



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

Meeting of: **JOINT FINANCE & ECONOMIC DEVELOPMENT COMMITTEE**

Date/Time: **Wednesday, April 8 2020 at 5:15 p.m.**

Location: **City Hall, Council Chambers**

Members: Tom Neal (C), Pat Peckham, Lisa Rasmussen, Gary Gisselman and Michael Martens
Lisa Rasmussen (C), David Nutting, Linda Lawrence, Michael Martens and Dennis Smith

AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

- 1 Discussion and Possible Action on the deferral of interest and principal payments on city-funded loans and groundlease payments of small businesses impacted by COVID-19 for a period not to exceed one (1) year.
- 2 Discussion and Possible Action on a Commercial Rehabilitation Loan application and tax increment financing request for the renovation of the tower portion of the Plaza Hotel at 201 N 17th Ave.
- 3 Discussion and Possible Action on the tax increment financing request for the demolition and proposed multifamily residential project at part of the current Plaza Hotel at 201 N 17th Ave.
- 4 Discussion and Possible Action on approving an application to the U.S. Department of Housing and Urban Development to become a HUD Approved Housing Counseling Agency.

Adjournment

Tom Neal, ED Chair; Lisa Rasmussen, Finance Chair

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.**

This Notice was posted at City Hall and emailed to the Media on 3/31/2020

Due to the COVID-19 pandemic, this meeting is being held in person and via teleconference. Members of the media and the public may attend in person, subject to the social distancing rules of maintaining at least 6 feet apart from other individuals, or by calling 1-408-418-9388. The Access Code is 621 076 554. Individuals appearing in person will either be seated in the Council Chambers or an overflow room, subject to the social distancing rules. Space available will be on a first come, first served basis. All public participants' phones will be muted during the meeting. Members of the public who do not wish to appear in person may view the meeting live over the internet at <https://tinyurl.com/WausauCityCouncil>, on the City of Wausau's YouTube Channel https://www.youtube.com/channel/UC-Nigpdco_i8sq5FbbJD_aw, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at https://www.youtube.com/channel/UC-Nigpdco_i8sq5FbbJD_aw. Any person wishing to offer public comment who does not appear in person to do so, may e-mail Christian Schock at christian.schock@ci.wausau.wi.us with "Joint Finance and Economic Development Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

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 in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or 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.

Other Distribution: Media, Alderpersons, Mayor, City Departments

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMITTEE

Authorizing the Mayor to approve payment deferrals on existing City-provided loans to commercial properties and businesses for up to one (1) year to assist small businesses during the COVID-19 pandemic.

Committee Action: Economic Development 4-0

Fiscal Impact: \$0 (loan interest will continue to accrue but no payments are due during deferment)

File Number:

Date Introduced:

FISCAL IMPACT SUMMARY

COSTS	<i>Budget Neutral</i>	Yes ☒ No ☐	
	<i>Included in Budget:</i>	Yes ☐ No ☐	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes ☐ No ☐	<i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes ☐ No ☐	<i>Amount</i> <i>Annual Retirement</i>
	<i>TID Financed:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> ☐ <i>Debt</i> ☐ <i>Funds on Hand</i> ☐ <i>Interfund Loan</i> ☐		

RESOLUTION

WHEREAS, the COVID-19 pandemic has, and will continue to, have a profound impact on small businesses- especially those in the entertainment, restaurant, and craft economy sectors, and

WHEREAS, the City has a long and successful history of providing gap financing and low interest loans for the renovation of properties and support of the growth of small and craft economy businesses.

BE IT RESOLVED, by the Common Council of the City of Wausau that the Mayor is authorized to approve loan payment deferrals for any City-funded loan to commercial properties and small businesses on a case by case basis for up to one (1) year.

Approved:

Robert B. Mielke, Mayor



CITY OF WAUSAU
COMMUNITY DEVELOPMENT DEPARTMENT

COMMERCIAL REHABILITATION PROGRAM APPLICATION

Please provide information on your proposed project. Your signature below indicates you or your firm's intent to apply for commercial rehabilitation program funding and that you have received a copy of the program guidelines. **Please return to Community Development with your check in the amount of \$50.00 for the application fee.**

Applicant name JAY JEET GOVARDHAN

Mailing Address 4418 Echo Valley Dr, Eau Claire, WI 54401

Phone # 405-334-2439 SS#/FEIN# 82-5432669

Name(s) Listed on Deed Nidus Holding Company LLC

Project Location 201 N 17th Ave Wausau WI 54401

Property Mortgage Holder(s): To be Incredible Bank Wausau WI

Current Mortgage Amount: 2,408,000

Loan Amount Requesting 190,000

Scope of Work to be Undertaken: (attach contractor estimates and rendering of project)

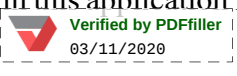
64 bathrooms complete renovation, common area renovation, HVAC/PTAC

replacement, labor, bath fixtures, lighting, wall coverings, floor

coverings, exterior and interior paint, electrical and security syst

Estimated Timeframe for Project Completion Oct 2020

I certify that the information in this application is correct and accurate to the best of my knowledge.

Jay Jeet Govardhan  3/11/2020
Applicant Date

To be completed by staff:

Historic Landmarks Commission Review

Economic Development Committee Review

Signature _____ Date _____
☐ (Check box if reviewed)
☐ (Check box if recommendations)

Signature _____ Date _____
☐ (Check box if reviewed)
☐ (Check box if recommendations)



Tax Incremental Financing Policy & Application



City of Wausau, Wisconsin

407 Grant Street

Wausau, WI 54403

www.wausaudevelopment.com

(715) 261-6680



Economic Development Agreement Policy

Purpose

Tax Incremental Financing (TIF) is a governmental finance tool used to provide funds to construct public infrastructure, promote development opportunities and expand future tax base. TIF assistance is only used when the proposed development would not occur “but for” City assistance. The proposed development should be consistent with and reinforce all City plans; and lead to the creation of jobs, the attraction, retention and expansion of strategic businesses and/or the redevelopment of underutilized properties to eliminate blight.

Goals and Objectives

Goal #1 - Economic Development: create jobs through the attraction, retention, and expansion of strategic businesses, support local workforce development and training, improve infrastructure for commercial and industrial expansion opportunities, increase the local tax base.

Goal #2 - City Revitalization: remove blight, encourage new construction on existing city lots, promote historic preservation and adaptive/imaginative re-use of underutilized properties, increase affordable housing, allow higher standards of building design and construction quality.

