

****All present are expected to conduct themselves in accordance with the 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.

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| Meeting of the: | JOINT FINANCE AND ECONOMIC DEVELOPMENT COMMITTEES |
| Date/Time: | Tuesday, September 10, 2019 at 6:00 p.m. |
| Location: | City Hall (407 Grant Street) - Council Chambers |
| Finance: | Lisa Rasmussen (C), Karen Kellbach, Dave Nutting, Michael Martens, Dennis Smith |
| ED: | Tom Neal (C), Pat Peckham, Lisa Rasmussen, Gary Gisselman and Michael Martens |

AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

- 1 Consideration and possible action regarding city participation in acquisition by Wausau Opportunity Zone Fund, LLC of Wausau Center Mall
- 2 **CLOSED SESSION**, pursuant to s. 19.85(1)(e), for the purpose of deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, regarding the investing of public funds toward the acquisition of the Wausau Center Mall
- 3 **RECONVENE INTO OPEN SESSION** to take action, if any, upon closed session item

Adjournment

Lisa Rasmussen, Finance Chair Tom Neal, ED Chair

It is likely that members of, and a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau will be in attendance at the above-mentioned meeting to gather

This Notice was posted at City Hall and faxed to the Daily Herald newsroom on 9/9/19 @ 4:30 p.m.

In accordance with the requirements of Title II of the Americans with Disabilities Act (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call City Attorney's Office at (715) 261-6590 or the City's ADA Coordinator at (715) 261-6620 or e-mail clerk@ci.wausau.wi.us at least 48 hours prior to the scheduled meeting or event to request an accommodation.

Other Distribution: Media, Alderpersons, Mayor, City Departments

Wausau Opportunity Zone Fund, Inc./City of Wausau Term Sheet

Wausau Opportunity Zone Fund, Inc. (“WOZ”) is a not for profit corporation organized and funded by local philanthropic foundations for the sole purpose of acquiring the Wausau Center Mall and partnering with the City of Wausau government to assure that mall site is used in a manner that supports the quality of life, and long-term economic benefit of taxpayers of Wausau by maintaining an attractive, and vibrant downtown. This venture was undertaken out of concern that sale of the distressed mall to an out-of-area entity, one not strongly enlisted in the Wausau community, could lead to undesirable property uses and demands on the City for economic concessions that would accrue solely to the benefit of out-of-area developers.

After its opening in the early 1980's and for over 30 years, the Wausau Center Mall (“Mall”) contributed to economic health and revitalization of Wausau's downtown from which the community continues to benefit. Although WOZ cannot present a final vision for specific uses of the Mall redevelopment area at this time, it intends to work closely with City government to prepare a plan for development that "keeps Wausau the pride of the north". The philanthropic entities funding WOZ have a long, credible history of partnering with city and county government and community organizations to support many projects adding to the area's quality of life and economic vitality. These projects include riverfront improvement and Riverfront Park, Arts Block/Grand Theater, The 400 Block, the world-class kayak course, YMCA expansion, Wausau Area Public Schools, North Central Technical College, Boys & Girls Club, South East Asian refugee ESL program and other assimilation projects, and many other supported community assets.

Recently, the mall was put up for sale by its current owner. WOZ has successfully bid to acquire the mall and is negotiating the terms of acquisition. The acquisition is contingent upon WOZ entering into an agreement with the City of Wausau with the following terms.

WOZ Obligations:

WOZ will use reasonable efforts to obtain funding to successfully acquire the Mall.

As part of the acquisition process, WOZ will work with the seller of the Mall and the City to address any past due obligations to the City as a result of mall operations.

Following acquisition of the Mall, WOZ will use reasonable efforts to engage professional mall operation management for the Mall.

Following acquisition of the Mall, WOZ and the City will use reasonable efforts to undertake a study and investigation into the possible redevelopment and repurposing of all or a portion of the Mall and the Mall redevelopment area.

WOZ acknowledges that implementation of an approved development plan may require portions of the Mall redevelopment area to be conveyed to a municipal organization or other party to best utilize redevelopment tools available to the City.

City Obligations:

The City will immediately unconditionally commit to lend \$1,000,000 as a non-recourse, forgivable loan to WOZ as partial funding for WOZ to acquire the Mall. Unless otherwise agreed, WOZ will cause all other sources of financing for this acquisition to be subordinate to the City and MCDEVCO. Unless otherwise agreed, the loan from the City will be forgiven on a proportionate basis at such time as portions of the Mall are conveyed to one or more third parties by WOZ pursuant to a reasonably acceptable and approved development and use plan.

At the closing of the Mall acquisition, the City will convey to WOZ, for \$1.00, all real, personal and mixed property owned by the City in the Mall redevelopment area, including, but not limited to all rights as ground and air rights lessor and rights as fee owner (in the case of the so-called Sears Property, WOZ may establish a separate ownership entity to hold title); but excluding those portions of the area used as parking ramps. Any remaining agreements regarding the Mall redevelopment area to which the City is a party, including, but not limited to the air rights lease for the facility commonly known as the Penney's Building, will be amended to reflect that WOZ will, after closing, have no obligation to pay rents or fees to the City of Wausau in conjunction with the ownership and operation of the Mall.

The City will, utilizing its available development tools, including tax increment financing, annually and promptly reimburse amounts equal to all real and personal property taxes paid by WOZ on the Mall and Mall redevelopment area property, commencing upon the date of WOZ's acquisition thereof and continuing until WOZ conveys the Mall and Mall redevelopment area to third parties pursuant to one or more a reasonably acceptable and approved development and use plans.

The City acknowledges that the City and WOZ will work cooperatively on the long-term planning for the use and possible redevelopment of portions of the Mall and the Mall redevelopment property. City agrees to terminate or amend any, then in effect ground or air rights leases and the Redevelopment Plan or similar use restrictions for the Mall redevelopment area as requested by WOZ, and to use all available development tools and funds to assist with development plans resulting from the efforts involved in such long-term planning.

The City will continue to own, operate and maintain the parking ramp structures in the Mall redevelopment area primarily in support of the current uses of the Mall redevelopment area, and will be entitled to all parking fees generated from such operations. Parking fees and rules will be consistent with other City owned and operated parking ramps and lots so long as such fees and rules do not negatively impact the usefulness and economic benefits the users presently derive from such property. At the closing of the acquisition of the Mall by WOZ, City and WOZ will enter into an option to purchase the parking structures, and all associated real, personal and

mixed property rights, including, but not limited to the ground or air rights for \$1, upon not less than 60 days' notice to facilitate and in accordance with one or more reasonably acceptable and approved development and use plans.