

MINUTES

Economic Development Committee Meeting

Date / Time: Tuesday, June 4, 2024, at 5:30 P.M. | **Meeting called to order by** Henke at 5:30 P.M.

In Attendance

Members Present: Gary Gisselman, Terry Kilian, Chad Henke, Victoria Tierney

Members Absent: Carol Lukens

Others Present: Liz Brodek, Randy Fifrick, Tammy Stratz, Shannon Graff, Mayor Doug Diny, Atty. Anne Jacobson, Kimm Weber (MCDEVCO),

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

Agenda Item 1 – Approval of Meeting Minutes from May 7, 2024

*Alder Kilian moved to approve minutes, seconded by Tierney. **Motion carried 4-0.***

Agenda Item 2 – Presentation by Greater Wausau Chamber of Commerce (Eckmann)

Dave Eckmann from the Greater Wausau Area Chamber of Commerce presented on the needs of Wausau. See YouTube recording for full presentation (linked listed below) at time: 6:25-20:15

Agenda Item 3 – Discussion and Possible Action on Sale of 1717 Arlington Lane to Ghidorzi Investment I, LLC. (Fifrick)

Fifrick provided details on the possible sale of this property. He noted the Ghidorzi team approached the city to purchase the city-owned property which is currently landlocked and surrounded by other properties owned by Ghidorzi. Fifrick explained the City Assessor estimated the value of the property at \$182,000 which Ghidorzi is prepared to pay. Fifrick noted if Ghidorzi is able to purchase this parcel, it will make way for larger scale planning and development in the area.

Kilian asked for the property's history, how and why the city acquired it and noted the positioning of it seemed unusual. Fifrick explained it was difficult to find history on the parcel. He said it may have been purchased around 1993, possibly back further, but an exact date was unable to be determined. Fifrick surmised the parcel was acquired for the right of way for the highway. Kilian also asked who paid for the retaining wall. Fifrick said there was a development agreement between the City and Ghidorzi where Ghidorzi did the work and paid for a lot of the work that was completed. Kilian noted about ¾ of the wall is on the city's property, which Fifrick said seemed about right. Kilian then asked if there were any resolutions requiring the city to release an RFP for this 6.7-acre parcel. Fifrick responded that due to the special circumstances of Ghidorzi owning the surrounding parcels, any development on that parcel would be limited nor has it been on staff's radar considering the location so getting it back on the tax roll and selling the property to a developer who for a larger development, seemed to be in the city's best interest, especially with getting a fair market price for it as well.

Gisselman asked how the assessor determined the value because the area of the parcel seems to be expensive territory with good potential for development. Fifrick explained the assessor compared the parcel to assessments of the surrounding properties and also considered that 1/3 of the parcel is swamp with only 2.24 acres being buildable and the parcel only has road access through an easement that can be reneged at any time.

Kilian asked again why it wasn't best to put this parcel out for an RFP. Fifrick answered that due to the complexity of the parcel, the fact that it contains a large wetland area, he doesn't foresee there being any interest in the parcel.

*Gisselman motioned to approve the sale, seconded by Tierney. **Motion carried 4-0.***

Agenda Item 4 – Discussion and Possible Action on Consent to Transfer and Waiver of Right of First Refusal 2105 N 2nd St., Wausau (Stratz)

Stratz explained that the City issued a commercial Rehabilitation loan to Thrive Properties, LLC in the amount of \$150,500.00 to assist with renovations at 2105 N 2nd Street to turn the property into a restaurant which included verbiage in the loan agreement that the City would have a right of first refusal if Thrive vacated the property. Staff were made aware of an accepted offer to purchase the current owners received and they are now requesting the city to waive its first right of refusal to allow the sale to occur. Stratz indicated in a discussion with the seller's attorney, the new buyer intends to keep the property a restaurant and the unpaid balance owed to the City will be fully satisfied through proceeds which will replenish the Commercial Rehabilitation Fund.

Kilian asked if Thrive had an opportunity to pay back the loan since it was originated. Stratz indicated they have made just under \$27,000 in payments but have been delinquent the past four years due to Covid. However, she noted everyone was allowed to be delinquent during Covid as a result of the financial implications the pandemic caused. When businesses started reopening and things returned to normal, Thrive was unable to revive their business. Stratz said with accumulated interest, Thrive owes just over \$145,000.

*Kilian motioned to approve the Consent to Transfer and Waiver of Rights of First Refusal, seconded by Tierney. **Motion carried 4-0.***

Adjourn

*Gisselman motioned to adjourn, seconded by Tierny. **Motion carried 4-0.***

Meeting Adjourned at 6:02 PM

CITY OF WAUSAU, YouTube MEETING LINKS

ALL City of Wausau Meetings can be viewed at:

- <https://www.youtube.com/@CityofWausauMeetings>

The ED meeting from 06/04/24 can be viewed at:

- <https://www.youtube.com/live/135n748TSyU?si=U3fgmXF9vb4KGDxe>