The proposed development should:

- Improve identified blighted and strategic areas
- Meet the City [Urban Design Standards](#)
- Support the [Comprehensive Plan](#) and relevant neighborhood plans
- Utilize loans over grants
- Serve as gap financing – not be possible “but for” City assistance
- Primarily used for public infrastructure and publicly accessible areas
- Create jobs, commerce and economic activity
- Include substantial private investment of the applicant
- Receive support from neighborhood and stakeholder organizations

Application Process

Developers who seek TIF assistance must meet with Community Development staff and other City staff as appropriate. If staff determines funds may be available, a developer will be asked to submit a [TIF Application](#). A TIF application shall include the following:

- Application describing the nature of the business, proposed plans, and requested assistance
- Project description, purpose of loan and expected benefits. Include cost estimates for building improvements and other capital expenditures, as well as the ratio of total project cost versus the amount of equity invested by owner
- Three-year cash flow projections
- Profit and loss statement for the past three years (if applicable)
- Fees – a non-refundable fee of \$1,000 is required for processing of the initial application. An additional fee of \$500 will be charged for each development agreement amendment required.

The City is not obligated to make a TIF assistance recommendation or conclude negotiations in the event that information has not been presented to its satisfaction or the proposed project lacks feasibility. Meeting policy guidelines or other criteria listed herein does not guarantee the provision of TIF financial assistance nor does the approval or denial of one project set precedent for approval or denial of another project.

Staff verifies the TIF application and distributes the file for review to relevant City departments. The draft development agreement term sheet will be sent to the Economic Development and/or Finance Committee for review. City Council approval is required for all TIF Applications that result in a Development Agreement.



The process for approving funds within a current TID (or within a 1/2 mile radius of an existing TID) may take up to 60 days for final approval. Developers may request TIF funds outside of a Tax Incremental District, but the City of Wausau requires an additional 60 days minimum to allow for an amendment to TID boundaries.



Application for City Assistance

The City of Wausau is a proud partner in assisting investment and business development. Our Development Team welcomes consultation with prospective applicants in advance of this formal application process.

Applicant Information

Legal Name: Nidus Holding Company LLC

d/b/a: Plaza Hotel

Mailing Address: 201 N 17th Ave Wausau WI 54401

Primary Contact #: 405-334-2439

Cell #: 405-334-2439

Email: jayjeet@gmail.com

Attorney: Lindsay Erickson

Will a new entity be created for ownership? No ☒ Yes ☐ Name: _____

Principals of existing or proposed corporation/partnership/LLC

Jay Jeet Govardhan

Tax Identification #: 82-5432669

Project/Property Summary

Overall Project Summary: Complete renovation of Tower building and support areas. Project includes engineering and architecture costs,

exterior wall erection, parking islands, bringing property to current building code, replace of all floor coverings, wall coverings, interior

and exterior repair, bathroom redo, common areas and building, roof renovation, lighting and electrical replacement, new window treat

Parcel Address(es): 201 N 17th Ave Wausau WI 54401

Proposed Parcel/Land Area: Approximately 2 acres Acres

Proposed Building Area: Around 42,000 sq ft Square feet

Current Use: Hotel, bar, restaurant, banquet, meeting rooms

Hotel, bar, restaurant, banquet, meeting rooms

Current Assessed Value: \$ 1,850,000

Current Property Taxes: \$ 49,775.68

Describe any zoning changes that will be needed: TBD

Identify any other approvals, permits or licenses: _____

Demolition, building, plumbing, mechanical, electrical, fire hydrant, storm water permits

Describe briefly what the project will do for the property and/or neighborhood: _____

Remove blight (Repair/removal of deterioration), improving tax value, improving neighborhood property values

Remove blight (Repair/removal of deterioration), improving tax value, improving neighborhood property values

Full and part-time jobs to be created by the proposed project including average estimated salary: _____

If existing business, number of current full and part-time employees: 12 full time

Timetable: TIF Approval - April 2020, Bank Loan - May 2020, Construction begin - June 2020, Demolition Begin - July 2020, Completion - Oct 2020

TIF Approval - April 2020, Bank Loan - May 2020, Construction begin - June 2020, Demolition Begin - July 2020, Completion - Oct 2020

TIF Approval - April 2020, Bank Loan - May 2020, Construction begin - June 2020, Demolition Begin - July 2020, Completion - Oct 2020

Development Team

Developer: Owner - Jay Jeet Govardhan

Architect: Angus Young

Contractor: Anthony Construction, 12 Gauge Construction LLC

Other Members: Local contractors for plumbing, electrical, and landscaping

Project Budget/Financial Information

Describe why the project cannot occur “but for” City participation: Participation of city in reverse TIF for 1-2 years

of property tax exemption is important to make the project to complete on time and with all the improvements necessary

Identify the sources and uses of funds for the project

	Amount (\$)	Source
Land Acquisition or Facility Purchase		
Demolition		
Environmental Remediation		
Site Clearance and Prep	16,336	Owner equity
Utilities		
Construction of New Building		
Renovation of Existing Structure	755,398	Bank Loan
Machinery & Equipment	348,736	Bank Loan / City Rehab Loan
Architectural & Engineering Fees	28,300	Bank Loan
Legal & Professional Fees	65,000	Owner equity
Project Management	14,000	Owner equity
Appraisal	3,000	Owner equity
Title/Recording/Transfer	3,000	Owner equity
Permits	7,000	Owner equity
Real Estate Taxes		
Contingency	120,000	Bank Loan
Licenses	11,330	Owner equity
Other (please specify)		
Working Capital	50,000	
Total Project Costs	1,422,100	

Identify the sources/expected sources of financing

Source	Amount (\$)	Terms: Years/Interest	Contact
Equity	103,000		Jay Jeet Govardhan
Loans	1,079,000	25 years 5.56% 5 years fixed and 10 year	Incredible bank, CWED
Grants			
City Participation			
Loan	190,000	7 year 1.5%	
Grant	50,000	1 year	City reverse TIF
Other			
Total Financing	1,422,100		

Additional Considerations

Please answer the following:

1. Will you sign a community workforce agreement with the local Building Trades Council? **Yes** ☒ **No** ☐
2. Will you agree to source all sub-contractors and building material suppliers from within a 100 mile radius of Wausau? **Yes** ☒ **No** ☐
3. Will you agree to not protest to the Board of Review, except in cases of material inaccuracies, your real estate assessment for the subject properties? **Yes** ☒ **No** ☐
4. Will you complete the design assistance process of the Wisconsin Focus on Energy Program, which offers incentives and consultations on energy efficiency? **Yes** ☒ **No** ☐
5. Will you consider using Property Assessed Clean Energy (PACE) funding which can provide financing support for construction which meets energy efficiency or alternative energy standards? **Yes** ☒ **No** ☐
6. Will you provide corporate tax filing verification information for job creation reporting purposes, if requested? **Yes** ☒ **No** ☐

Filing Requirements

You must provide all of the following items with your signed application for it to be considered complete:

1. Fee: A nonrefundable application fee of \$1000 made payable to the City of Wausau Community Development Department.
2. Site Maps: Provide a map that shows the location of the site and a map that focuses on the project and its immediate surroundings.
3. Project Renderings: Provide preliminary drawings, plans or renderings for the proposed project.
4. Projections: Provide three (3) years of cash flow projections for the project.
5. Statements: Profit and loss statements for the past three (3) years (if applicable) – this may be shared in a closed session if necessary and requested.

