



*** 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.

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| Meeting: | Economic Development Committee |
| Date/Time: | Tuesday, October 1st , 2024, at 5:30 PM |
| Location: | City Hall (407 Grant Street, Wausau, WI 54403), Council Chambers |
| Members: | Carol Lukens-Chair, Chad Henke-Vice Chair, Terry Kilian, Gary Gisselman, and Victoria Tierney |

ECONOMIC DEVELOPMENT COMMITTEE AGENDA ITEMS FOR CONSIDERATION

(All items listed may be acted upon)

1. Public Comment (Up to 3 minutes per person at Chair's discretion)
2. Approval of Minutes from September 3, 2024 Meeting
3. Planning Option Agreement between City of Wausau and Wangard Partners, Inc for 15 Fulton St. / 920 N. 1st St. (Fifrick)
4. Purchase of City-owned Property by Habitat for Humanity at 722 Jefferson St. (Stratz)
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 related to City of Wausau Deed Restrictions for 180 E Wausau Ave.
6. RECONVENE into Open Session to take action on Closed Session items, as necessary
7. Adjourn

Carol Lukens, Chairperson

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 information. **No action will be taken by any such groups.**

Members of the public who do not wish to attend in person may view the meeting live or after the fact on the City of Wausau's YouTube Channel: <https://tinyurl.com/WausauCityCouncil> or live on Cable TV, Channel 981. Any person wishing to offer public comment who does not appear in person to do so, may email the City Clerk: Kaitlyn.Bernarde@wausauwi.gov or the Interim Development Director: Randy.Fifrick@wausauwi.gov with "EDC Public Comment" in the subject line by the start of the meeting. All public comments received, either by email or in person, will be limited to items on the agenda only. Messages related to agenda items received prior to the start of the meeting will be provided to the Committee Chair.

This Notice was Posted at City Hall and Emailed to Local Media Outlets on 9/25/2024 @ 4:00 PM

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (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 to participate in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6622 or email ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event, the City of Wausau will make a good faith effort to accommodate your request.

MINUTES

Economic Development Committee Meeting

Date / Time: Tuesday, September 3, 2024, at 5:30 P.M. | **Meeting called to order by** Lukens at 5:30 P.M.

In Attendance

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

Others Present: Randy Fifrick, Shannon Graff, Mayor Diny, Atty. Jacobson, Angel Laidlaw (Centergy), Joe Mella (Ruder Ware), Matthew and Kristen Aschenbrenner (Asch Properties - Infused), Joey Ninneman (Contractor), Carrie Marohl (Realtor), Justin Carstenson

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 – Public Comment

Atty. Joe Mella (Ruder Ware) provided public comment regarding Agenda Item 4. He explained that he represented his client, Kimcar, LLC, who was interested in purchasing a property in the Wausau Business Campus. When the title was reviewed, Restrictive Covenants imposed by the city on the parcel were discovered, to which his client objected. Atty. Mella requested that the city waive one of the specific restrictions contained in the deed, which, as paraphrased by Atty. Mella, allowed the city, at any point, to change any of the rules that applied to the property. He explained that this restriction substantially impacted the marketability, and his client was unwilling to purchase the property if that provision remained.

Carrie Marohl (resident, realtor, and CIP committee member) expressed concerns regarding the business "Infused." She noted that the owners were community members who were using their personal funds and not requesting financial assistance from the city to bring a new business to the area and enhance the community. She said it would not reflect well on Wausau to potentially turn a positive situation into a negative one by denying an extension for this project.

Justin Carstenson (resident) commented that Infused was a great opportunity for an area the city had been targeting for redevelopment, where a private citizen was investing their own money to improve the neighborhood and attract more to the area. He stated that Infused should be allowed an extension to move forward with the project, believing it to be a win-win for everyone involved if they were allowed to proceed.

