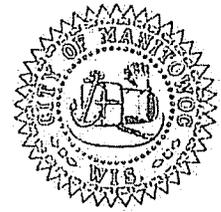


Jim
11-16-14

14-2515

CITY OF MANITOWOC

WISCONSIN, USA
www.manitowoc.org



November 17, 2014

Tricia Braun, Vice President for Economic and Community Development
Wisconsin Economic Development Corporation
P.O. Box 1687
Madison, WI 53701

Dear Ms. Braun,

On behalf of the Mayor's Office and the Common Council of the City of Manitowoc, we are writing to express our support for the award of an Idle Sites grant to serve as the catalyst that will spark redevelopment of the Lakeshore Town Center. This 22-acre property occupies a vital location in our community along the shore of Lake Michigan and State Highway 42, just outside of our central city and nearby amenities like the Mariner Trail and Manitowoc Marina.

The former Mid-Cities Mall is not unlike many other older malls across the US. Its unsustainable design severely limited the useful life of the site and buildings as the economy and community evolved. This property has been in decline and underutilized for more than 10 years. As a result, the buildings are now completely vacant and have deteriorated into a blighted condition. The surrounding neighborhood not only must bear the burden of proximity to the deteriorated building and site, but is also now underserved in terms of the retail and services that were once housed in the mall.

We believe that the requested Idle Sites grant will enable redevelopment and leverage private reinvestment into this property. It is our understanding that the presence of the vacant structures is the primary factor stopping developers from moving forward with new construction. Potential demolition is complicated by concerns over asbestos coated materials and lead based paint in the building, which escalates the cost of the project.

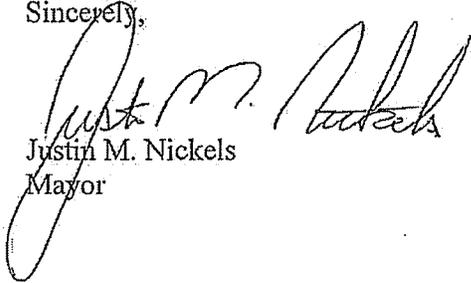
The City of Manitowoc is committed to the success of this project. Previous efforts, including site assessments and brownfields area-wide planning resulted from City assistance. The partnership we have formed with our co-applicant, the property owner, demonstrates the City's commitment moving forward. In terms of financial commitment, we are dedicating a portion of our EPA Brownfields Revolving Loan Funds to the project. And in terms of implementing the future development vision for the property, the City will utilize all other appropriate economic development tools at our disposal, potentially including Tax Incremental Financing.

Mayor Justin M. Nickels – Phone (920) 686-6980
CITY HALL • 900 Quay Street • Manitowoc, WI 54220-4543 • Fax (920) 686-6989



We ask for your support in transforming this liability into a community asset and model for economic revitalization. The requested funds represent the final injection of confidence that is needed to begin implementation of a more sustainable vision for this property. With the existing buildings removed, the path will be clear to create a mixed-use, higher density town center that will better serve the surrounding neighborhood and greater region.

Sincerely,

A handwritten signature in black ink, appearing to read "Justin M. Nickels". The signature is fluid and cursive, with a large initial "J" and "N".

Justin M. Nickels
Mayor

Scott McMeans
Common Council President

**City of Manitowoc Idle Industrial Sites Grant Application
Section G – Redevelopment Narrative**

1. Project Objectives

The former Mid-Cities Mall (or Lakeview Mall), located along Lake Michigan in the City of Manitowoc, has been in decline and underutilized since the late 1990s. As a result, the buildings are now completely vacant and have deteriorated into a blighted condition. The proposed project consists of demolition of the former mall and auto service center to make way for the mixed-use Lakeshore Town Center redevelopment. This will be realized through two defined steps: 1) asbestos abatement and 2) demolition. The project goal is to revitalize a key site that has become a detriment to the city's northeast side. The project objectives are to demolish the buildings and remove the final barrier for new development and private reinvestment in this property. Not unlike many other older malls across the US, its unsustainable design severely limited the useful life of the site and buildings as the economy and community evolved. The needs to be addressed are centered around the removal of the massive mall structure and the considerable amount of asbestos that permeates the building.

The Lakeshore Town Center project will directly and indirectly promote economic development of the area and support community revitalization. It will help connect Two Rivers, The Aurora hospital area, and Manitowoc. This area was historically a destination for people taking the scenic ride to Door County. This could make Manitowoc a rediscovered stop for travelers, adding to the local economy. Being the only Town Center in the county, it will be a destination and therefore spin off business to other local businesses in both Manitowoc and Two Rivers. The existing retail does not create enough mass for cross-patronage. Many of the existing apartments to the west are poorly maintained, some are under-parked, others have parking lots in disrepair and they need many other upgrades. The increase in quality and property values can help create reinvestment opportunities in these properties. The creation of jobs will also impact spending and apartment demand locally.

The proposed scope of work is straightforward. Any and all asbestos will be removed from the two structures and properly disposed of. After asbestos abatement is completed, the two structures and related appurtenances will be demolished. This includes the parking lot light poles and support structures as well as the free standing sign structure. The total investment in the project will be approximately \$1.4 million including a \$530,000 in developer equity and a \$450,000 loan to the developer from the City of Manitowoc's brownfield cleanup revolving loan fund.

