, Apogee believes the above described consolidation will expand manufacturing capabilities and product lines, increase employment and capital and facility growth opportunities by, among other actions, relocating certain operations from Colorado to the City of Wausau;

WHEREAS, Apogee's plan to relocate business operations from Colorado to the City of Wausau is conditioned upon the satisfaction of certain conditions, including, without limitation, the receipt of the requested grant from the City.

WHEREAS, the City has, pursuant to the authority granted in Wisconsin Statutes, Section 66.1105, created a Tax Incremental District, the City of Wausau Tax Increment District Five (the "TID"), and adopted a Project Plan, as amended (the "Plan") to finance certain costs to induce development within or around the TID, and the expenditures to be made and reimbursed under this Agreement were authorized by an amendment to the Plan adding territory to the TID and adopted by the City under Wisconsin Statutes, Section 66.1105 (4)(h)(2); and

WHEREAS, in order to achieve the objectives of the Plan and to make the land within the TID available for development by private enterprises for and in accordance with the uses specified in the Plan, the City has determined to provide assistance through grants from the TID and other actions, as hereinafter set forth, to permit development to proceed; and

WHEREAS, Apogee has proposed a development, as hereinafter described, within the TID and located on the Property. The City has determined that the proposed development by Apogee will promote and carry out the development objectives of the City and provide additional employment opportunities within the City.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1. City Grants to Apogee. Pursuant to the terms and conditions of this Agreement, City agrees to make, and Apogee agrees to accept, a grant equal to Five Hundred Thousand and 00/100s Dollars (\$500,000.00) (the "Grant"). The Grant shall be in the form of a reimbursement for relocation costs, and capital costs of purchasing, constructing, remodeling and reconstructing fixtures and other capital equipment located at the Property on or after the Effective Date (the "Reimbursable Expenses").

2. Payment of Grant. All disbursements of the Grant shall be made by City directly to Apogee and, provided such invoice contains supporting documentation to City's reasonable satisfaction, shall be made within thirty (30) business days of invoice submission. Apogee shall not invoice the City for the Grant more than two (2) times per month. All invoices shall include only portions of the Reimbursable Expenses previously performed, shall describe the portion of the Reimbursable Expenses performed, shall list all contractors, sub-contractors and materialmen who performed such work and the amounts due to each, and shall be accompanied by copies of invoices from such contractors, sub-contractors and materialmen and proof of payment by Apogee of such invoices. Apogee certifies that all of the invoices submitted shall be for Reimbursable Expenses and as agreed to by the terms of this Agreement. Notwithstanding the above, City shall not be obligated to disburse the Grant, or any portion thereof, until Apogee has transferred the real property to the City pursuant to paragraph six (6) below.

3. Apogee's Creation and Retention of New Full-Time Jobs. Apogee shall create at least one hundred twenty four (124) New Full-Time Jobs by June 1, 2017. A "New Full-Time Job" is a full-time job created after the Effective Date and that is performed at the Property by employees of Apogee and created as a result of the operation of Apogee's business at the Property where an employee is required to work at least forty (40) hours per week and at least 2,080 hours per year, including paid leave and holidays, and for which the employee receives annual pay that is equal to at least \$30,000. Apogee represents to the City that as of the Effective Date, Apogee has 298 full time employees working in jobs which if they would have been hired after the Effective Date would meet the definition of New Full-Time Job who work primarily at the Property. Apogee shall submit an annual written report to the City's Community Development Department staff on or before November 30 of each year through 2017 which discloses to the City the number of employees of Apogee with full-time jobs working primarily at the Property. If Apogee fails to comply with the above and the City makes the failure known within one (1) calendar year of the failure, the City may exercise its claw back rights as set forth in paragraph five (5) below after giving Apogee notice and a reasonable opportunity – at least thirty (30) calendar days – to make reasonable progress towards cure.