Agenda Item 2 – Approval of Minutes from August 7, 2024, Meeting

*Henke moved to approve, seconded by Kilian. **Motion Carried 5-0***

Agenda Item 3 – Presentation by Centergy (Angel Laidlaw)

Angel Laidlaw provided an overview of Centergy. To view the presentation please click the link below. The presentation is from time stamp 12:10 through 24:30: <https://www.youtube.com/live/j-DTSgal9Dw?si=eqsdxeToTu3Dhz72>.

Agenda Item 4 – Discussion and Possible Action on Revised Set of Deed Restrictions for 8220 Enterprise Drive (Fifrick)

Fifrick explained that staff had worked to update the standard deed restrictions recorded when the city sells property within the Wausau Business Campus. The revised restrictions were reviewed by Atty. Jacobson and presented to the seller's attorney. This committee unanimously voted to record the revised restrictions at the August 7, 2024, meeting for new requests. He noted that there is an option to revise or amend the language of the deed restrictions as needed. Fifrick also clarified that the easement portion of the restriction is primarily related to eminent domain, in case the city needs to add or extend a bike path or trail.

Gisselman requested that Atty. Jacobson provide further clarification. Atty. Jacobson explained that the city would most likely need to pay for the easement to install a path. He further stated that the council could make a motion to accept the first sentence of section 10 of the May 24, 2024, deed restriction, reject the second sentence, or leave the section unchanged.

*Motion to accept the 5/24/24 version with striking the 2nd sentence of #10, seconded by Gisselman. **Motion Carried 5-0***

Agenda Item 5 – Development Process Flow Chart Update (Fifrick)

Fifrick introduced the Development Process flowchart due to discussion during August's committee meeting related to the RFI for the South Riverfront. Two proposals were received of which the committee chose one but there were questions and confusion on how it would move through the development process. Fifrick directed their attention to the flow chart to explain the process.

Step 1 – Release RFI (Jun 2024 for South Riverfront).

Step 2 – Proposals Due from developers (Jul 2024).

Step 3 – Proposals presented to ED to choose proposal and then taken to Council for approval (Aug 2024).

Step 4 – Staff/Developer negotiate the Planning Option Agreement (Sept 2024 - Current Step).

Step 5 – Present Agreement to ED and Council for approval (approximately Oct 2024).

Step 6 – Developer completes due diligence (Geotech, environmental, site plan refining, etc.)(Approval of Agreement provides developer access to the property to complete this step) and refines plan based on outcomes of due diligence.

Step 7 – Present revised plan to Zoning and Site Plan Review (Plan Commission/Council) for Approval.

Step 8 – Perform analysis of developer’s financials (Proforma) which reviews the projects financial strength, developer’s estimates, cash flow projection, benchmarks to quantify assistance needed, developer experience, etc.

Step 9 – Staff/Developer/3rd Party Council negotiate Development Plan Agreement.

Step 10 – Draft Development Agreement presented to ED, Finance and Council for approval.

Step 11 – Developer closes on property.

Step 12 – Construction begins.

Henke asked what the most time-consuming step is in the process. Fifrlick responded Step C because it requires a lot of work by the developer in hiring consultants, environmental and Geotech testing, wait for results and refine as needed . Henke then asked if there’s an approximate timeframe in which the whole process takes to get to construction. Fifrlick stated it can take at least one year for the project to commence, whereas other projects have taken longer for a multitude of reasons including financing, testing, etc. There is no definitive timeframe for any project.

Agenda Item 6 – Discussion and Action on Rescheduling November Meeting – Suggested Date of November 13th (Fifrlick)

Fifrlick explained November’s meeting needs to be rescheduled due to the Election and recommended moving it to November 13th.

Henke motioned to move the November 5th meeting to November 13th at 5:30 pm, seconded by Kilian. Motion Carried 5-0

Agenda Item 7 – Update on 180 E Wausau Ave Project “Infused” (Asch Properties) (Fifrlick)

Matthew Aschbrenner stated that there have been issues getting contractors and sub-contractors to finish in a timely manner as was previously planned. The project is nearing completion, but Asch Properties needs an extension to complete. Henke asked how much of an extension they’re asking for. Aschenbrenner responded that they have an event scheduled for November, so they feel confident they’ll be open by November 7th. Joey Ninneman, their Contractor, confirmed that they will be able to obtain an occupancy permit by November 7.