The development concept for this site includes construction of retail, restaurants, offices, housing, and green space which will in turn create jobs and tax base. Over a five to seven year period, 292 estimated construction jobs will be created. The creation of permanent jobs on this site is estimated at 583 full time equivalents. The construction jobs estimate is based on a construction value multiplier from *Implan* software and other similar projects and does not include suppliers or other spin off employment. The permanent jobs estimate is based on assumptions of typical ratios of employees per square foot of retail, restaurant, hotel, and office uses included in the concept plan. The expected increase in property value upon completion of the entire Lakeshore Town Center redevelopment project ranges from \$36 to \$42 million.

Please also note that although this application requests funds only for the property at 828 Memorial Drive, this project is actually part of a larger redevelopment project. Adjacent to 828 Memorial Drive (former Lakeview Mall) is the property at 700 East Magnolia Avenue (Lakeshore Mall). Please see attachment ~~X~~ to review aerial views and surveys of both properties.

The 23-acre property at 828 Memorial Drive occupies a vital location in the Manitowoc community along the shore of Lake Michigan and State Highway 42, just outside of the central city and nearby amenities like the Mariner Trail and Manitowoc Marina. The surrounding neighborhood has not only carried the burden of proximity to the deteriorated building and site, but is also now underserved in terms of the retail and services that were once housed in the mall. The significant positive impacts of this project will meet latent demand for economic growth and restore equity to the surrounding neighborhood.

Support for this project has been expressed by Manitowoc's Mayor and Common Council, the Progress Lakeshore Economic Development Corporation, State Representative Paul Tittl, and State Senator Joe Leibham. Letters of developer interest have also been provided as attachments.

2. Need for Assistance

The physical, social, and financial challenges of this site are significant. The two properties together (Lakeview Mall and Lakeshore Mall) present a development opportunity that would not be possible with either property alone. Both properties were owned by indifferent, out-of-state owners who lacked interest in developing or maintaining their properties. Given the deteriorated and abandoned state of the Lakeview Mall property, the existing structure is beyond repair. Furthermore, returning the Lakeshore Mall to a community asset would not be possible if the abandoned, unsightly, blighted 23 acres that 828 Memorial Drive represents is not redeveloped. Developing both properties together creates a synergy for success that would not be possible without merging the two properties into one development.

Prospective Developers and Tenants have all insisted on a reliable timetable for rehabilitation of the site before they can commit their resources to acquisition or lease. Without the assistance of WEDC and the City of Manitowoc, this could not be accomplished. This site improvement will demonstrate to the community and to site prospects that meaningful change is happening. Coupled with tangible interest from private investors, following completion of this project, the City of Manitowoc and the developer will collaborate on the implementation of other economic development tools. As a specific example, it is the city's intent and desire to form a TIF district affecting this property. The outcome of this collaboration will be to create a stable timeline that future users and equity partners can plan around, thus increasing the viability of new construction on the site. This is the necessary step for enabling a marketing and economic development strategy and the full development of these combined acquisitions.

Financing for this project cannot be met by the private sector alone. Traditional lenders are not willing to invest in this blighted property, but an equity investment will be made by the developer. As will be described in item 4 (Project Implementation), a partnership has been established between the city and developer enabling a successful redevelopment of this jewel of a location abutting Lake Michigan. The City of Manitowoc will utilize its EPA revolving loan fund to be repaid by the developer and to be matched with cash equity from the developer. These allocated funds combined will represent the 70% match for the requested Idle Sites grant. Without the resources that municipal participation brings, this project could not proceed. Please refer to attachment X for the project budget and contractor bids. With anticipation that the momentum created by the award of this Grant will energize creation of a TIF district, the City of Manitowoc will proceed with this process once demolition is underway and while marketing efforts have already begun.

3. Site Background

The subject property, 828 Memorial Drive/State Trunk Highway 42, is a 22-acre site situated within in a mixed residential and commercial area in the northeast portion of the City of Manitowoc. This is near the juncture of Manitowoc and Two Rivers. It is 43 miles from Green Bay and 81 miles from Milwaukee. STH 42 is a scenic route to Door County. There are single-family residential areas on all sides of the property as well as residential apartments adjacent to the southwest and condominiums to the southeast. The 7-mile, hard-surfaced Mariners Trail and various public access points to Lake Michigan are found across STH 42 and within walking distance. The site is within walking distance (about ¼ mile) of the Lincoln Park Zoo and Conservancy, about one mile north of the Manitowoc Marina, and just over a mile north of Manitowoc's downtown.

The area and people to be impacted by the proposed project include 2,757 and 23,135 households within a five minute and 15 minute drive time, respectively. Following are some key characteristics of those households.

	5-Minute	15-Minute
Population	5,693	53,251
Households	2,757	23,135
Median Age	43.5	43.5
Average Household Size	2.04	2.27
Median Household Income	\$37,000	\$42,051
Housing Units	2,987	25,385
Owner Occupied Units	54.2%	62.3%
Renter Occupied Units	38.1%	28.9%
Vacant Units	7.7%	8.9%

Source: Esri Business Analyst, 2013

The project originally opened in 1968 as the Mid-Cities Mall. It was the first enclosed shopping center in the Manitowoc-Two Rivers area. The mall was anchored by J. C. Penney and Montgomery Wards. Other major stores included Woolworth's, Osco Drug, and A&P. The Lakeview Mall had approximately 220,000 square feet of leasable area. Additionally, a small automotive center of approximately 6,800 square feet was located in the southwest corner of the property. All businesses are now closed and vacated.