If the project requires planning and/or zoning approvals, you must make these applications concurrent with this request.

Declarations

The City requests answers to the following for any applicant, investor, developer, officer or affiliate of an entity or LLC with an ownership or share of 20 percent or greater in the proposed project:

Involved in a previous or pending lawsuit or legal proceeding?

Yes ☐ **No** ☒

Involved in a previous or pending bankruptcy or insolvency proceeding?

Yes ☐ **No** ☒

Charged with a crime, paid or otherwise complied with civil penalties, or been the subject of a criminal or civil investigation?

Yes ☐ **No** ☒

Have any outstanding tax liens currently or previously?

Yes ☐ **No** ☒

Have any projects with a construction delay of six months or greater?

Yes ☐ **No** ☒

Please attach a detailed explanation of any YES responses.

Agreement:

I, by signing this application, agree to the following:

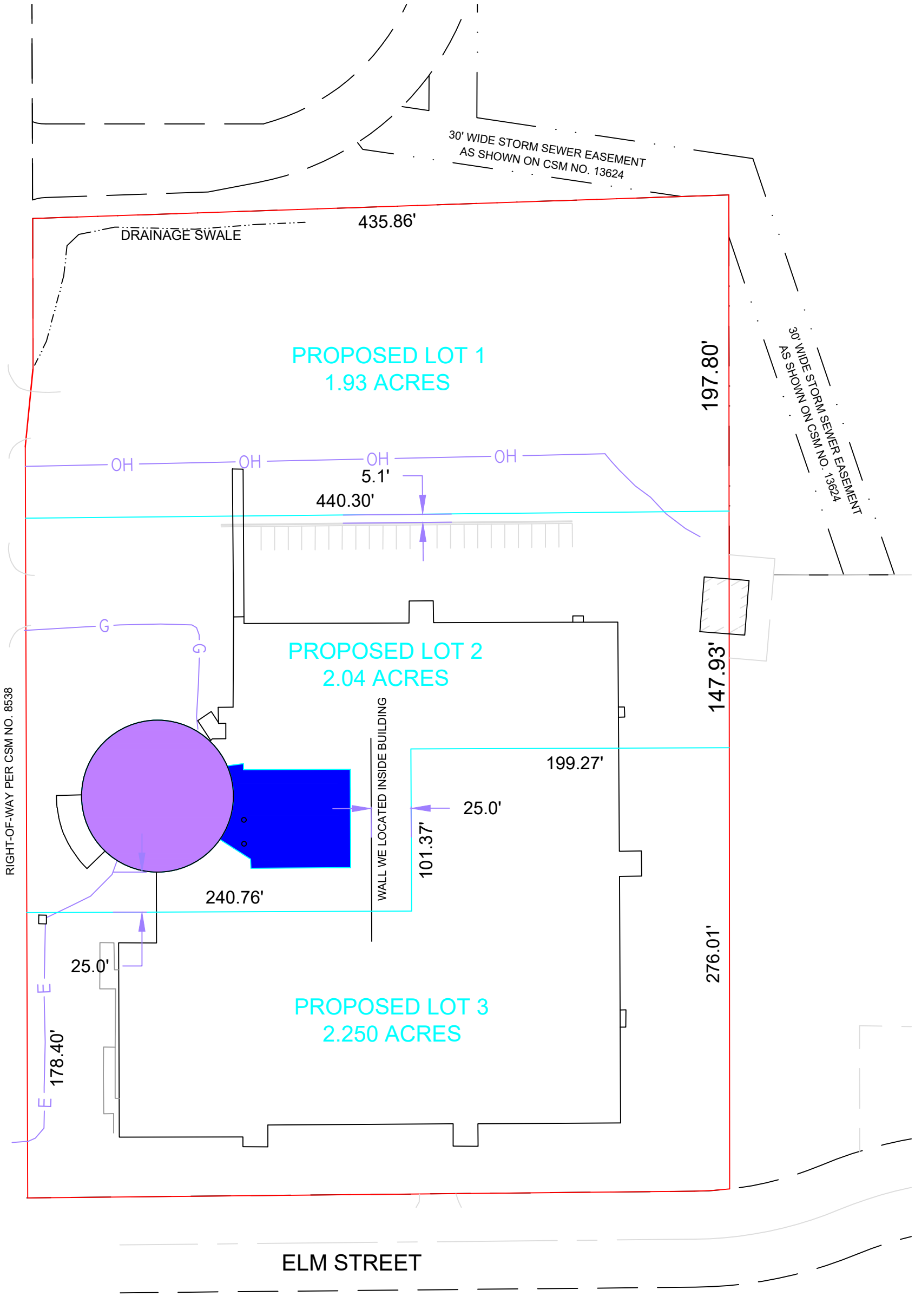
1. I have read, and will abide by all the policies, standards and reporting requirements of the City for Tax Incremental Financing (TIF).
2. The information submitted is correct and adequately represented.
3. I understand the City reserves the right to deny approval, regardless of preliminary approval or the degree of construction completed before application for final approval.
4. I authorize the City to check references, run a credit report, verify criminal and financial backgrounds and obtain other relevant information on the applicant and parties.
5. I agree to provide additional information as may be requested by the City after filing of this application.

Applicant Name (Printed): Jay Jeet Govardhan Date: 3/11/2020

Signature: Jay Jeet Govardhan



17TH AVENUE



Best Western of Wausau

2020

VISION MISSION VALUES



To be recognizable by service and product quality standard



To delight our guests every time by creating engaging experiences. To inspire and motivate employees. To achieve excellent financial results.