Agenda Item 8 – CLOSED SESSION

Henke motioned to go into Closed Session, seconded by Tierney – Roll Call – 5-0.

Agenda Item 9 – RECONVENE into Open Session to take action on Closed Session items, as necessary (Fifrlick)

No action taken. It was directed that Staff discuss further with the developer and bring back to the committee.

Agenda Item 10 - Adjourn

Kilian motioned to adjourn, seconded by Henke. Motion Carried 5-0.

Meeting Adjourned at 7:13 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 09/03/24 can be viewed at:

- <https://www.youtube.com/watch?v=j-DTsgal9Dw>
- <https://www.youtube.com/watch?v=bsgFgws5Bqk>

PLANNING OPTION AGREEMENT

CITY OF WAUSAU AND WANGARD PARTNERS INC.

THIS PLANNING OPTION AGREEMENT (this "Agreement") is made and entered into as of the _____ day of _____, 2024, by and between the **CITY OF WAUSAU**, a Wisconsin municipal corporation established pursuant to Chapter 66, Wis. Stats., having its office at 407 Grant Street, City Hall, Wausau, Wisconsin 54401 (hereinafter "CITY") AND **WANGARD DEVELOPMENT LLC**, a Wisconsin limited liability company, with its principal address of 1200 Mayfair Road, Suite 410, Milwaukee, Wisconsin 53226 (hereinafter "DEVELOPER").

WITNESSETH:

WHEREAS, CITY owns certain real property and improvements located at 15 Fulton Street/920 N. 1st Street, Wausau, Wisconsin and with PIN No. 291-2907-253-0643 (the "Property"); and

WHEREAS, DEVELOPER has requested a period of time to complete all desired due diligence necessary to determine the physical and financial feasibility of certain redevelopment activities at the Property (the "Project"); and

WHEREAS, CITY desires to see the Property redeveloped in order to generate economic activity and tax base for the community; and

WHEREAS, depending on a determination by both parties of the economic and land use compatibility of the proposed Project, CITY is willing to negotiate an agreement relating to the sale of the Property to DEVELOPER and development of the Project.

NOW, THEREFORE, for good and valuable consideration, the parties mutually agree and state as follows:

1. **Planning Option.**

- (a) Subject to the terms and conditions herein, CITY hereby grants to DEVELOPER (and any entity that is approved by the City of Wausau as a successor or assign, for this purpose, City approval is delegated to City's Development Director) an exclusive period from the date hereof through December 31, 2025, to complete, at DEVELOPER's sole cost, any desired due diligence and feasibility studies relating to the Property and the Project (the "Planning Option"). The price of the Planning Option shall be Ten Dollars (\$10.00). The Planning Option may be extended for an additional period of six (6) months upon written notice from DEVELOPER to CITY prior to expiration for an additional fee of Ten Dollars (\$10.00) (such fee is non-refundable except as set forth below).
- (b) CITY, during the period of the Planning Option or any extension thereof, agrees not to sell the Property and agrees that DEVELOPER has exclusive rights to the purchase and development of the Property during such period.
- (c) During the Planning Option, CITY will provide DEVELOPER with reasonable access to the Property for purposes of completing customary due diligence; provided

however, that: (i) any destructive or invasive testing shall require CITY's advance written consent (for this purpose, City approval is delegated to Department of Public Works Director or City Engineer) (ii) prior to conducting any activities on the Property, DEVELOPER agrees to provide CITY with proof of liability insurance reasonably acceptable to CITY; and (iii) DEVELOPER agrees to promptly repair any damage DEVELOPER or its agents causes (such obligation shall survive the expiration or termination of this Agreement); and (iv) DEVELOPER and its agents shall comply with all applicable laws. CITY shall make available all known environmental reports in CITY'S possession.