It was a thriving shopping center for nearly 20 years before signs of deterioration and underutilization began to appear. As with many growing communities, a new center of commerce began to take shape along the Interstate Highway, I-43, which was completed in the early 1980s. This new competition along with the economic recession of the 1980s, changes in driving habits, rising fuel prices, and growing e-commerce in the last decade were contributing factors to the mall's demise. The bankruptcies and closures of a large number of tenants in the 1990s (e.g., Prange Way, Id Boutique, Brooks Fashions, Thom McA, etc.) in combination with absentee, disinterested management, led to an inexorable decline. The mall's interior closed in 2000. Penneys remained in business until January 2011. The earliest recorded code compliance issue was for peeling paint in 1998, and issues continued to build from then on. The mall has since deteriorated into a dilapidated, obsolescent, decaying, unsafe, and unsalvageable condition. It is now a poster child on the website Deadmalls.com.

Current ownership is the developer, Spirit of the Lake Enterprises, LLC. The developer purchased 700 East Magnolia Avenue (Lakeshore Mall) in October 2005. This 14-acre property contains a viable, existing mall. The developer then purchased the adjacent property at 828 Memorial Drive (Lakeview Mall) in May 2007. Past ownership consisted of various indifferent, out-of-state entities that were not interested in investing in the upkeep of the property.

The two automotive centers that operated over the years are the source of the contamination and cleanup history on the site. Phase I and II Environmental Assessments have been conducted, and none of the contamination cases remain open in DNR records. Fuel tanks at the former Goodyear Service Center have been removed, and impacted soil has been remediated. The hydraulic fluid reservoir at the Ward's Auto Service Center has been removed. Testing for any impacts of the hydraulic vehicle lifts at both auto service centers has found nothing of significance. A diesel fuel spill (truck hit a light pole) was also recorded and the impacts remediated.

The most recent Phase II Environmental Assessment, completed in January 2013 (that combines both properties) is included as attachment X. Also see a 2004 closing letter from Bureau of PECFA regarding environmental remediation (attachment X). There are no environmental impediments to proceeding with asbestos abatement and demolition at 828 Memorial Drive.

Community planning for this site has been considered on two levels – future land use and environmental contamination. The site is specifically identified in the City of Manitowoc Comprehensive Plan as a key redevelopment site, and is targeted for mixed-use development on the map of future land use. A Department of Natural Resources site assessment grant funded Phase I and II Environmental Assessments. Following years of review and consideration, the Developer presented a site plan to the City of Manitowoc that is now the visionary basis for proceeding towards redevelopment (see attachment 3).

In addition, the City of Manitowoc applied for a Department of Transportation grant for bicycle and pedestrian facilities connecting to this site in 2008. The grant was not awarded because development of the site had not progressed sufficiently to assure utilization of funds. A copy of the application is included here (attachment 7) as an illustration of future planning enhancements that will be kick-started by this Idle Site Grant. The proposed project is aligned with and contributes to the implementation of all of these plans.

4. Project Implementation

The Lakeshore Town Center will stimulate investment and job creation on an idle, abandoned and underutilized site, which due to scale and complexity, cannot be redeveloped solely by the private sector. The demolition of the former Lakeview Mall will make the site more attractive to developers, site selectors, and end users so that the distressed property can be placed in a higher use and greatly enhanced property values. Implementation of the Lakeshore Town Center vision will utilize existing public infrastructure, create construction-related and permanent jobs, create additional housing options, and support additional density in an already urbanized area.

This project accomplishes that goal by transforming an underutilized area of commercial real estate and bringing it into the 21st Century. The defunct Lakeview mall is transformed into a dynamic mixed-use neighborhood with a variety of uses and services, while the underperforming Lakeshore mall is updated to meet the expectations of today's shopper. The new road network of the mixed-use neighborhood provides a flexible framework for development, with retail and commercial toward the highway,

transitioning to lower-density multifamily residential on the western edge. The new neighborhood is anchored by a new public green space which is a great amenity for all residents of Manitowoc, as it could be programmed with concerts, farmers markets, and other community events. The existing mall gets a revamped parking solution with new approach and entry, which are activated by outward facing retail spaces.

This development will create a pedestrian friendly environment with a variety of users that enable people to live, work, play and shop in one place. It will include several different uses that work together and share infrastructure, utilities, and public amenities. This Planned Unit Development will incorporate a variety of complementary and integrated uses, such as, but not limited to, residential, office, retail, public, and recreation, in a compact urban form. New Urbanism principles, with buildings addressing the street, will be required and will contribute to a safe, walkable development.

Planning with the City of Manitowoc has been ongoing. No difficulties with permitting are expected (see attachment 6). Asbestos abatement will begin as soon as the weather warms up sufficiently in the early Spring of 2015. Water and power are already available at the worksite. Asbestos abatement is anticipated to take four to six months. Following the asbestos abatement, demolition will be completed in another two months. The asbestos abatement and demolition will be completed by the Fall of 2015.

Quarterly Implementation Schedule and Milestones 2015			
2015 – Q1	2015 – Q2	2015 – Q3	2015 – Q4
Permitting and other preparation	Asbestos abatement	Complete asbestos abatement; begin demolition; TID formation process	Complete demolition; begin development; TID formation process
		Marketing to prospective tenants, builders, etc.	

Per attachment 3, following abatement and demolition of 828 Memorial Drive, the two properties will be developed and rehabilitated together. Again, development of both properties together is essential for the success of future development. One property cannot succeed without the other. Following demolition, and while marketing efforts are in process, the City of Manitowoc and the developer will collaborate on the formation of a TIF district. Preliminary talks have already taken place in this regard. The TIF district will serve as a source for engineering and infrastructure funding. Acquisition of tenants will proceed as soon as possible with marketing of the site taking place on an ongoing basis starting no later than fall of 2015. This requires an infrastructure design that allows for the most flexibility in terms of meeting the options that potential tenants’ require. The developer’s design meets that goal.

