

MINUTES

Economic Development Committee Meeting

Date / Time: Tuesday, January 7, 2025, 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, Tammy Stratz, Andy Lynch, Atty. Jacobson, MaryAnne Groat, Mayor Diny

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 (Up to 3 minutes per person at Chairs discretion)

No community members presented for public comment.

Agenda Item 2 – Approval of Minutes from December 3, 2024, Meeting

*Tierney motioned to approve, seconded by Kilian. **Motion Carried 5-0.***

Agenda Item 3 – Parking Space Lease Agreement with Foundry on 3rd Phase 1, LLC (Fifrick)

Fifrick provided the committee with the key terms of the lease agreement as:

- 100 unreserved stalls on the 3rd floor
- Foundry would pay for all stalls on a monthly basis at standard city rate with a 20% discount.
- The lease would commence 12/1/25 and end in 20 years or until the parking facility is terminated.

Alder Kilian noted she does not support the agreement with a 20% discount considering the incentives already granted to the developer. Kilian also stated she spoke with Atty. Jacobson regarding several questions about the lease and requested the attorney review those questions with the committee.

Atty. Jacobson addressed Kilian questions on the lease as follows:

- ¶ 1 Fifrick answered Kilian’s question regarding location of parking stalls at introduction of topic (3rd Floor).
- ¶ 3 A 20% discount is a business decision to be voted on by the committee and council.
- ¶ 5 It is unknown how the 24-month timeframe was determined or if it can be shortened.
- ¶ 8 Presumes since the city owns the ramp in the city would handle the maintenance. She further explained that Wausau has a contract with downtown businesses to clear snow from the sidewalks at no cost to ensure they’re cleared timely, limit liability and done consistently.
- ¶ 10 Assigns liability to the Foundry for damage caused by their agents and allows the city to terminate the lease if they do not pay for the damage the city invoices them for. However, because the city would potentially impose some liability the city’s standard insurance clauses will be added to the agreement as well.
- ¶ 12 Allows the city to terminate the lease if part or all of the ramp is destroyed which is understandable if the ramp isn’t fully operational.
- ¶ 14 Allows the city to expel people who aren’t being compliant, but the behaviors noted are subjective and should be revised to indicate someone who acts in a manner which violates city ordinances whether or not a citation is issued may be expelled.
- ¶ 15 Atty. Jacobson noted she is comfortable with assigning 50 of the stalls to one of its affiliates for their Phase 2 development because they are not asking for an additional 50 stalls and will still only have the 100 stalls per the agreement.
- ¶ 16 This section will be revised to say “shall be effective any notice under this agreement given by certified mail, overnight mail or personal delivery will be effective upon receipt by” the registered agent.

Kilian also asked about electric charging stations and Fifrick noted there are not currently any in the ramp, nor are any planned at this time.

Discussion continued between committee members on the discount being offered.

*Henke motioned to table parking space agreement until the February meeting to allow for agreement edits and further discussion with developer regarding discount. Seconded by Tierney. **Motion Carried 5-0.***

Agenda Item 4 – Review of Bids for Single-Family Infill Housing for 1019 W Bridge Street (Stratz)

Stratz presented the sole bid received for single home construction on Bridge Street. The bid came in with a cost of approximately \$350k which is a bit of a sticker shock but after discussions with several home builders and analyzing the market and pricing, the cost is in line with a stick-built home.

Tierney asked if there is a requirement for a basement or if that can be eliminated to save money. Stratz responded that it's not required but if there is no basement the home size would need to increase to include an area for utilities and storage so there may not be much cost savings. Tierney questioned whether the contractor inflated the cost because they knew they would be the only bidder and further recommended completing a background check of the contractor to ensure they are a reputable contractor.

Kilian noted it didn't seem like good policy to build a home for \$348k and sell it for ½ the price. She noted there are nice homes with basements and two car garages on the market listed for \$165k - \$175k so it's a hard to swallow building a home for \$348k and selling it for ½ the price and doesn't think it's good policy. She also noted it's important to consider making adjustments that would impact the resale value because it doesn't offer what buyers want.

Fifrick explained the committee does not accept the bid, staff cannot negotiate with the contractor. The bid must be accepted by the committee and staff directed to negotiate the bid to find opportunities to save costs.

Henke commented that he's been on the council for two years and there is always talk about needing affordable housing and staff work hard to produce ideas and plans. He said this bid isn't at the dollar amount desired and we have to take a loss, that it's just the environment we are in, and he's disgruntled about not moving forward on one of the projects to have a chance to actually build some affordable housing and to make a difference. He expressed support for the bid and hope of moving forward in finally building some affordable housing and selling it to families that need it.

*Henke motioned to approve, seconded by Gisselman to accept bid. **Motion Carried 3-2 with Kilian and Tierney as dissenting votes.***

Agenda Item 5 – Committee Requests for Future Education or Presentations (Fifrick)

Henke excused early and exits at 6:35 pm.

Status of Wausau's housing stock, buying and rehabbing vacant homes, buying vacant lots to build affordable housing.

Rental Property Sales – Rehab program

TIF presentation by Ehlers

Agenda Item 6 – Adjourn

*Gisselman motioned to adjourn, seconded by Tierney. **Motion Carried 4-0.***

Meeting Adjourned at 18:53

CITY OF WAUSAU, YouTube MEETING LINKS

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

The ED meeting from 01/07/25 can be viewed at:

- <https://www.youtube.com/live/uranejUbhho?si=aYHWivffZ0OA-uHI>