



PRESS RELEASE

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The City of Wausau announces two Request for Proposals (RFP) responses for the redevelopment of 411 Washington Street- the former Sears Building

On Friday, 10/14/16, the City of Wausau received 2 proposals for the redevelopment of the former Sears location from Micon Theaters and HOM Furniture.

- Both proposals would bring significant taxable value to the City (proposed at an estimated \$7.5mil and \$6mil respectively) with extensive renovations and/or redevelopment of the existing building and site.
- Both proposers would purchase the existing building and site from the City- another positive sign of Downtown and Wausau Center's marketability as a prime regional location.
- Both uses complement the existing retail base in Downtown Wausau- a key consideration in the Request for Proposal (RFP)- and both would bring new users to Wausau Center as they are major regional draws in their retail and entertainment spaces.
- Securing 2 major redevelopment proposals for Sears builds on the City's success in assisting the repositioning of challenging sites- including the record-breaking proposals received for the East Riverfront Redevelopment Area last year.

We thank both Micon and HOM for their confidence in Wausau and their excitement to be a part of Downtown. Contrary to a recent report, commercial vacancy in Downtown Wausau is the lowest in at least 20 years at 3% and these responses, especially within a short turnaround, is continued market affirmation in Downtown. Both proposers are well-established brands which have a successful track record in repositioning anchor retail locations with multiple examples in Wisconsin and adjacent states.

It's exciting that both of these outstanding brands have chosen Wausau and Wausau Center as their location to enter the region. Both proposers have offered to repurchase the building and requested tax increment financing (TIF) to help fund their major construction investment- a final deal will be negotiated by the City with one of the selected proposers.



The City has gone through this very public RFP process to ensure that the redevelopment of the Sears store is not done in secret, and that the selected proposer is more than a building owner but also a partner in Downtown and the City. The Economic Development Committee on October 20th, 2016 is expected to have an initial review of the proposals and the entire proposals will be included in that agenda packet.

The City is still completing environmental testing and other due diligence items as part of the City's signed offer to purchase before a real estate closing with Sears can be scheduled. Both projects contemplate construction starting in early 2017.

As we've noted before, with more information, everyone can better appreciate the City's position in this process. The City has established a Mall information line which is available to answer your questions, receive feedback, and consider your ideas- the number is 715-261-6688 or send an email to: mall@ci.wausau.wi.us.