Quarterly Implementation Schedule and Milestones 2016			
2016 – Q1	2016 – Q2	2016 – Q3	2016 – Q4
Infrastructure engineering	Infrastructure development	Infrastructure development; initial lot development	Continuing lot development
Marketing to prospective tenants, builders, etc.			

Engineering services will be provided by R.A. Smith, the leading retail development engineering firm in the state (see attachment 7). Scope of work is anticipated to include traffic review, engineering due

diligence report, sitework/civil, and landscape design. Architectural services have been and will continue to be provided by Kahler Slater—to include site planning concept, supervision of site standards during development, and ongoing architectural services (see attachment 8).

The applicant, the City of Manitowoc, does not plan to acquire the property as long as the project proceeds as anticipated. The City will gain access to the property and define its long-term role in the development via a development agreement (see attachment X). The current owner and developer will retain ownership, but will continue to work with the city on the redevelopment of the site. Property transactions over the next five years will be the purview of the current owner as the master developer. However, it is the city's ultimate goal to see not only that the buildings have been torn down, but also that the public investment in this project results in substantial new construction. If the developer does not perform in a timely fashion, the city will consider options for gaining ownership and site control of all or a portion of the property. These expectations have been established in the development agreement.

Market viability has been analyzed by John S. Kesselman of the development team. His analysis follows:

- The described market area includes up to a 15 mile drive time. The Younkers Store parent company, Bon Ton, tells us they draw from a 30 mile radius. The area is predicted to continue to draw from a large area. We have a new lease renewal with Bon Ton whose predictions agree.
- The subject project will benefit from being the only indoor mall and Town Center from Green Bay to Sheboygan along Wisconsin's east coast.
- There are various unmet demand categories in the current marketplace. By meeting those needs and creating the excitement of the mixed use center where people can live, eat, shop and play this will be a destination location for the marketplace.
- Our hotel study shows that there is a need for extended stay hotel service in the area. There are currently over 90 people making do in apartments and other places to satisfy this need.
- Most of the new retail in the market is stand-alone or with a few other retailers present. Additionally, the majority of those retailers are big-box or discount. This project can provide a shopping experience with more variety and some higher scale retailers.
- There is very little class A office space available. The marketing to office users led to meetings with two medical office users one for 10,000 square feet and 20,000 square feet. In both cases we were unable to give them time lines, but showed interest. One of them definitely saw this as the best site for them. Although we do not know if they will build on the site. This shows a strong class A office need in the area.
- The housing market, although saturated with substandard, low quality, low rent apartments, has holes in niche housing markets. There is small number of higher quality rentals compared to the 1,500 plus people with income over \$100,000 in the marketplace. There are also other small niches in senior and specialty housing.
- Khaeler Slater architects have designed the project to allow for great flexibility as we plug in the different uses to take the greatest advantage of the marketplace.

5. Project Viability

The City of Manitowoc is able to implement and sustain the project activities. The development agreement executed with property owner defines the scope of work, timeline, and project financing. It also defines the City's and developer's long term commitment to the property for the purpose of ensuring the successful development of the project site. The City of Manitowoc regularly works in collaboration with property owners and developers to achieve redevelopment objectives and stimulate

economic growth. For example, the Harbor Village commercial area and I-43 Technology and Enterprise Campus have grown by \$62 million and \$18 million in value, respectively. The Dermatology Associates and 100 Maritime office towers represent collaborative efforts on downtown redevelopment projects of this nature.

Key individuals responsible for implementation of the project from the City of Manitowoc include the Community Development Director, Nic Sparacio. Mr. Sparacio will provide oversight and coordinate grant reporting, reimbursements, and other documentation. He has served in planning and economic development for over 15 years as both a consultant and a municipal staff member. As part of the Planning Department for the City of Green Bay, he had the opportunity to assist with various redevelopment efforts similar to the proposed project including the demolition of the Port Plaza Mall and resulting construction of the \$85 million Schreiber Foods Corporate Headquarters and Global Technology Center. Other City of Manitowoc support staff will be involved in providing review and accountability for financial, legal, and engineering aspects, including Director of Public Works, Dan Koski, Director of Finance, Steve Corbeille, and City Attorney, Kathleen McDaniel. Key individuals responsible for implementation of the project from the development team include Steven A. Elkind, Ph.D., and John S. Kesselman.

Steven A. Elkind, Ph.D. is the sole member of Spirit of the Lake Enterprises LLC, formed for the purpose of developing the sites at 828 Memorial Drive and 700 East Magnolia Avenue in Manitowoc, WI. Dr. Elkind began his business career by investing in Wisconsin Real Estate in 1990. Initially investing in the rehabilitation of residential properties in the Milwaukee area, he now concentrates his business activities to commercial properties. During this time, Dr. Elkind has invested in approximately twenty-five projects, ranging from multi-tenant residential rental properties to historical renovations such as the purchase, restoration, and conversion of an 1891 15,000 sq. ft. rowhouse that has been placed on the National Register of Historic Places, to projects such as the current Manitowoc development. His niche had been finding, rehabbing, and finding value in sites that, either through negligence or senescence, have fallen into disrepair but because of location or other unrecognized qualities, still contain the potential value that rehabilitation can restore.

