MINUTES

Economic Development Committee Meeting

Date / Time: Tuesday, June 6, 2023, at 5:15 P.M. | ***Meeting called to order by*** Watson at 5:15 P.M.

In Attendance

Members Present:	Sarah Watson (C), Tom Kilian, Lisa Rasmussen, Carol Lukens
Members Absent:	Chad Henke
Others Present:	Shannon Graff, Tammy Stratz, Liz Brodek, Alder Doug Diny, Sean Wright – Executive Director Grand Theater, Tom Neal (Citizen), Atty. Anne Jacobson, Maryanne Groat (Webex), Mayor Katie Rosenberg, Anna Dybdahl and Joe Ellis – JEM, Robert Barteck

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

Public Comment: Pre-registered citizen for matters appearing on the agenda.

Sean Wright, Executive Director of Grand Theater

Tom Neal, former Alder, and Wausau resident

Agenda Item 1 – Approval of Minutes from May 2, 2023

Rasmussen motioned to approve minutes from 5/2/23, seconded by Kilian ***Approved Unanimously 4-0***

Agenda Item 2 – JEM presentation on The River *(Ellis and Dybdahl)*

JEM Presented

Agenda Item 3 –Discussion and possible action directing staff to begin negotiations on The River development *(Ellis and Dybdahl)*

Rasmussen motioned to direct staff to continue negotiations on concept, etc. Seconded by Kilian. ***Approved Unanimously 4-0***

Agenda Item 4 – Discussion and possible action on First Amendment to Development Agreement and Second Amendment to Master Ground Lease between City of Wausau and Federal Building Redevelopment Limited Partnership. *(Stratz)*

Rasmussen motioned to approve the recommendation of the Finance Committee, seconded by Lukens.

Kilian requested clarification if the Federal Loft building has always been subsidized in some form. Stratz replied yes. He then asked why they haven't been able to build up their reserve from rent revenue.

Rasmussen withdrew her motion in order to get more information regarding the rent revenues – repayment.

No further action taken.

Agenda Item 5 – Discussion and possible action on sale of 1408 Bissell Street *(Stratz)*

Stratz explained the partnership with NCHC who is renting Bissell Street and using it as a group home, is no longer working and they have been provided a 90-day vacate notice. Stratz explained an appraisal was proactively completed in anticipation of approval to sell the property. She said she would like to try selling the property without the use of a realtor to start but if not successful, it would then be listed with a realtor.

Kilian commented that the use of a realtor would be preferred to ensure it is listed in all appropriate outlets and the sale is handled in a proper manner.

Rasmussen motioned to list the property on the MLS through a realtor, seconded by Kilian. ***Approved Unanimously 4-0***

Agenda Item 6 – Discussion and possible action approving Second Amendment to Planning Option for Commonwealth Real Estate Acquisitions, LLC at 700 Grand Avenue *(Fifrick)*

Fifrick reminded the committee that last August an RFP was released for a low-income housing project at 700 Grand Ave and Commonwealth was the chosen developer for the project. Fifrick explained that Commonwealth applied for Low-Income Housing Tax Credits this past cycle and were not selected just as the Westside Battery project the previous year. He noted Westside Battery was funded in this cycle. He said Commonwealth believes this is a viable project and are still invested but are requesting an extension, similar to what was done for Westside Battery, so they can apply for the tax credit next year. He stated Commonwealth will be able to amend their application to be more favorable during next year's cycle and there won't be multiple applications submitted for Wausau.

Watson mentioned that there are some infrastructure things that need to be completed as a City, so the delay isn't necessarily a bad thing. Fifrick responded that it would be nice if the project could have moved forward this year but there is 100+ year old storm sewer and other infrastructure that needs to be moved so the delay could be considered a blessing.

Rasmussen motioned to approve amendment, seconded by Lukens. ***Approved Unanimously 4-0***

Agenda Item 7 – Discussion and possible action on waiver of Right of First Refusal at 7130 Packer Drive *(Fifrick)*

Removed from agenda.

Agenda Item 8 – Discussion and possible action on approving Skywalk Easement Agreement with Foundry on 3rd PH1, LLC for connection to parking ramp formerly known as the Sears ramp *(Brodek, T-Wall Rep)*

Removed from agenda.

Agenda Item 9 – Discussion and possible action approving the sale of tangible personal property and fixtures of Bull Falls Brewery, LLC located at 836 and 900 East Thomas Street in TID #9 *(Jacobson)*

Jacobson noted Bull Falls contacted the city to request approval to sell their tangible assets, not the real-estate, by auction which was required per the development agreement. Jacobson noted the real-estate would be sold at a later time and the proceeds from the sale of the tangible assets will be held in trust until the real-estate is sold and its determined who has priority in receipt of the proceeds.

Kilian asked if there was anything in the development agreement in terms of any specific type of claw back with assets that might trump the process being described. Atty. Jacobson responded that the City has personal guarantees from Don and Mike Zamzow and the City also secured life insurance policies in case either of them passed during the term of the development agreement in addition to the UCC Financial statement and the mortgage so Atty. Jacobson felt the City protected themselves as best they could. She noted there is the possibility of enforcing the personal guarantee still remains if the that is something council would desire to pursue. Kilian asked if Atty Jacobson had any recommendation in regard to that and she responded that she thinks it's too soon for a recommendation on that and if she did have one, it's probably not one she'd be willing to share with the council publicly at this time.

Rasmussen moved to approve authorization for the auction, seconded by Lukens. ***Approved Unanimously 4-0***

Agenda Item 10 – **CLOSED SESSION** pursuant to s. 19.85(1)(e), Wis. Stats., deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session, *regarding approval of the sale of tangible personal property and fixtures of Bull Falls Brewery, LLC, located at 836 and 900 East Thomas Street in TID #9, by auction.*

Committee chose not to hold closed session.

Agenda Item 11 – **RECONVENE IN OPEN SESSION**, to take action on closed session item, if necessary.

Closed Session did not occur.

Agenda Item 12 – Adjournment

Alder Lukens motioned to adjourn meeting, seconded by Kilian. Approved Unanimously 4-0.

Meeting adjourned at 6:29 PM.