Professionalism, Excellence, Innovation, Teamwork

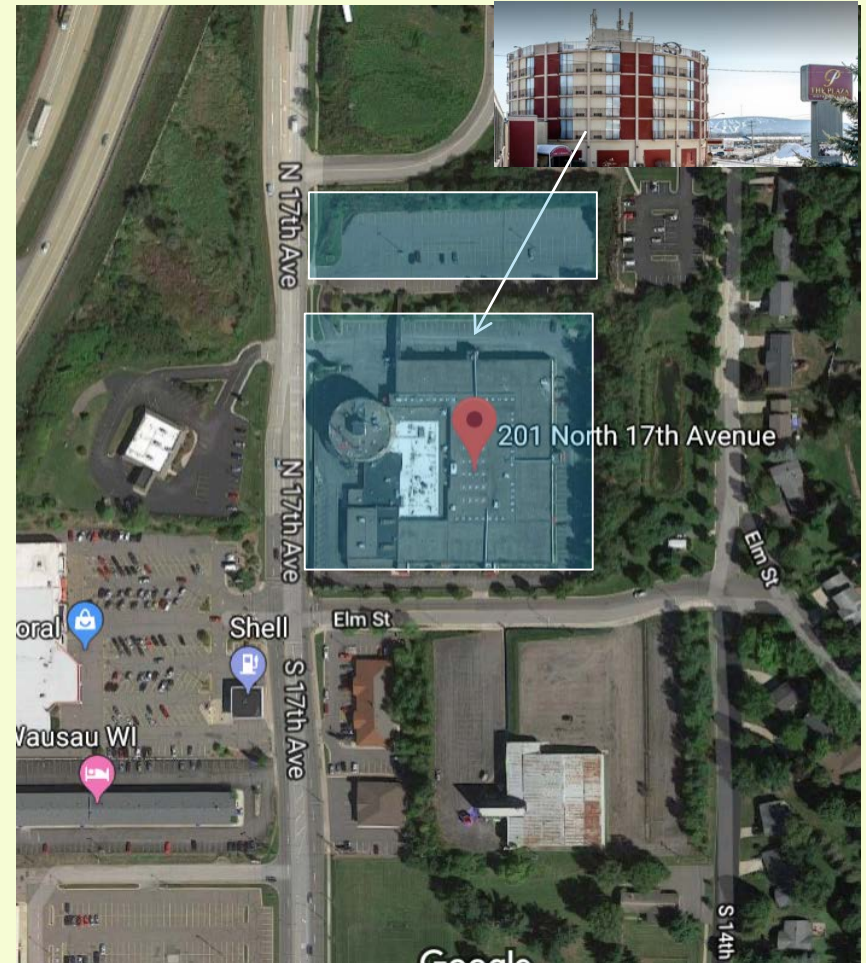
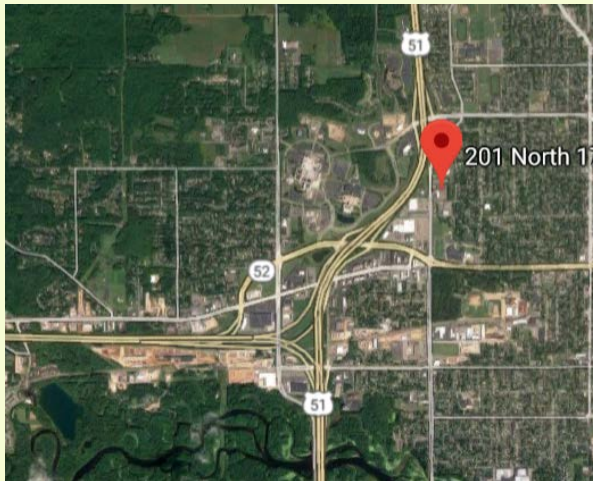
ABOUT THE SITE

- Location: 201 N 17th Ave Wausau, WI (Plus Coordinates X87W+Q6)
- Size: 6.23 acre (4.3 acre main lot + 1.92 acre additional parking lot)
- Two distinct hotel complexes currently run under an independent brand
 - Tower - 4 stories, 60 rooms including 5 two room suites and 3 one room suites
 - Pool rooms – 140 rooms facing pool or parking.
 - In-house full-service bar and grill



LOCATION

- Location: 201 N 17th Ave Wausau, WI (Coordinates X87W+Q6)
- Size: 6.23 acre (4.23 acre main lot)
- City: Wausau Metro Area (pop: 135k)
- Proximity to
 - Aspirus Medical Center
 - Marshfield Clinic
 - Liberty Insurance
 - EastBay Fiskars
 - NTC Technical College
 - WPS Health Insurance
 - eCommerce headquarters of Foot Locker, Inc
 - Apogee Wausau Group



