



\*\*\* 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: Monday, June 22, 2015 at 4:30 p.m.**  
**Location: City Hall, 2nd Floor, Board Room**  
**Members: Bill Nagle (C), Tom Neal (VC), Romey Wagner, David Nutting and Lisa Rasmussen**

### AGENDA ITEMS FOR CONSIDERATION/ACTION

- 1 Public Comment on Matters Appearing on the Agenda
- 2 Approval of minutes from 5/21/15
- 3 Discussion and Possible Action on the Proposed Development for the Property at Approximately 1212 North First Street (WOW)
- 4 Discussion and Possible Action on the Potential Redevelopment Project for the Property at 1500 Grand Avenue (Kwik Trip)
- 5 **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 the Proposed Development for the Property at 1212 North First Street (WOW)
  - \* Discussion and Possible Action on the Potential Redevelopment Project for the Property at 1500 Grand Avenue (Kwik Trip)
- 6 **RECONVENE** into Open Session to Take Action on Closed Session Items, If Necessary
- 7 Discussion on the Potential Request for Proposals for the East Riverfront Project
- 8 Discussion and Possible Action on the Requested Development Agreement Provision Extension for the Linetec Sewer Construction Project

Adjournment  
Bill Nagle (Chair)

This notice was posted at City Hall and emailed to the media on 6/16/15

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, City Departments



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### ADDENDUM

**Meeting:** ECONOMIC DEVELOPMENT COMMITTEE MEETING  
**Date/Time:** Monday, June 22, 2015 at 4:30 p.m.  
**Location:** City Hall, 2nd Floor Board Room  
**Members:** Bill Nagle (Chair), Tom Neal (VC), Romey Wagner, David Nutting and Lisa Rasmussen

#### AGENDA ITEMS FOR CONSIDERATION/ACTION

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- 9 Discussion and Possible Action on the Proposed Development Agreement Terms for the Project with Wausau Chemical
- 10 **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 the Proposed Development Agreement Terms for the Project with Wausau Chemical
- 11 **RECONVENE** into Open Session to Take Action on Closed Session Items, If Necessary

Adjournment

Bill Nagle (Chair)

It is possible and likely that members or, 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.

This notice was posted at City Hall and emailed to the media on 06/18/15. Other Distribution: Alderpersons, Mayor and Departments

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## ECONOMIC DEVELOPMENT COMMITTEE

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Time and Place: The Economic Development Committee met on Thursday, May 21, 2015 at 4:30 p.m. in the 2<sup>nd</sup> floor Board Room at City Hall, 407 Grant Street, Wausau

ED Members Present: Bill Nagle (C), Romey Wagner, Tom Neal (VC) and Lisa Rasmussen

Others Present: Mayor Jim Tipple, Ann Werth, MaryAnne Groat, Chris Schock, Eric Lindman, Travis Lepinski, Gary Gisselman, Brad Lenz, Kristen Fish, Forrest Young, John Smith, Rob Flashinski, Kevin Malovrh, Elizabeth Fields, Karen Kellbach and Chuck 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**

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

### **PUBLIC COMMENT ON MATTERS APPEARING ON THE AGENDA**

No public comments were made.

### **DISCUSSION AND POSSIBLE ACTION ON THE POTENTIAL SHORT-TERM LEASE AGREEMENT BETWEEN THE CITY OF WAUSAU AND CAG INDUSTRIAL FOR CITY PROPERTY LOCATED IN THE AREA OF 250 SOUTH 80TH AVENUE**

Rasmussen motioned to approve lease contingent upon legal review from staff to insure proper provisions. Neal seconded and the motion carried unanimously 4-0

### **DISCUSSION AND POSSIBLE ACTION ON THE PROPOSAL PRESENTATIONS FOR THE PROPERTY AT 1500 GRAND AVENUE (KWIK TRIP)**

Kevin Malovrh, Advantage Insurance, gave a PowerPoint presentation on his proposal for 1500 Grand Ave.

Forrest Young and John Smith, representing Young's Pharmacy, also gave a PowerPoint presentation on their proposal for 1500 Grand Ave.

No action was taken as further discussion will be done in closed session.

### **DISCUSSION AND POSSIBLE ACTION ON THE POTENTIAL LAND ACQUISITION AND RELOCATION OF WAUSAU CHEMICAL**

Groat said we as the City initiated the discussion with Wausau Chemical as it would be in the City's best interest to get a chemical company off the river. It will be safer for the community and better for the riverfront.

Rob Flashinski, Wausau Chemical, said he went out and got three bids to get a good feel for what it will cost to rebuilt basically what he has now on the riverfront. Based on the bids, it will cost about \$7.8 million to build.