John S. Kesselman Real Estate was founded in 1986 by John and Georgine Kesselman. John previously worked for White Chapel Investment an apartment management company, Barae Inc. a restaurant development and operating company with 27 units in operation by 1979, and The Sidney Kohl Company. For seven years at the Sidney, John was involved in all types of Real Estate including retail, office, residential and mixed use. The Sidney Kohl Company developed more than 70 retail properties, partnered in two indoor malls, and over 3000 residential units including specialty housing. Georgine Kesselman worked for HAKO Corporation in charge of rentals for 750 senior citizen units. John is a member of the Commercial Association of Realtors. John also has been involved with the International Council of Shopping Centers for over 20 years and was on the steering committee that made the Wisconsin Chapter the fastest growing in the country.

John S. Kesselman has leased, sold, and consulted on all types of Real Estate. He has also has a varied client list including the following and many more: General Capitol, Big Bend Development, Spectrum, Village of Saukville, City of West Bend, Mitchell Street BID, Investors Bank, Marriott, and Steven A. Elkind.

Regarding this Manitowoc project, Dr. Elkind has acquired the property and land, enlisted the enthusiastic cooperation of the City of Manitowoc in planning and facilitation of the project, and begun

the process of obtaining state and federal grants to assist in project completion. Dr. Elkind brings with him the financial, managerial, and supervisory abilities necessary for project success.

The City of Manitowoc has been working with the current property owner in various capacities since 2007. While this has been a challenging site, this grant application and the related agreements and commitments represent the culmination of a positive working relationship. Dr. Elkind and Mr. Kesselmen have sufficient relevant experience and success in development and business operation similar to the proposed project. For example, Dr. Elkind has acquired empty or nearly empty commercial properties in areas such as Milwaukee, Shorewood, and Sheboygan, and brought them back to full occupancy with National tenants. Examples of such properties are:

- 1490 E. Capitol Drive, Shorewood
- 4511 Oakland Avenue, Shorewood
- 2100 N. Farwell Avenue, Milwaukee
- 1537 N. Cass St, Milwaukee
- 1338 N. Taylor Drive, Sheboygan

The attached development agreement describes the roles and the relationship between the City of Manitowoc and Spirit of the Lake Enterprises LLC. The request of \$420,000 in WEDC funds represents 30% of the total project costs at \$1,400,000.

6. Project Financing

The project budget is straightforward – there are two line items: asbestos abatement and demolition. The funding sources will provide for these two line items as displayed in Section N of the application form. The Developer has his portion of the funding available and waiting in a private account. (See attachment 7). All costs are based on confirmed bids. Contracts shall include language to prevent cost overruns. The City's portion of the funding has been committed through the development agreement (see attachment 8) and is further expressed in the letter of support provided by the Mayor and Common Council (see attachment 9).

WISCONSIN ECONOMIC DEVELOPMENT CORPORATION
Idle Industrial Sites Redevelopment Prospect Data Sheet
 (All application materials must be received by WEDC no later than November 21, 2014)

A. GRANT REQUEST		
Grant Request: \$420,000	Applicant Match: \$980,000	Total Project Cost: \$1,400,000
Project Size:		
<input type="checkbox"/> Contiguous site is greater than 5 acres, but less than 10 acres		
<input checked="" type="checkbox"/> Contiguous site exceeds 10 acres		
Name of WEDC Community Account Manager: Naletta Burr		

B. APPLICANT INFORMATION	
Legal Name: City of Manitowoc	NAICS:
Applicant Type: <input checked="" type="checkbox"/> City <input type="checkbox"/> Town <input type="checkbox"/> Village <input type="checkbox"/> County <input type="checkbox"/> Other Public Body:	
FEIN #:39-6005511	(Submit Completed W-9 as a separate document)
Address: 900 Quay Street	
City, State, Zip: Manitowoc, WI 54220-4543	
Tele. #:920-686-6930	Fax #: 920-686-6939
Internet Address: www.manitowoc.org	

C. LOCAL GOVERNMENT CONTACTS	
Primary Contact:	
Name: Nicolas Sparacio	Title: Community Development Director
Address (if different): same	
Phone: 920-686-6931	Email: nsparacio@manitowoc.org
Highest Elected Official:	
Name: Justin M. Nickels	Title: Mayor
Address (if different): same	
Phone: 920-686-6980	Email: jnickels@manitowoc.org
Official Authorized to Sign Contracts:	
Name: Justin M. Nickels	Title: Mayor
Address (if different): same	
Phone: 920-686-6980	Email: jnickels@manitowoc.org
Individual to Receive Grant Payments:	
Name: Nicolas Sparacio	Title: Community Development Director
Address (if different): same	
Phone: 920-686-6931	Email: nsparacio@manitowoc.org
Reporting Contact:	
Name: Nicolas Sparacio	Title: Community Development Director
Address (if different): same	
Phone: 920-686-6931	Email: nsparacio@manitowoc.org

D. SECONDARY CONTACT (e.g. consultant, developer, partner, as applicable):	
Name: Steven A. Elkind, Ph.D.	Title: Sole Member and Developer
Organization: Spirit of the Lake Enterprises, LLC	
Explain Role: Property owner and master developer	
Address: 2617 Arboretum Drive	
City, State, Zip: Madison, WI 53713	

Tele. #:608-286-1118

Fax #:none

Email Address: sae1050@charter.net

E. INITIAL ELIGIBILITY

Please answer the following to demonstrate eligibility:

Yes No

- 1. The property is larger than 5 acres and has had over 25 years of industrial usage.
-OR-
 The property is larger than 10 acres and has had over 25 years of commercial usage.
- 2. The property has been vacant or underutilized for more than five years.
- 3. The applicant owns the targeted site or can demonstrate the legal ability to access the property and perform the work proposed in the application.
- 4. Grant funds will not be used for environmental work occurring on properties in which the current owner is also a causer who possessed or controlled the contaminant(s) on the site.
- 5. I certify that WEDC financial assistance is needed to ensure the project will happen in Wisconsin.