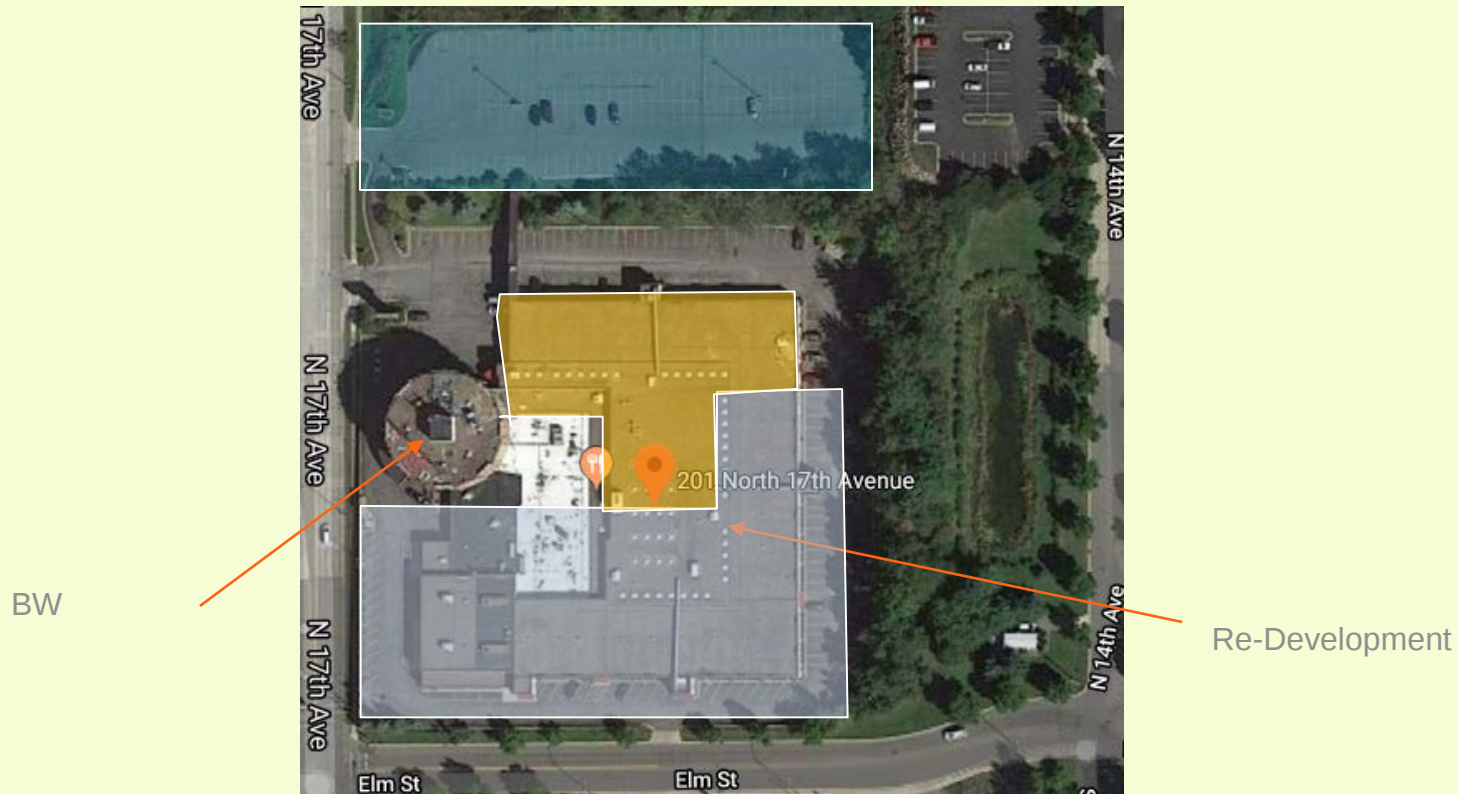
ABOUT MANAGEMENT TEAM

Management Profiles:

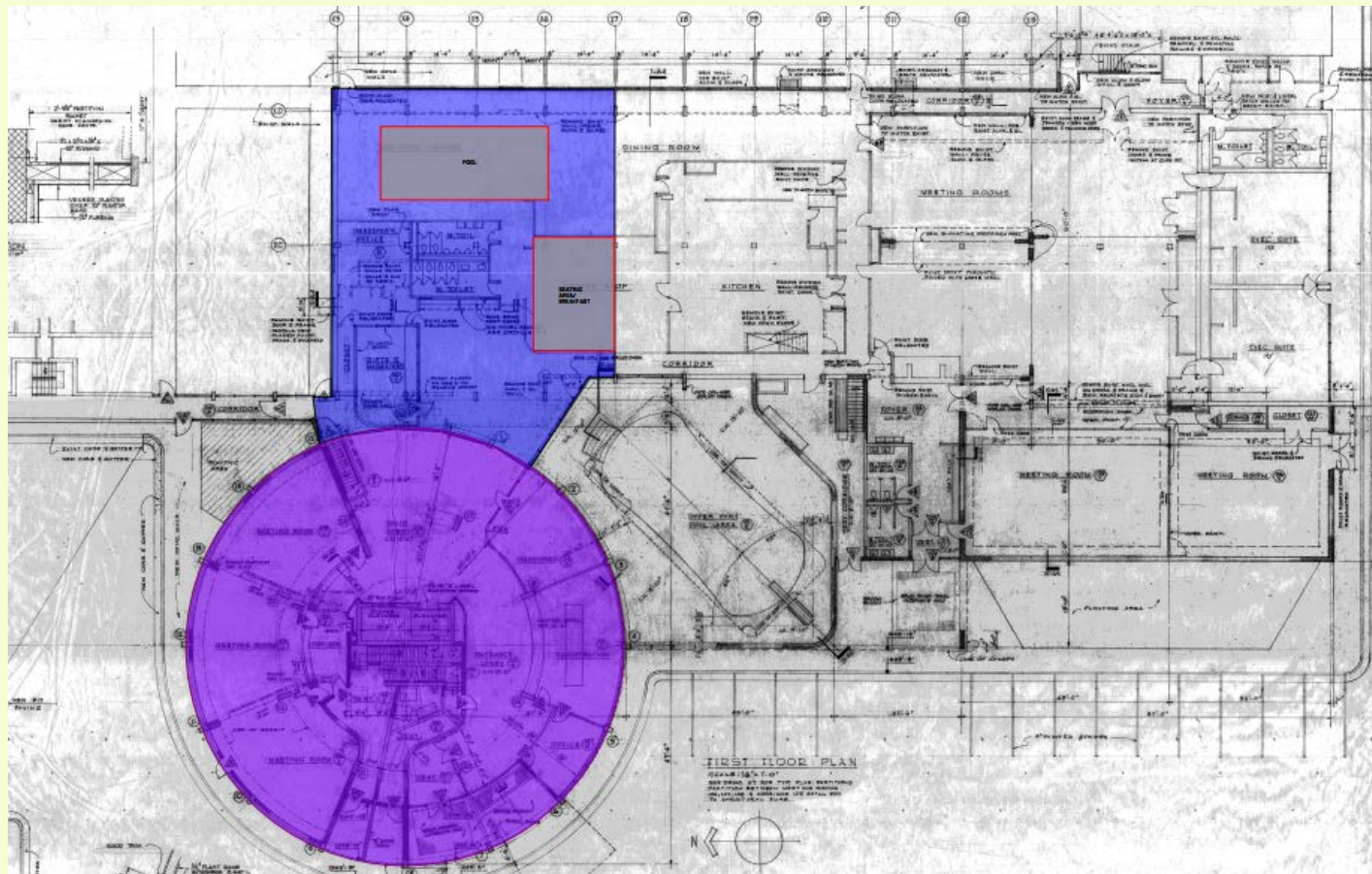
- Jay Govardhan
 - Qualification MBA, MSIE, Certified Hospitality Manager – Operations, 10 years experience in Hospitality
 - Title: Full time owner operator
- Renae Tidd
 - Qualification: Certified Hospitality Administrator, CFSM, 34+ years in hospitality as GM, restaurant and bar manager and operations manager in Wausau area
 - Title: Full Time GM

VISION

- Split property in 3 parcels
- Partner buyout North lot – 1.92 ace
- Upgrade Tower side lot with Best Western – 2 acre
- South lot for redevelopment – approx. 2 acre