Groat said this is a friendly condemnation and because of that we are required to make someone whole.

No action was taken as further discussion will be done in closed session

### **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 THE POTENTIAL LAND ACQUISITION AND RELOCATION OF WAUSAU CHEMICAL**

**\*DISCUSSION AND POSSIBLE ACTION ON THE PROPOSAL PRESENTATIONS FOR THE PROPERTY AT 1500 GRAND AVENUE (KWIK TRIP)**

Rasmussen motioned to go into closed session. Neal seconded and roll call was done, all members present except Oberbeck.

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

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

Neal motioned to approve Young's Drug store original proposal. Rasmussen seconded and the motion carried unanimously 4-0

**UPDATE ON THE POTENTIAL PROJECT FOR THE PROPERTY AT 121 SOUTH SECOND AVENUE (DAIRY BUILDING)**

Schock said we are still in the process and will bring forward at a future Economic Development Meeting.

**DISCUSSION AND POSSIBLE ACTION ON THE DRAFT RIVERFRONT DEVELOPMENT GOALS**

Schock said we will be finalizing the draft and will bring it to the 6/2/15 meeting.

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

**ADJOURN**

Neal motioned to adjourn. Rasmussen seconded and the motion carried unanimously 4-0.

The meeting was adjourned at 6:05 p.m.

Respectfully Submitted,  
ECONOMIC DEVELOPMENT COMMITTEE  
Bill Nagle, Chairperson

**From:** Christian Schock  
**Sent:** Tuesday, June 16, 2015 2:33 PM  
**To:** 'Menard, Chris'  
**Subject:** Development Agreement Compliance Extension Request

Chris,

As a follow-up from our discussion yesterday, you are requesting an extension of one of the provisions/performance standards outlined in the Development Agreement related to the required sewer construction because the current wet conditions make the construction prohibitive and impractical. We'd ask you to provide information on this request in the form of a request letter and determination from the contractor, and ask you to propose a new timeline based on your contractors advice for review by the ED Committee at our 6/22 special scheduled meeting.

Best,

Chris

***Christian Schock***  
*Wausau Economic Development*  
*407 Grant Street Wausau, WI 54403*  
*715-261-6683*  
[christian.schock@ci.wausau.wi.us](mailto:christian.schock@ci.wausau.wi.us)

[wausaudevelopment.com](http://wausaudevelopment.com)



## DEVELOPMENT AGREEMENT

This Development Agreement (“Agreement”) is made as of the 9th day of September, 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 7200 Stewart Avenue, 7500 Stewart Avenue and 7550 Stewart Avenue, in the City of Wausau, County of Marathon, State of Wisconsin (collectively, the “Property”);

WHEREAS, Apogee desires to expand its business operations located within the City of Wausau, by among other actions, expanding the improvements on the Property by at least 118,000 square feet at the cost of at least Five Million and 00/100s Dollars (\$5,000,000.00) and placing an additional equipment at the Property with a value of at least Ten Million and 00/100s Dollars (\$10,000,000.00);

WHEREAS, Apogee believes the above described expansion of its business operations and the Property will increase employment and capital and facility growth opportunities;

WHEREAS, Apogee’s plan to expand business operations as described above 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 One Million Two Hundred Thousand and 00/100s Dollars (\$1,200,000.00) from the City to offset costs such as facility expansion, and equipment acquisition;

WHEREAS, 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 expansion would not occur at the Property without the financial assistance from the City financed from Tax Increment District Number Ten.
2. That the developer incentives for facility expansion and equipment acquisition 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 Ten Project Plan objectives.
4. That payment of the City’s assistance to Apogee is necessary to effectuate the purposes for which the Tax Increment Ten was created and to implement its project plan.

5. That developer incentives and payments made at the discretion of the common council were listed as project plan costs within the Tax Increment District Ten. .
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 expansion will expand manufacturing capabilities and product lines, increase employment and capital and facility growth opportunities by, among other actions, expanding certain operations in the City of Wausau;

WHEREAS, Apogee's plan to expand as described above at the Property 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 Ten (the "TID"), and adopted a Project 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 the Plan 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 One Million Two Hundred Thousand and 00/100s Dollars (\$1,200,000.00) (the "Grant"). The Grant shall be in the form of a reimbursement for capital costs of facility expansion for work contemplated by the budget from United Structures, Inc. dated Revised October 7, 2014 attached as Exhibit A and equipment acquisition for equipment to be located at the Property (the "Reimbursable Expenses"). In no event shall the Grant be used for reimbursement of expenses incurred by Apogee in constructing the sewer main as required pursuant to Section 6 below.