- (d) DEVELOPER shall provide CITY with copies of any and all testing results completed on the Property.
- (e) During the Planning Option, CITY shall make good faith efforts to coordinate the public agency participation in planning, obtaining data from public records as may be available, reviewing and commenting on aspects of the proposed development in a timely manner.

2. **Development Agreement Negotiations.** Upon a determination by DEVELOPER that the Project is feasible, DEVELOPER shall have the option to provide CITY with written notice of DEVELOPER's intent to proceed prior to the expiration of the Planning Option. Upon the delivery of such notice, the parties agree to negotiate in good faith for a period of not more than ninety (90) days to arrive at a binding development agreement between the parties relating to the sale of the Property and the development of the Project (the "Development Agreement") during which time this Planning Option will remain in effect to allow continued access to the site, and site control. The terms and conditions of the binding Development Agreement are subject in all respects to negotiation and mutual agreement, and neither party shall be obligated to enter into such agreement. Before it can be finalized, any Development Agreement shall be subject to the approval by the City Council. If after such negotiation period no binding Development Agreement has been completed, this Agreement shall self-terminate. The following is the current, non-binding understanding as to the potential structure of the Project:

- (a) The Project will be consistent with DEVELOPER's previous written response to CITY's Request for Interest process.
- (b) CITY will transfer the Property to DEVELOPER in its 'AS-IS' condition for a purchase price to be determined in negotiations and pursuant to the terms of an executed Development Agreement.
- (c) CITY's obligations under the Development Agreement will be conditioned upon, among other items, evidence of Project financing, review and approval of DEVELOPER's construction plans, and approval by the City of Wausau Common Council in all respects.
- (d) Without limiting the generality of the foregoing, DEVELOPER acknowledges and agrees that (i) CITY has no obligation to enter into a Development Agreement, to provide development incentives, or to sell the Property to DEVELOPER, whether or not DEVELOPER proposes a project and/or incentives similar to prior discussions, (ii) DEVELOPER shall not be entitled to any payments from CITY including, without

limitation, payment of DEVELOPER's costs (whether incurred to date or in the future) relating to the Property, the Project or Development Agreement negotiations, except as set forth in a binding Development Agreement, such costs being at DEVELOPER's sole expense; and (iii) if a binding Development Agreement is not entered into within the timeline above, CITY may pursue different development options for the Property, including, without limitation, selling to another party.

3. **Termination.** In the event DEVELOPER determines that the proposed Project is not feasible, or otherwise does not desire to move forward, DEVELOPER shall terminate this Agreement by providing CITY with written notice thereof. In the event DEVELOPER provides no notice to proceed prior to the expiration of the Planning Option, this Agreement shall automatically terminate. CITY shall have the option to terminate this Agreement, with cause, which shall mean that DEVELOPER has acted contrary to the terms of this Agreement or DEVELOPER has failed, for more than a thirty (30) day period, to respond in writing to a written request by CITY for an update on DEVELOPER's activities relating to the Project, upon at least thirty (30) days' written notice. CITY shall also have the option to terminate this Agreement without cause, upon at least ninety (90) days' written notice and upon the CITY providing written notice of such termination without cause, CITY shall refund any payments made to CITY for the Planning Option.

Upon termination or expiration of this Agreement, neither party shall have any further obligations except those which expressly survive.