Explain: Its unsustainable design severely limited the useful life of the site and buildings as the economy and community evolved. This property has been in decline and underutilized for more than 10 years. The presence of the vacant structures is the primary factor stopping developers from moving forward with new construction.

F. SITE DETAILS

Project Location: <input checked="" type="checkbox"/> City <input type="checkbox"/> Town <input type="checkbox"/> Village Of: Manitowoc		County: Manitowoc
Project Street Address: 828 Memorial Drive		Site Size (Acres): 23
Current Zoning: B-3 General Commercial		Proposed Zoning: Planned Unit Development
Is the project located in a TID? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If yes, creation date: Click here to enter a date.		
The party that likely caused environmental contamination on the subject property is unknown, cannot be located or is financially unable to pay for the cost of the cleanup. <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		
Does the applicant currently own the site? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
If no, how do you have or expect to obtain ownership or access to the property? Development Agreement		
<input type="checkbox"/> Condemnation	Timeframe:	
<input type="checkbox"/> Tax Delinquency	Timeframe:	
<input type="checkbox"/> Purchase (attach purchase agreement or option)	Timeframe:	
<input checked="" type="checkbox"/> Development Agreement	Timeframe: November 21, 2014	
<input type="checkbox"/> Other:	Timeframe:	
If applicant will not own the property, what entity will/does? Lakeside Improvement, LLC		
Current Site Ownership: Sprit of the Lake Ent.	Phone: 608-286-1118	Email: sae1050@charter.net

G. REDEVELOPMENT NARRATIVES (reference Required Supporting Documentation as needed)

1. **Project Objectives:** Provide a clear, accurate, and concise summary of the project, the project goals and objectives, and how the project will directly or indirectly promote economic development of the area and support community revitalization. The summary should include the needs to be addressed, the proposed scope of work, total investment, projected impact on jobs and tax base and any other factors of significant impact. Supporting documentation may be referenced as to precise location in the application materials and attached (e.g. letters of support, testimonials from concerned interests, summaries of market and/or planning study data, demographic data). *(Two page limit)*
2. **Need for Assistance:** Describe the nature and scope of the site's challenges (physical, social, financial, institutional, and/or other). Clearly and concisely justify the need for grant funding that cannot be met by the private sector alone (e.g., traditional financing, equity investment or donor support), local public

sector support (e.g. RLF financing, TIF financing and/or public borrowing) or a reduction in the scope of the project. *(Two page limit)*

3. **Site Background:** Describe the site location, history and significance of the site, past and current ownership and usage, any known contamination and causers, reasons for underutilization, and area and people to be impacted by the proposed project. Describe how this project aligns with any planning processes that have been completed relating to this site and include any redevelopment plans specifically referencing the site as Supporting Documentation. *(Two page limit)*
4. **Project Implementation:** This section should provide a clear overview of the redevelopment strategy and project vision, and a well-conceived overall approach to the project, including details demonstrating that the project will be implemented in a way that will achieve the program's goals and objectives. Information provided should include the following *(four page limit)*:
 - An implementation plan and quarterly schedule that details past and planned activities through one year past completion, including milestones and factors that might affect the schedule (e.g. permitting, planning, site control actions, site assessments, environmental cleanup), including strategies to address potential obstacles.
 - A description of the means by which the applicant has or expects to obtain ownership or access to the property, as well as descriptions of intended property transactions that will occur over the next five years.
 - Evidence of market viability (e.g. market data from a published source), marketing plans and descriptions of how the project is positioned for continued success after the end of the grant period.
5. **Project Viability:** Provide information that includes the following *(two page limit)*:
 - Describe and demonstrate that the applicant is able to implement project activities consistent with the project's scope, scale and projected outcomes, and sustain the project as described in the application.
 - Include name, role and qualifications of key individuals responsible for implementation of the project, including ownership percentage for any individual owning more than 20% of the project.
 - Describe the partnerships developed and demonstrate that the partner has sufficient and relevant experience and success in development and/or business operation similar to that being conducted under the proposed project. Include a partnership or other agreement between the applicant and the project partner that includes a description of the roles and the relationship between the applicant and the project partner in Supporting Documentation. The agreement should address topics such as ensuring that: detailed records documenting long-term job creation, appropriate expenditures of grant funds will be provided regularly; the grantee will play a substantive role in the project and will actively monitor the partner(s)' activities to ensure compliance with WEDC program requirements; and all parties will cooperate with WEDC monitoring efforts. As evidence of the project partner's financial viability, individuals owning 20% or more of the project may be required to submit a signed and dated personal financial statement and may be subject to credit check. WEDC funding shall not exceed 30% of eligible project costs.
6. **Project Financing:** The applicant must include an acceptable financial plan for the project that demonstrates that the project has all financing needed to complete construction and to sustain the project for at least 1 year after completion. Supporting documentation that clearly demonstrates financial feasibility includes firm financial commitment letters from a lending institution or government entity. Financial statements consisting of income statements, balance sheets and cash flow projections may support project viability. Describe each line item in Section N, Proposed Project Budget, itemized by funding source. The financial plan should also demonstrate that the financial estimates are grounded in solid assumptions, attaching any cost estimates or bidding conducted for costs listed in the project budget, or an explanation of the basis for all costs as Supporting Documentation. *(Two page limit)*

H. PROJECTED ECONOMIC DEVELOPMENT	
How many full-time jobs will likely be created at the project site: 875	Average wage:
Project site: Parcel 520-031-070	
Current Assessed Value: \$517,800	Projected Assessed Value: \$36 to \$42 million
A detailed justification of these estimates should be provided in the Economic Development Potential narrative requested above.	