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 provided evidence to the City that Apogee has previously paid at least \$4,000,000.00 in connection with improvements at the Property and placement of equipment at the Property.

3. Apogee's Creation and Retention of New Full-Time Jobs. Apogee shall create and maintain at least the number New Full-Time Jobs by each anniversary of the Effective Date as set forth on the attached Exhibit B. 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 an average of 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 380 full time employees working 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 2019 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 a 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 Reimbursement 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 claw back rights under paragraph 5 below but for such overstatements, Apogee shall reimburse City for the reasonable costs 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 the number of New Full-Time Jobs within in the time frames set forth in paragraph 2 above, Apogee shall reimburse the City in an amount equal to the number of New Full-Time Jobs required to be created by that year less the actual New Full-Time Jobs created or maintained by Apogee by that year multiplied by Twelve Thousand Nine Hundred Three and 00/100s Dollars (\$12,903.00). Apogee shall reimburse the City within thirty (30) days of written demand from the City. Any amounts required to be paid by Apogee to the

City hereunder after the first year shall be reduced by amounts previously paid by Apogee to the City under this paragraph and in no case will Apogee reimburse the City more than once for any given annual shortfall (ie. A shortfall in year one will be reimbursed as demanded by the City but that same shortfall that impacts future years will not be reimbursed in future years as the Claw Back amount as defined in this paragraph will have been already met for that shortfall. 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. Sewer Main. Apogee and the City acknowledge that Apogee's expansion plans as set forth in this Agreement include building improvements over a sewer main which serves other properties within the City's west-side industrial park which is located on the Property as part of the previously vacated 75<sup>th</sup> Avenue. Apogee shall place a manhole on the vacated 75<sup>th</sup> Avenue south of Highland Avenue prior to building improvements over the sewer main in order to mitigate any damages which may result from problems associated with the sewer main under the improvements to be built by Apogee during the fall/winter/spring season of 2014 and 2015. The manhole built by Apogee may be used by the City for pumping should the existing main under the proposed improvements fail. No later than July 31, 2015 Apogee shall, at their sole cost and expense and without compensation or reimbursement from the City, build a new sewer main to the west of the Property between Highland Avenue and Stewart Avenue and, if the City determines it is reasonably necessary, relocate the sanitary sewer lateral for 7400 Highland Drive. The sewer main shall be constructed in a good, workmanlike manner pursuant to specifications prepared by Apogee which are reasonably acceptable to the City. All work performed by Apogee under this Section shall be under the direction of a professional civil engineer hired by Apogee and shall be done after proper permitting is obtained. Upon completion of the new sewer main by Apogee and provided it meets with City's reasonable approval, Apogee shall donate the new sewer main to the City, at no cost to the City, and the City shall accept ownership of the new sewer main. Upon donation of the new sewer main, Apogee shall grant an easement to the City over the Property whereby the City is given access to the Property so that the City may maintain, repair and replace the new sewer main. Upon donation of the new sewer main the existing sewer and water mains located in the vacated 75<sup>th</sup> Avenue shall be deemed to be the property of Apogee and shall be treated as private laterals for all purposes thereafter. In the event of a casualty which occurs to the sewer main after the improvements have been built over the sewer main but prior to Apogee constructing the new sewer main, Apogee shall indemnify and hold the City harmless for any and all costs to remediate, repair and fix the sewer main located under the improvements on the Property, including, without limitation, pumping, which are in excess of the cost the City would have incurred had the improvements not been built.

7. Real Estate Taxes. Apogee agrees that prior to the date that is eighteen (18) 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. 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.

8. 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. 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.

C. Joint Review Board. 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).

D. 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.

E. 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.

F. 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.

G. 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.

H. 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.

I. 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.

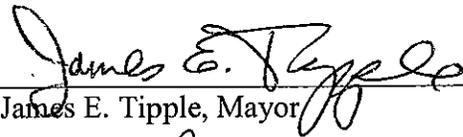
J. Counterparts/Electronic Signature. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one instrument representing the agreement among the parties. Facsimile signatures and PDF email signatures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

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

**APOGEE WAUSAU GROUP, INC.**

By:   
Name: Rick Marshall  
Title: President

**CITY OF WAUSAU**

By:   
James E. Tipple, Mayor  
Attest:   
Tomi Rayala, Clerk

**EXHIBIT A**  
**Revised October 7, 2014**

**EXHIBIT B**  
**New Full-Time Jobs Required**

<u>Year Ending</u>	<u>Cumulative New Full-Time Jobs</u>
September 9, 2015	14
September 9, 2016	41
September 9, 2017	67
September 9, 2018	82
September 9, 2019	93