4. City Inspection/Audit Rights. The City shall have the right to inspect the results of the Reimbursable Expenses from time to time upon reasonable notice during regular business hours. The City shall also have the right to audit all financial and related records associated with the Reimbursable Expenses and the creation of New Full-Time Jobs upon reasonable notice to Apogee. In the event such audit reveals that Apogee overstated the Reimbursable Expense so that the City's Grant would have been less than actually paid or overstated New Full-Time Jobs so that the City would have had claw back rights under Paragraph 5 below but for such overstatement, Apogee shall reimburse City for the reasonable cost of completing the audit.

5. City's Claw Back Rights Related to New Full-Time Jobs. In the event that Apogee does not create and retain at least one hundred five (105) New Full-Time Jobs within in the time frames set forth in paragraph 3 above, Apogee shall reimburse the City in an amount equal to one hundred five (105) less the actual New Full-Time Jobs created or maintained by Apogee multiplied by Four Thousand Seven Hundred Sixty-One and 90/100s Dollars (\$4,761.90). Apogee shall reimburse the City within thirty (30) days of written demand from the City. Notwithstanding any other provision of this Agreement, City shall not have the right to

seek reimbursement from Apogee for more than the portion of the Grant that was actually disbursed by City to Apogee.

6. Apogee's Obligation to Transfer Real Estate to City. As additional consideration for the City's payment of the Grant, on or before December 1, 2014, Apogee shall transfer fee simple interest in approximately 1.028 acres of the Property to the City via warranty deed free and clear of all liens and encumbrances except for such encumbrances acceptable to the City. The parcel to be transferred is legally described on the attached Exhibit A and depicted in orange on the attached Exhibit A-1. Apogee shall pay title insurance premiums, recording fees and real estate transfer tax associated with the transfer up to one thousand dollars (\$1,000), with the Parties sharing any additional expenses fifty percent / fifty percent (50% / 50%).

7. Foundation Grants. The City is in receipt of a grant in the amount of Fifty Thousand and 00/100s Dollars (\$50,000.00) from the Judd S. Alexander Foundation which has been designated for the City to use for workforce training and development for employees of Apogee (the "Judd Grant") and a grant in the amount of Fifty Thousand and 00/100s Dollars (\$50,000.00) from the B.A and Esther Greenheck Foundation which has been designated for the City to use for workforce development for employees of Apogee (the "Greenheck Grant"). The City agrees all disbursements of the Judd Grant and the Greenheck Grant, or portions thereof, shall be made directly to Apogee and, provided such invoice contains documentation to City's reasonable satisfaction, shall be made within thirty (30) business days of invoice. All invoices shall include educational costs, including internal training costs and salaries, for workforce training and development for employees of Apogee which have been paid by Apogee and shall be accompanied by proof thereof. Apogee certifies that all of the invoices submitted shall be for such educational costs and as agreed to by the terms of this Agreement, with all costs to be incurred within ten (10) years of the Effective Date

8. Real Estate Taxes. Apogee agrees that prior to the date that is ten (10) years after the Effective Date (the "Termination Date"), Apogee (or a successor owner of the Property as applicable) will pay, when due, all real ad valorem real estate taxes on the Property, except that portion conveyed pursuant to section six (6) of this Agreement. Subject to standard deed restrictions in favor of the City which encumber the City's business park of which the Property is a part, Apogee may transfer the Property to an entity or third party at any time; provided, however, that the obligation of the owner of the Property to continue making ad valorem real estate tax payments shall apply through the Termination Date whether or not the entity or other third party as successor to the Property is an entity or body normally exempt from paying ad valorem real estate taxes. Upon reaching the Termination Date, all future ad valorem real estate tax payments, and applications of exemptions from ad valorem real estate taxes, shall be made in accordance with normal rules concerning the same.

9. Miscellaneous.

A. Assignment. Apogee shall not have the right to assign this Agreement to any other party without the prior written consent of City, in City's sole discretion. No assignment of this Agreement shall serve to release Apogee from any liability or obligations under this Agreement.