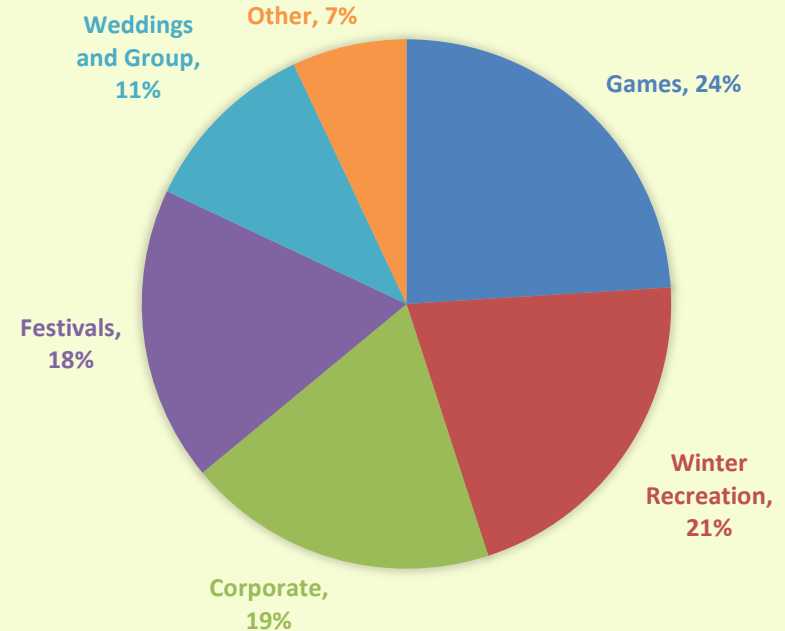
HOTEL PLAN



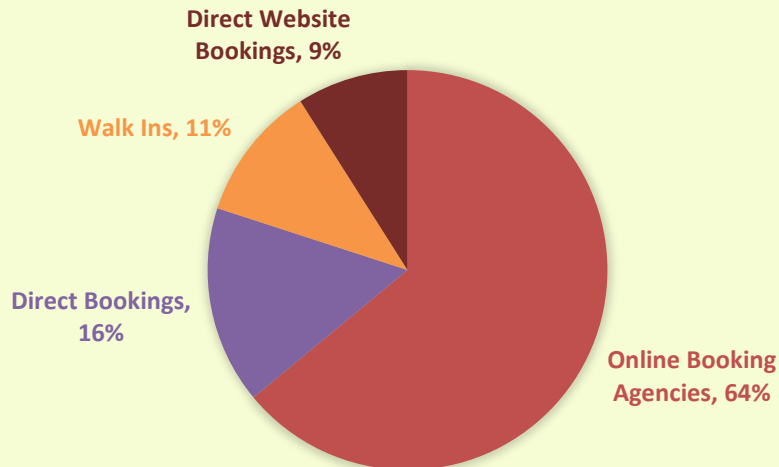
REVENUE STREAMS AND SOURCE DATA

- Revenue Streams

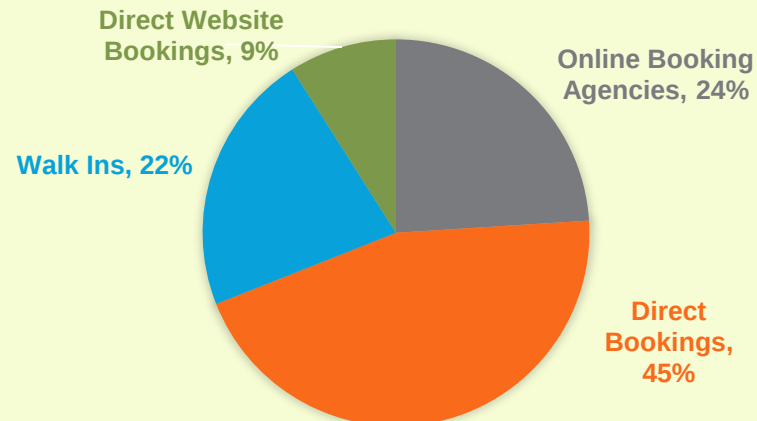
- Badger State Games (24%)
- Winter recreation (21%)
- Corporate Travelers (19%)
- Festivals (18%)
- Weddings and other group (11%)
- Other individual travelers (7%)



CURRENT REVENUE SOURCES



FUTURE REVENUE SOURCES



PROPOSAL

- Conversion to mid-scale brand Best Western using existing structure located on 2 acre land on 17th Ave
- 60 room limited service hotel, 4 floor
- Unique Selling Point: Family and business-oriented focus



ROOM DETAILS

Type	Current	New
Tower Double Queen	25	35
Tower King Fitness	0	4
Tower King Pullout	18	4
Tower King Standard	3	11
Tower Queen ADA	1	
Tower King ADA	1	2
Tower King Whirlpool	5	
Tower King Whirlpool Pullout	3	
Tower Suite King (2 room)	2	4
Tower Suite Queen (2 room)	2	
Grand Total	60	60

- Focus on Badger State Games, Tourism, Business Travel and Value Creation by keeping families and friends together
- Brand new FF&E, OS&E and modern experience
- Complete redo of two 2-room suites

INVESTMENT HIGHLIGHTS



- Investment in robust infrastructure
 - Welcoming lobby, modern furniture, RFID guest entry and tracking, Express check in check outs, complete bathroom rebuilding, climate control air conditioning, targeting staff and energy efficiency
 - Providing affordable stay with mid upscale experience

HIGH LEVEL PROJECT TIMELINE





Application for City Assistance

The City of Wausau is a proud partner in assisting investment and business development. Our Development Team welcomes consultation with prospective applicants in advance of this formal application process.

Applicant Information

Legal Name: TBD

d/b/a: _____

Mailing Address: PO Box 215, Plover, WI 54467

Primary Contact #: 715-342-9200 Cell #: 805-455-2096

Email: rolly@lokre.com

Attorney: _____

Will a new entity be created for ownership? No ☐ Yes ☒ Name: TBD

Principals of existing or proposed corporation/partnership/LLC

Rolly Lokre

Jim Frings

Tax Identification #: TBD

Project/Property Summary

Overall Project Summary: Redevelopment

Parcel Address(es): 201 N 17th Ave - Phase 1

Proposed Parcel/Land Area: 2.5 Acres

Proposed Building Area: 60,000 Square feet

Current Use: _____

Current Assessed Value: \$ _____

Current Property Taxes: \$ _____

Describe any zoning changes that will be needed: _____

Identify any other approvals, permits or licenses: _____

Describe briefly what the project will do for the property and/or neighborhood: The development

will compliment the area blending between commercial development and residential.

will compliment the area blending between commercial development and residential.