I. LEGAL INFORMATION	YES/NO
Has the applicant, or any owner, officer, subsidiary or affiliate, been involved in a lawsuit in the last 5 years?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Has the applicant, or any project owner, officer, subsidiary or affiliate, ever been involved in a bankruptcy or insolvency proceeding or are any such proceedings pending?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
In the last 5 years, has the applicant, or any owner, officer, subsidiary or affiliate, been charged with a crime, ordered to pay or otherwise comply with civil penalties imposed, or been the subject of a criminal or civil investigation?	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Does the applicant, or any project owner, officer, subsidiary or affiliate, have any outstanding tax liens?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Applicant certifies that they have completed a similar background review of the developer or any pass through recipient	<input type="checkbox"/> Yes <input type="checkbox"/> No
Please attach a detailed explanation of any YES responses.	

J. REGULATORY INFORMATION (if applicable)	
DNR Project Manager Name and Address: Diane Hansen or Keld Lauridsen 2984 Shawano Ave, Green Bay WI 54313	Telephone Number: (920) 662-5100
	Fax Number: (920) 662-5413
	Email Address: diane.hansen@wisconsin.gov
Indicate the various WDNR case numbers or BRRTS #'s that have been assigned to the project site:	
1) 03-36-000090 (closed)	2) 03-36-001340 (closed)
	3) 04-36-547806 (closed)

K. STATE REQUESTS FOR BID OR PROPOSAL
Are you aware of any State of Wisconsin request for bid or request for proposal to which the applicant or any project owner intends to respond or to which the applicant or has recently responded? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
If yes, please provide the following: <ul style="list-style-type: none"> a. Identify the bid or request for proposal (e.g., bid number, or general description or title). b. Identify the state agency or public entity to which you are submitting the bid or proposal. c. Explain the status of the bid or proposal (e.g., recently submitted; considering submission; in current negotiations).
Please note that if you answer "yes", WEDC may not be able to discuss potential financial assistance until the request for bid or request for proposal process has been completed.

L. REQUIRED SUPPORTING DOCUMENTATION CHECKLIST

Please include the following attachments in the appendix and clearly identify each document:	Included ✓	Attachment #
1. A map and aerial image indicating the project location within its municipal jurisdiction and any specially designated federal, state or local economic or taxation zone encompassing the project site. Photographs of the site and surrounding area.	<input type="checkbox"/>	
2. List of previous site owners/occupants from a Phase I Assessment or a title search.	<input type="checkbox"/>	
3. Statement declaring that a search was conducted to determine if the parties that caused contamination are unknown, or if known, are no longer in existence or have no ownership interest in the property, or that state funds will not be used for environmental remediation on the site if there is a known viable causer.	<input type="checkbox"/>	
4. Copies of all Phase I and II Environmental Assessments performed on the project property.	<input type="checkbox"/>	
5. Also identify and provide copies of any subsequent environmental reports or correspondence produced that are relevant in demonstrating the progress of any environmental activities at your project site.	<input type="checkbox"/>	
6. A copy of the redevelopment plan for the site.	<input type="checkbox"/>	
7. A copy of any cost estimates or bidding conducted for costs listed in the project budget, or an explanation of the basis for all costs.	<input type="checkbox"/>	
8. A copy of the agreement or document under which the applicant has or expects to obtain ownership or access to the property.	<input type="checkbox"/>	
9. Documentation that demonstrates the success of obtaining firm financing (e.g. commitment letters from lending institutions, municipal resolutions for financing or TID creation).	<input type="checkbox"/>	
10. Partnership or other agreement between the applicant and project partner(s) that includes a description of the roles and the relationship between the applicant and the project partner.	<input type="checkbox"/>	
11. Individuals owning 20% or more of the project may be required to submit signed and dated personal financial statement.	<input type="checkbox"/>	
12. Statements from community, public and economic development leaders that support the project proposed for funding.	<input type="checkbox"/>	
13. Please list any other relevant documentation you have provided with your application, along with the page number: a) Explanation of "Yes" Answers to Section I (Legal Information) b) c) d) e)		
	<input type="checkbox"/>	

M. CERTIFICATION STATEMENT

This application, and the information being submitted to WEDC, is true and correct to the best of my (our) knowledge. This also certifies that:

