

ECONOMIC DEVELOPMENT COMMITTEE

Date and Time: Tuesday, February 6, 2018 @ 5:15 pm., Council Chambers

Economic Development Members Present: Neal (C), Rasmussen, Gehin, Wagner & Peckham.

Others Present: Schock, Mielke, Groat, Jacobson & Plaisance.

Other Council Members Present: Kellbach

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

The Economic Development Committee meeting was called to order by Chairperson Neal at 5:14 pm.

Approval of Minutes from 1/9/18 and 1/18/18

Motion by Peckham, second by Gehin to approve all minutes. Motion passed 5-0.

Update on the Riverlife Project

Mike Frantz and Jason Sharkey attended the meeting to give an update on the progress and construction. Frantz reported that the commercial buildings will open up in November and the apartments will be opening early next year. Pfefferle Management has a new office and they will be having an open house within the next 30 days.

Neal explained the appreciation the committee members had for the press release and the FAQ sheet. Peckham asked about the Quantum Ventures guarantee within the development agreement and Frantz explained that it was a 22 million dollar project and that they have received their commitment letter and have added personal investments. Gehin asked about the confirmed leasing arrangements and Frantz answered with the total of 68,000 commercial space, with 45,000 of that being rentable. At this time there is approximately 20,000 square feet confirmed and possible interest from a company to rent the entire floor. There are a total of 52 apartments that will be available and 10 leases are in place with 40 leads they are following up on. Frantz added that they are ahead of leases compared to other developments the company is running. Schock believes the merit and marketability of the project is heavy and greatly reciprocated. The development agreement clearly defines the City's role and we are the gap financier and working heavily with their primary lender and the underwriters.

No motion or action needed.

Discussion and Possible Action on the Grand Avenue RFP Responses.

Schock presented that the City did not receive any responses. The Economic/Community Development department is collaborating with realtors to market the opportunity because of the underutilized sites along the Grand Ave corridor. One site has an ongoing dialogue and is aware that there is possible involvement with the City.

Peckham thanked Schock for working diligently on this project.

No motion or action needed.

Discussion and Possible Action on the Thomas Street Remnants RFP Responses.

Schock stated that the department released a condensed timeline RFP process and they have received two proposals. The proposals were passed out to the committee members and Schock explained that the department has also been in consultations with local developers. This is a short window but they are looking for immediate opportunities and then they can reopen the RFP. There was one resident response and one small business, commercial building proposal response.

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 Thomas Street Remnants RFP Responses.

ROLL CALL VOTE – Neal, Peckham, Wagner and Gehin. Rasmussen abstained to go into or vote in Closed Session due to private employer conflict.

Motion made by Wagner, second by Peckham to go into a closed session. Motion passed 4-0-1.

Motion made by Peckham, second by Gehin to go back into Open Session. Motion passed 4-0-1.

RECONVENE INTO OPEN SESSION, if necessary

Thomas Street proposals, two separate motions.

#1 – Gary Pospychalla for lots #10 & 11.

Motion made by Peckham, second by Gehin. Motion passed 5-0.

#2 – State Farm Insurance Agent for lots #18 & 19 with no City involvement.

Motion made by Wagner, second by Peckham. Motion passed 4-0-1.

Schock asked that as we continue this process should they set a new deadline and reopen the window or have a rolling date and if they receive a new proposal should they add it to the agenda for the next ED meeting?

Rasmussen thinks the rolling date makes sense and then the committee can entertain as they come in. She believes we should extend it until June of this year. Neal asked what that if they were undevelopable remnants. Rasmussen answered that she thinks they should be sent to CISM and the properties can go to the adjacent property owners. This way they are disposed through that committee right away and not have to come to ED.

Discussion and Possible Action on the Release of an RFP for an Update of the City of Wausau’s Zoning Ordinance – Title 23 of the Wausau Municipal Code.

Brad Lenz presented the draft version of the RFP to the committee members and mentioned that it had already been talked about at the Plan Commission meeting. They would like to start in the spring and continue throughout the year. Neal asked if this project was reflected in the 2018 budget and Lenz answered yes. Peckham requested the sentence on page one “easier to administer” be simplified and made easier to understand. Peckham also asked why an RFP versus a Bid process and Lenz explained that a Public Bid is looked at and then automatically goes to the lowest bidder. The RFP looks at a variety of things and reviewed with criteria such as; expectations, personalities, experience, capabilities and cost. Gehin commented that the RFP should be introduced in at Plan Commission first and Lenz explained that it doesn’t need to go to the Finance committee because it is already in the budget and that the Plan Commission will be involved in the reviewing and the final decision. Wagner thinks the Plan Commission should be the only one to approve the new code and isn’t sure why the ED Committee is giving recommendations. Rasmussen thinks its correct to have ED committee involved in assisting with the decision and Lenz explained that there will be an Evaluation committee compiled of anyone interested (staff and/or citizens).

Motion was made by Rasmussen, second by Peckham that the Planning department move ahead with the zoning ordinance RFP.

Neal explained that this was an update, so no motion was needed. Rasmussen and Peckham withdrew their motions.

Update on the Journal of Tax Credits Article about MetroPlains Wausau Projects.

Schock presented the article and was pleased that the City was mentioned due to their heavy involvement in the project. He believes this is a great example of participation and partnerships. The MetroPlains building will open in spring and they will be holding an Open House for the community, which the department will pass onto the Committee. Neal commented that when looking back at all of the hoops and barriers that went on with this project that it was nice to see it being fixed up. Rasmussen likes to see the progress and thinks we should hold our meeting there and bring in the news media. Schock thinks that agenzizing a tour right before the meeting would work the best. The WHEDA board just toured the building and then held their meeting at the Courtroom Chambers in the old Federal Building. Peckham was wondering what they meant by the Enterprise/Syndicator on the last page. Schock explained that this is talking about the low income tax credit financing and that the Syndicator serves as the aggregator between the projects. They work with the developer, historical society, parks service, contractor, etc. on these complex, affordable housing projects.

Update on the Wausau Center Mall.

Schock wanted to give an update on the recent happenings with the mall. He assured everyone that the department wants to be proactive and is ensuring that the topic is updated regularly since there are a variety of moving parts. The lender/owner will continue listing the mall and will continue to move forward with Younkers now leaving. They are looking to do a possible short sale as part of the out-of-town trust. The City will assist them and keep them and the stakeholders up-to-date in hopes to clarify and present opportunities as they arise.

Discussion and Possible Action on Future February Meeting Dates.

Joint Finance/ED Meeting on February 13th. Everyone can attend and they will start at 4:30 pm.

Possible special ED meeting on Tuesday, February 20th for one agenda item. Proposed time is 4 pm, before the Planning Commission meeting. Sara will send an email out to everyone to approve.

Special Instructions or Directives to Staff:

None

Motion by Gehin, second by Peckham to adjourn the meeting. Motion passed 5-0.

Adjournment Time: 6:05 p.m.