Full and part-time jobs to be created by the proposed project including average estimated salary: _____

1.5 jobs and 50,000 annual salary

1.5 jobs and 50,000 annual salary

If existing business, number of current full and part-time employees: _____

Timetable: _____

Development Team

Developer: Lokre

Architect: Sobek Architects

Contractor: **TBD**

Other Members: _____

Project Budget/Financial Information

Describe why the project cannot occur "but for" City participation: _____

Identify the sources and uses of funds for the project

	Amount (\$)	Source
Land Acquisition or Facility Purchase	100,000	
Demolition	250,000	
Environmental Remediation		
Site Clearance and Prep	15,000	
Utilities		
Construction of New Building	w/ garages 7,740,000	
Renovation of Existing Structure		
Machinery & Equipment		
Architectural & Engineering Fees	200,000	
Legal & Professional Fees	20,000	
Project Management	520,000	
Appraisal		
Title/Recording/Transfer		
Permits		
Real Estate Taxes		
Contingency	200,000	
Licenses		
Other (please specify)	interest & loan fee 180,000	
	retaining wall & landscape 250,000	
	marketing 40,000	
Total Project Costs	9,515,000	

Identify the sources/expected sources of financing

Source	Amount (\$)	Terms: Years/Interest	Contact
Equity			
Loans			
Grants			
City Participation			
Loan			
Grant			
Other			
Total Financing			

Additional Considerations

Please answer the following:

1. Will you sign a community workforce agreement with the local Building Trades Council? Yes ☐ No ☐
2. Will you agree to source all sub-contractors and building material suppliers from within a 100 mile radius of Wausau? Yes ☒ No ☐
3. Will you agree to not protest to the Board of Review, except in cases of material inaccuracies, your real estate assessment for the subject properties? Yes ☒ No ☐
4. Will you complete the design assistance process of the Wisconsin Focus on Energy Program, which offers incentives and consultations on energy efficiency? Yes ☒ No ☐
5. Will you consider using Property Assessed Clean Energy (PACE) funding which can provide financing support for construction which meets energy efficiency or alternative energy standards? Yes ☐ No ☐
6. Will you provide corporate tax filing verification information for job creation reporting purposes, if requested? Yes ☒ No ☐

Filing Requirements

You must provide all of the following items with your signed application for it to be considered complete:

1. Fee: A nonrefundable application fee of \$1000 made payable to the City of Wausau Community Development Department.
2. Site Maps: Provide a map that shows the location of the site and a map that focuses on the project and its immediate surroundings.
3. Project Renderings: Provide preliminary drawings, plans or renderings for the proposed project.
4. Projections: Provide three (3) years of cash flow projections for the project.
5. Statements: Profit and loss statements for the past three (3) years (if applicable) – this may be shared in a closed session if necessary and requested.

If the project requires planning and/or zoning approvals, you must make these applications concurrent with this request.

Declarations

The City requests answers to the following for any applicant, investor, developer, officer or affiliate of an entity or LLC with an ownership or share of 20 percent or greater in the proposed project:

Involved in a previous or pending lawsuit or legal proceeding?

Yes ☐ No ☒

Involved in a previous or pending bankruptcy or insolvency proceeding?

Yes ☐ No ☒

Charged with a crime, paid or otherwise complied with civil penalties, or been the subject of a criminal or civil investigation?

Yes ☐ No ☒

Have any outstanding tax liens currently or previously?

Yes ☐ No ☒

Have any projects with a construction delay of six months or greater?

Yes ☐ No ☒

Please attach a detailed explanation of any YES responses.

Agreement:

I, by signing this application, agree to the following:

1. I have read, and will abide by all the policies, standards and reporting requirements of the City for Tax Incremental Financing (TIF).
2. The information submitted is correct and adequately represented.
3. I understand the City reserves the right to deny approval, regardless of preliminary approval or the degree of construction completed before application for final approval.
4. I authorize the City to check references, run a credit report, verify criminal and financial backgrounds and obtain other relevant information on the applicant and parties.
5. I agree to provide additional information as may be requested by the City after filing of this application.

Applicant Name (Printed): ROLAND LOKRE Date: 3-13-20

Signature: 



Application for City Assistance

The City of Wausau is a proud partner in assisting investment and business development. Our Development Team welcomes consultation with prospective applicants in advance of this formal application process.

Applicant Information

Legal Name: TBD

d/b/a: _____

Mailing Address: PO Box 215, Plover, WI 54467

Primary Contact #: 715-342-9200

Cell #: 805-455-2096

Email: rolly@lokre.com

Attorney: _____

Will a new entity be created for ownership? No ☐ Yes ☒ Name: TBD

Principals of existing or proposed corporation/partnership/LLC

Rolly Lokre

Jim Frings

Tax Identification #: TBD

Project/Property Summary

Overall Project Summary: Redevelopment

Parcel Address(es): 201 N 17th Ave - Phase 2

Proposed Parcel/Land Area: 2.5 Acres

Proposed Building Area: 60,000 Square feet

Current Use: _____

Current Assessed Value: \$ _____

Current Property Taxes: \$ _____

Describe any zoning changes that will be needed: _____

Identify any other approvals, permits or licenses: _____

Describe briefly what the project will do for the property and/or neighborhood: The development

will compliment the area blending between commercial development and residential.

will compliment the area blending between commercial development and residential.

Full and part-time jobs to be created by the proposed project including average estimated salary: _____

1.5 jobs and 50,000 annual salary

1.5 jobs and 50,000 annual salary

If existing business, number of current full and part-time employees: _____

Timetable: _____

Development Team

Developer: Lokre

Architect: Sobek Architects

Contractor: **TBD**

Other Members: _____

Project Budget/Financial Information

Describe why the project cannot occur "but for" City participation: _____

Identify the sources and uses of funds for the project

	Amount (\$)	Source
Land Acquisition or Facility Purchase		
Demolition		
Environmental Remediation		
Site Clearance and Prep	15,000	
Utilities		
Construction of New Building	w/ garages 7,740,000	
Renovation of Existing Structure		
Machinery & Equipment		
Architectural & Engineering Fees	200,000	
Legal & Professional Fees	20,000	
Project Management	506,700	
Appraisal		
Title/Recording/Transfer		
Permits		
Real Estate Taxes		
Contingency	200,000	
Licenses		
Other (please specify)	interest & loan fee 180,000	
	landscape 50,000	
	marketing 40,000	
Total Project Costs	8,951,700	

Identify the sources/expected sources of financing

Source	Amount (\$)	Terms: Years/Interest	Contact
Equity			
Loans			
Grants			
City Participation			
Loan			
Grant			
Other			
Total Financing			

Additional Considerations

Please answer the following:

1. Will you sign a community workforce agreement with the local Building Trades Council? Yes ☐ No ☐
2. Will you agree to source all sub-contractors and building material suppliers from within a 100 mile radius of Wausau? Yes ☒ No ☐
3. Will you agree to not protest to the Board of Review, except in cases of material inaccuracies, your real estate assessment for the subject properties? Yes ☒ No ☐
4. Will you complete the design assistance process of the Wisconsin Focus on Energy Program, which offers incentives and consultations on energy efficiency? Yes ☒ No ☐
5. Will you consider using Property Assessed Clean Energy (PACE) funding which can provide financing support for construction which meets energy efficiency or alternative energy standards? Yes ☐ No ☐
6. Will you provide corporate tax filing verification information for job creation reporting purposes, if requested? Yes ☒ No ☐

Filing Requirements

You must provide all of the following items with your signed application for it to be considered complete:

1. Fee: A nonrefundable application fee of \$1000 made payable to the City of Wausau Community Development Department.
2. Site Maps: Provide a map that shows the location of the site and a map that focuses on the project and its immediate surroundings.
3. Project Renderings: Provide preliminary drawings, plans or renderings for the proposed project.
4. Projections: Provide three (3) years of cash flow projections for the project.
5. Statements: Profit and loss statements for the past three (3) years (if applicable) – this may be shared in a closed session if necessary and requested.