1. The applicant certifies that to the best of its knowledge and belief, the information being submitted to WEDC is true and correct.
2. The applicant understands submitting false or misleading information in connection with an application may result in the applicant being found ineligible for financial assistance under the funding program, and the applicant or its representative may be subject to civil and/or criminal prosecution.
3. The applicant certifies that it is in compliance with all laws, regulations, ordinances and orders of public authorities applicable to it.
4. The applicant certifies that it is not in default under the terms and conditions of any grant or loan agreements, leases, or financing arrangements with its other creditors.
5. The applicant understands this application and other materials submitted to WEDC may constitute public records subject to disclosure under Wisconsin's Public Records Law, § 19.31 et seq. The applicant will mark documents "confidential" where appropriate for financial and other sensitive materials that should be, to the extent possible, be kept in confidence. WEDC will notify the applicant if it receives a public records request for materials marked confidential.
6. The applicant certifies that WEDC is authorized to obtain a credit check and Dun and Bradstreet on the applicant, the business and/or the individual(s).
7. The recipient of the Idle Industrial Sites Grant funds shall enter into a contract with WEDC that may require, at the discretion of WEDC, a personal or business guarantee from any private owner of the site with more than 20% ownership interest.
8. The recipient of Idle Industrial Sites Grant funds shall provide WEDC with semi-annual performance reports, financial reports, and schedules of expenditures compiled by a qualified independent third party.
9. Funds received for remediation under the Idle Industrial Sites program shall not replace funds from any other source including Agri-Chemical, Petroleum Environmental Cleanup Act and the Superfund.
10. Funds received under the Idle Industrial Sites program shall not be used for environmental remediation costs where there is a known viable causer of contamination with ownership interest in the property.
11. The applicant certified that it has disclosed and will continue to disclose any occurrence or event that could have an adverse material impact on the project. Adverse material impact includes but is not limited to lawsuits, criminal or civil actions, bankruptcy proceedings, regulatory interventions or inadequate capital to complete the project.

Signature: _____ Date: _____
(Authorized Representative)

Printed Name: Title:

M. PROPOSED PROJECT BUDGET		SOURCES OF FUNDING* (TIF, In-kind, DNR, CDBG, USDA, Developer, etc.)					TOTAL
USES OF FUNDING**	WEDC	SOURCE #1 NAME: Developer	SOURCE #2 NAME: City/EPA RLF	SOURCE #3 NAME:	SOURCE #4 NAME:	SOURCE #5 NAME:	
Acquisition							\$
Building Renovations							\$
Remediation	\$250,000	\$270,000	\$330,000				\$850,000
Site Improvements:							\$
- Streets							\$
- Sewer/Water							\$
- Public Space							\$
- Parking							\$
- Other:							\$
Demolition	\$170,000	\$260,000	\$120,000				\$550,000
Other:							\$
SUBTOTAL	\$420,000	\$530,000	\$450,000	\$	\$	\$	\$1,400,000
*Please provide the following for the sources listed above							
Source	Source Name:	Contact Name:	Contact Title	Contact Title	Email Address	Phone Number:	
1.	Developer	Steven A. Elkind	President	same as page 1			
2.	City/EPA RLF	Nicolas Sparacio	Director	same as page 1			
3.							
4.							
5.							

W-9 TAXPAYER IDENTIFICATION NUMBER (TIN) VERIFICATION

Print or Type

This form can be made available in alternative formats to qualified individuals upon request.

Legal Name: (as entered with IRS)
 Individuals: Enter Last Name, First Name, Middle Initial
 Sole Proprietorships: Enter Last Name, First Name, Middle Initial
 All Others: Enter Legal Name of Business

Trade Name:
 Individuals: Leave Blank
 Sole Proprietorships: Enter Business Name
 All Others: Complete only if doing business as a D/B/A

Remit Address: Address where awarded funds check should be sent if different from primary address PO Box or Number and Street, City, State, ZIP+4

Order Address: Address where order should be mailed
 PO Box or number and street, City, State, ZIP+4

 [NOT APPLICABLE]

Primary Address: Address where 1099 should be sent if different from remit address
 PO Box or number and street, City, State, ZIP+4

Entity Designation: (check only one)

- Individual / Sole Proprietor
- Corporation (includes service corporations)
- Limited Liability Partnership
- Limited Liability Corporation
- Government Entity
- Hospital Exempt from Tax or Government Owned
- Long Term Care Facility Exempt from Tax or Government Owned
- All Other Entities

Taxpayer Identification Number (TIN):

If you are a sole proprietor and you have an EIN, you may enter either your SSN or EIN. However, using your EIN may result in unnecessary notices to the Requester.

Check Only One

- Social Security Number (SSN)
- Employer Identification Number (EIN)
- Individual Taxpayer Identification Number for U.S. Resident Aliens (ITIN)

Certification: Under penalties of perjury, I certify that:

1. The number shown on this form is my correct taxpayer identification number, AND
2. I am not subject to back up withholding because (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to back up withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding.
3. I am a U.S. person (including a US resident alien).

Printed Name	Printed Title	Telephone Number ()
Signature		Date (mm/dd/ccyy)

For Agency Use Only

Agency Number	Contact	Phone Number
Change <input type="checkbox"/> Name <input type="checkbox"/> Address <input type="checkbox"/> Other (explain)		

For all projects approved by WEDC, this form is used as a reference for issuing checks to Recipients. WEDC will file with the IRS appropriate income tax forms for award Recipients based on information that appears on this form. Failure to provide this information may result in delayed payments. This request is being made at the direction of the Wisconsin State Controller. We are required to inform you that failure to provide the correct Taxpayer Identification Number (TIN) / Name combination may subject you to a \$50 penalty assessed by the Internal Revenue Service under section 6723 of the Internal Revenue Code. Section 6109 requires you to furnish your correct TIN to persons who must file information returns with the IRS to report interest, dividends, and certain other income paid to you, mortgage interest you paid, the acquisition or abandonment of secured property, or contributions you made to an IRA. The IRS uses the numbers for identification purposes and to help verify the accuracy of your tax return. You must provide your TIN whether or not you are required to file a tax return. Payers must generally withhold 31% of taxable interest, dividend, and certain other payments to a payee who does not furnish a TIN to a payer. Certain penalties may also apply.