B. Recording.

- i. Joint Review Board. Recording of this Agreement is prohibited except as allowed in this paragraph. At the request of either party, the parties shall promptly execute and record, at the cost of the requesting party, a short form memorandum describing the Property and stating restrictions related to ad valorem real estate taxes contained in paragraph seven (7) above, the Termination Date, and other information the parties agree to include, and
- ii. Apogee acknowledges that the City will send a copy of this Agreement, executed by the parties, to the Joint Review Board for the TID, as required by Wisconsin Statutes, Section 66.1105(2)(f)(2)(d).

C. Notices. All notices must be in writing and must be sent by United States registered or certified mail (postage prepaid) or by an independent overnight courier service, addressed to the addresses specified below:

Apogee: Apogee Wausau Group, Inc.
Attn: _____

City: City of Wausau
Attn: Clerk
407 Grant Street
Wausau, WI 54403

Notices given by mail are deemed delivered within (3) three business days after the party sending the notice deposits the notice in the United States Post Office. Notices delivered by courier are deemed delivered on the next business day after the party delivering the notice timely deposits the Notice with the courier for overnight (next day) delivery.

D. Severability. If any covenant, condition, provision, term or agreement of this Agreement is, to any extent, held invalid or unenforceable, the remaining portion thereof and all other covenants, conditions, provisions, terms, and agreements of this Agreement will not be affected by such holding, and will remain valid and in force to the fullest extent by law.

E. Governing Law. This Agreement is governed by, and must be interpreted under, the internal laws of the State of Wisconsin. Any suit arising or relating to this Agreement must be brought in Marathon County, Wisconsin.

F. Time is of the Essence. Time is of the essence with respect to this performance of every provision of this Agreement in which time of performance is a factor.

G. Relationship of Parties. This Agreement does not create the relationship of principal and agent, or of partnership, joint venture, or of any association or relationship between the City and Apogee.

H. Captions and Interpretation. The captions of the articles and sections of this Agreement are to assist the parties in reading this Agreement and are not a part of the terms of this Agreement. Whenever required by the context of this Agreement, the singular includes the plural and the plural includes the singular.

I. Counterparts/Electronic Signature. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one instrument representing the agreement among the parties. Facsimile signatures and PDF email signatures shall constitute originals for all purposes.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement.

APOGEE WAUSAU GROUP, INC.

By: _____
Name: _____
Title: _____

CITY OF WAUSAU

By: _____
James E. Tipple, Mayor

Attest: _____
Toni Rayala, Clerk

EXHIBIT A
Legal Description of Real Property to be Transferred to City

Wausau Window and Wall Systems
1.02 Acres

Part of Lot 1 of Certified Survey Map, Number 15091, recorded in the office of Register of Deeds in Marathon County in Volume 68 of Certified Survey Maps on Page 13, being part of the Southeast $\frac{1}{4}$ of the Northwest $\frac{1}{4}$, Section 25, Township 29 North, Range 6 East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Southwest corner of said Lot 1, the point of beginning;

Thence North $3^{\circ}53'23''$ East, along the Westerly line of said Lot 1, 100.00 feet; thence South $89^{\circ}33'14''$ East, parallel to the South line of said Lot 1, 446.00 feet; thence South $3^{\circ}53'23''$ West, parallel to said Westerly line, 100.00 feet to said South line; thence North $89^{\circ}33'14''$ West, along said South line, 446.00 feet to said Southwest corner, the point of beginning.



Invoice

Date	Invoice #
5/1/2014	140163

Bill To
Olson Tire & Auto 601 Forest Street Wausau, WI 54403

P.O. No.	
Terms	Due Date
Net 30	5/31/2014

Code	Description	Quantity	Price	Total
ACMdemo	Pre-Demolition Asbestos Inspection Old Stettin Elementary School 3515 W. Stewart Ave Wausau, WI Site Dates: April 14 & 28, 2014 NorthStar Personnel: Larry Pawlus	1	970.00	970.00
LEADxrf	Limited Lead Paint Survey	1	400.00	400.00
PLMx	Asbestos bulk sample laboratory analysis	41	15.00	615.00

			Total	\$1,985.00
finance charge of 1.5% per month or 18% annual applied to all past due balances			Balance Due	\$1,985.00