If the project requires planning and/or zoning approvals, you must make these applications concurrent with this request.

Declarations

The City requests answers to the following for any applicant, investor, developer, officer or affiliate of an entity or LLC with an ownership or share of 20 percent or greater in the proposed project:

Involved in a previous or pending lawsuit or legal proceeding?

Yes ☐ No ☒

Involved in a previous or pending bankruptcy or insolvency proceeding?

Yes ☐ No ☒

Charged with a crime, paid or otherwise complied with civil penalties, or been the subject of a criminal or civil investigation?

Yes ☐ No ☒

Have any outstanding tax liens currently or previously?

Yes ☐ No ☒

Have any projects with a construction delay of six months or greater?

Yes ☐ No ☒

Please attach a detailed explanation of any YES responses.

Agreement:

I, by signing this application, agree to the following:

1. I have read, and will abide by all the policies, standards and reporting requirements of the City for Tax Incremental Financing (TIF).
2. The information submitted is correct and adequately represented.
3. I understand the City reserves the right to deny approval, regardless of preliminary approval or the degree of construction completed before application for final approval.
4. I authorize the City to check references, run a credit report, verify criminal and financial backgrounds and obtain other relevant information on the applicant and parties.
5. I agree to provide additional information as may be requested by the City after filing of this application.

Applicant Name (Printed): ROLAND LORRE Date: 3-13-20

Signature: 



Planning, Community and Economic Development

To: Economic Development & Finance Committees

RE: Redevelopment of the Plaza Hotel

The City has worked towards a pragmatic redevelopment of The Plaza Hotel property for some time. The property has gone through foreclosure and struggled with managing a hotel that is underutilized and in need of major renovation/redevelopment.

Under this proposal, the ownership structure would change and the existing 6.23 acre parcel divided into 3 lots: the north parking area sold off for another commercial use; the tower renovated into a 64 room Best Western branded hotel; and the ballroom, pool and 2-story motel court part of the existing hotel sold to Lokre Company to be demolished and redeveloped into future multifamily residential units similar to the redevelopment of the adjacent former Mountain Lanes site.

- The tower Best Western hotel requests a loan- which may use TIF or Commercial Rehabilitation Loan funds- to undertake the renovation and also requests a 1 year reverse TIF payment.
- The Lokre Company proposes \$17,000,000 worth of new multifamily residential units consisting of 2 60,000 sq.ft. multi-family apartment complexes to be built in 2 phases. Phase 1 is an approximately \$9.5mil building requesting \$450,000 in upfront TIF grant to facilitate the significant demolitions costs and \$450,000 in reverse TIF payments for a total incentive under 10%. Phase 2 would be a similar building requesting 10% all reverse TIF.
- Both projects are connected because the renovation of the hotel can only take place with the major demolition and redevelopment of the rest of the property.
- At build out the redevelopment is expected to exceed \$18,000,000 in value; a 1,200% increase in value over the current assessment.



Planning, Community and Economic Development

Memorandum

To: Economic Development Committee Members

From: Tammy Stratz, Community Development Manager

Date: 4/3/2020

Re: Resolution for Authorizing the City of Wausau to apply for and become a U.S. Department of Housing and Urban Development Approved Housing Counseling Agency

Back in May, 2018 City Council approved the Community Development Department to apply to the U.S. Department of Housing and Urban Development (HUD) to become a HUD Certified Housing Counseling Agency. After all our documents, along with this resolution, was forwarded onto HUD, they had an issue with the wording of the resolution. They indicated that an organization gets approved as a Housing Counseling agency – not a HUD certified Housing Counseling agency. The Counselors under the agency are the ones who become certified.

Therefore, we need to make those recommended changes to our resolution. Attached is a copy of the resolution approved by City Council, Also enclosed is the new resolution with the changes highlighted in yellow. This is just a housekeeping item and is required for the approval of our application.

Please review these changes and feel free to ask any questions or concerns you may have. You can reach me at tammy.stratz@ci.wausau.wi.us.

Thank you!

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMITTEE

Approving a Community Development Application to U.S. Department of Housing and Urban Development to become a HUD **Certified Approved** Housing Counseling Agency

Committee Action:

Fiscal Impact: Minimal administration fees with possible federal funding opportunities

File Number:

Date Introduced:

FISCAL IMPACT SUMMARY

COSTS	<i>Budget Neutral</i>	Yes ☒ No ☐	
	<i>Included in Budget:</i>	Yes ☐ No ☐	<i>Budget Source:</i>
	<i>One-time Costs:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>Recurring Costs:</i>	Yes ☐ No ☐	<i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes ☐ No ☐	<i>Amount</i> <i>Annual Retirement</i>
	<i>TID Financed:</i>	Yes ☐ No ☐	<i>Amount:</i>
	<i>TID Source: Increment Revenue ☐ Debt ☐ Funds on Hand ☐ Interfund Loan ☐</i>		

RESOLUTION

WHEREAS, the City of Wausau Community Development Department operates a Downpayment Assistance Loan Program utilizing federal HOME funds; and

WHEREAS, the U.S. Department of Housing & Urban Development now requires all applicants of the Downpayment Assistance Program to go through a Homebuyer Education Program from a HUD **Certified Approved** Housing Counseling Agency; and

WHEREAS, staff has been providing Homebuyer Educational programs for approximately 15 years;

WHEREAS, once becoming a HUD **Certified Approved** Housing Counseling Agency, additional funding opportunities may arise to assist with the expense of operating a Housing Counseling/Homebuyer Educational programs and additional opportunities may arise to offer home buying/educational counseling services for clients other home buying programs; therefore

BE IT RESOLVED, by the Common Council of the City of Wausau that it hereby approves submission of an application to the U.S. Department of Housing and Urban Development for Community Development Department to become a HUD **Certified Approved** Housing Counseling Agency, and

BE IT FURTHER RESOLVED, that the Mayor designate and authorize representatives of Community Development Department to attend on-going trainings and meet necessary requirements to become and maintain the certifications of a HUD ~~Certified~~ **Approved** Housing Counseling Agency and authorize the application for any HUD funding that may arise from meeting these certifications.

Approved:

Robert B. Mielke, Mayor