4. **Miscellaneous.** DEVELOPER shall not have the right to assign this Agreement to any other party without the prior written consent of CITY (as identified in Item 1(a) above), which consent shall not be unreasonably withheld. All notices hereunder must be in writing and must be sent either by (i) United States registered or certified mail (postage prepaid), or (ii) by an independent overnight courier service, to the address listed in the intro paragraph above. Under no circumstances shall any council member, officer, official, director, attorney, employee, or agent of CITY have any personal liability arising out of this Agreement. No waiver, amendment, or variation in the terms of this Agreement shall be valid unless in writing and signed by both parties. Except as otherwise specifically provided for within this Agreement, any approval, consent or waiver by CITY shall not be binding unless/until approved or ratified by the City Council. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and supersedes all prior negotiations, agreements, and undertakings between the parties. This Agreement is intended solely for the benefit of DEVELOPER and CITY, and no third party (other than successors and permitted assigns) shall have any rights or interest in any provision of this Agreement. If any provision of this Agreement is held invalid or unenforceable, the remaining portion thereof and all other provisions of this Agreement will remain valid and in force to the fullest extent by law. This Agreement is governed by Wisconsin law, and any suit arising or relating to this Agreement must be brought in Marathon County, Wisconsin. Time is of the essence with respect to this performance of every provision of this Agreement in which time of performance is a factor. This Agreement does not create the relationship of principal and agent, or of partnership, joint venture, or of any association or relationship between CITY and DEVELOPER. 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, this Agreement has been duly executed as of the date first above written.

CITY:

CITY OF WAUSAU

a Wisconsin municipal corporation

By: _____
Doug Diny, Mayor

By: _____
Kaitlyn A. Bernarde, City Clerk

DEVELOPER:

WANGARD DEVELOPMENT

LLC

a Wisconsin limited
liability company

By: Wangard Partners, Inc., its Manager

By: _____

Matt Moroney, CEO



Planning, Community and Economic Development

PROPERTY DISPOSITION PROGRAM for REDEVELOPMENT PURPOSES APPLICATION

Date submitted: 09/24/2024 Address requesting: 722 Jefferson Street, Wausau, WI 54403

Applicant's name and address: Habitat for Humanity of Wausau

1810 Schofield Ave, Weston, WI 54476

Applicant's phone number: (715) 343-4212

Offering purchase price: \$1,000

Proposed use: Construction of affordable housing for the 2024-2025 build season. This lot will
House Habitat Home # 74. See Attached for additional details.

Proposed timeline: Close date of March 1, 2025

Financing/Owner Downpayment Info: Cash

Applicant's signature *[Handwritten Signature]* Habitat for Humanity
Wausau

Please submit pertinent documentation, i.e., drawing of proposed building, financing commitments, contractor information, income information (if required), and any other documents that may assist to better explain your proposed project.

Date Introduced to Economic Development Committee _____

Economic Development recommendation _____

Date Introduced at Common Council _____

Common Council recommendation _____



Additional Application information for Offer:

Habitat for Humanity desires to place Habitat's Home 74 on 722 Jefferson Street. Habitat Wausau begins the planning for homes 18 to 24 months in advance of the family's taking occupancy of the homes. Home #74 will be a 3-bedroom 1 bathroom with a single car attached garage. Home would be similar in design to the homes Habitat recently partnered with the City of Wausau on for Homes #71 located on N 6th Ave. Habitat will be partnering with the DC Everest Senior High trade classes, to build this home. Construction for this home has started and if this lot purchase is approved Habitat Wausau will cover the expense to move the home and craned onto their foundations. Not only will this home provide housing to a low-income family living below the area median income, but it will also facilitate the further education of residential construction and trades in the community and increase the city and counties tax base. The family for this home has already been selected and is a hard-working, single mom with three children.

Key dates for these home builds

- March 2025 Close on new Lots
- April -May2025 Site and foundation work
- May Home placement
- May -August Site Build Work
- September 2025 Home occupancy

Additional Conditions for offer on 722 Jefferson Street, Wausau W

1. CSM at Sellers Expense to be delivered to Buyer by 1/1/2025.
2. Removal of two trees in the boulevard to allow space for the large equipment, crane and trailers needed to move the home into place.
 - One small tree between the sidewalk and road in front of the parcel.
 - One large tree near the East property line in the boulevard between the sidewalk and road with large overhanging branches to both the property and the road.
3. Closing on March 01, 2025.