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4080 N. 20th Ave. Wausau, WI 54401

t: 715.675.9784 f: 715.675.4060

Toll Free: 1.877.734.7745

www.REIengineering.com

SERVICES AGREEMENT

Agreement Date: April 25, 2014

REI Project Number: _____

Client:

Name: Olson Tire and Auto

Address: 601 Forest Street
Wausau, WI 54403

Phone: (715) 845-8473

Project:

Name: Former Stettin School Site

Location: 3515 Stewart Avenue
Wausau, WI

Contact: Kent Olson

REI's Scope of Services on the Project is limited to the following:

Completion of Phase I and Limited Phase II Environmental Site Assessment at above referenced site in accordance with Attachment B of REI's April 25, 2014 proposal.

REI has relied on the following Representations by the Client in preparing the Scope of Services and Basis of Payment:

Site address and Previous Phase I ESA report

REI will provide the following Deliverables:

Phase I and Limited Phase II ESA reports

The Client agrees to reimburse REI for the above Scope of Services and Deliverables according to the following terms:

\$2,200.00 Phase I ESA

\$2,910.00 Limited Phase II ESA (additional \$216.00 if groundwater encountered and sampled)

General Conditions: See Attachment "A"

Supplemental Conditions: N/A

Advance Payment: \$1,000.00 with remainder invoiced upon completion of work

By executing this Agreement, the Client and REI acknowledge that this Agreement is limited to the expressly enumerated Scope of Services and Deliverables; That it is premised upon the Client representations set forth herein; and That it is subject to the general and supplemental conditions (if any) incorporated herein.

Client

REI Engineering, Inc.

Signature: _____

Signature: _____

Printed Name: _____

Printed Name: Kenneth J. Lassa

Title: _____

Title: Environmental Scientist/ Department Manager

Date: _____

Date: _____

C & D Excavating LLC
 PO Box 842, W6976 Sunset Drive
 Merrill, WI 54452
 Phone: 715/218-0243
 Email: reneek@dwave.net

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PROPOSAL

PROPOSAL SUBMITTED TO Olson Tire & Auto, Kent Olson		TODAY'S DATE 5/21/2014	DATE OF PLANS/PAGE #'S 5/21/2014
PHONE NUMBER 715/845-8423	FAX NUMBER	JOB NAME Former Stettin Elementary School	
ADDRESS, CITY, STATE, ZIP 601 Forest St, Wausau WI 54403		JOB LOCATION 3515 Stewart Ave, Wausau WI 54401	

We propose hereby to furnish material and labor necessary for the completion of:

Bid Conditions

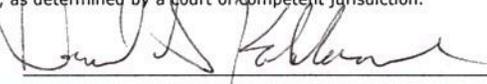
1. C & D Excavating will remove all buildings and foundations.
2. C & D has all salvage rights to buildings and contents.
3. C & D will remove asbestoes according to the Northstart testing report. Any additional hazardous or regulated materials found will be an additional charge.
4. Fill not included.
5. All asphalt to remain.
6. All utilities (sewer & water) to be abandon at property lines.
7. C & D will provide all permits and DNR notices.
8. No underground hazardous or regulated materials are included.
9. Owner to supply water for dust control.

Demo bid price - \$72,800.00

We propose hereby to furnish material and labor – complete in accordance with above specifications for the sum of:
Seventy-Two Thousand Eight Hundred Dollars No/100 dollars (\$ 72,800.00)
 Payment as follows: 10% down payment, progress payment, balance due upon completion

All material is guaranteed to be as specified. All work to be completed in a substantial workmanlike manner according to specifications submitted, per standard practices. Any alteration or deviation from above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. Owner to carry fire, tornado and other necessary insurance. Our workers are fully covered by Workmen's Compensation Insurance. If either party commences legal action to enforce its rights pursuant to this agreement, the prevailing party in said legal action shall be entitled to recover its reasonable attorney's fees and costs of litigation relating to said legal action, as determined by a court of competent jurisdiction.

Authorized Signature



Note: this proposal may be withdrawn by us if not accepted within 30 days.

ACCEPTANCE OF PROPOSAL The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

Signature _____

Signature _____

Date of Acceptance _____