11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2903
Fax: 262-242-9655
www.ci.mequon.wi.us

ECONOMIC DEVELOPMENT BOARD
Tuesday, March 15, 2022
8:00 AM
North Conference Room

Agenda

1. **Call to Order, Roll Call**

2. **Approval of Meeting Minutes from February 24, 2022**
   Action requested: review and approve.

3. **Guest Speaker: Milwaukee 7 (M7) Representative: Rebecca Gries, Director, Corporate Attraction & Expansion**
   Discussion

4. **Hotel STAR Report**
   Review and Discuss

5. **Staff Updates**

6. **Announcements**
   The next meeting is Tuesday, April 26, 2022, at 8:00 a.m.

7. **Adjourn**

Dated: March 11, 2022 **/s/ Tim Carr, Chairman**

Notice is hereby given that a quorum of other governmental bodies may be present at this meeting to present, discuss
and / or gather information about a subject over which they have decision making responsibility, although they will not take formal action thereto at this meeting.
Any questions regarding this agenda may be directed to the Dept. of Community Development office at 262-236-2903, Monday through Friday, 8:00 a.m. – 4:30 p.m.

11333 N. Cedarburg Road
Mequon, WI 53092
Phone: 262-236-2903
Fax: 262-242-9655
www.ci.mequon.wi.us

ECONOMIC DEVELOPMENT BOARD
Thursday, February 24, 2022
8:00 AM
North Conference Room

Minutes

1) Call to Order, Roll Call

Present:
Chair Timothy Carr
Alderman Brian Parrish
Board Member Dennis Engel
Board Member Daniel Gannon
Board Member Michael Kramer
Board Member Bruce Sipiora
Board Member James Baka **-- Absent**
Board Member Tracy Johnson **-- Absent**
Board Member Jeff McLean **-- Absent**
Board Member Andrew Petzold **-- Absent**

Chairman Carr called the meeting to order at 8:00 a.m.

2) Approval of Meeting Minutes from January 18, 2022

Action
Board member Engel made a motion to approve the January 18, 2022, meeting minutes.
Board member Kramer seconded the motion.
A voice vote was taken; vote passed (6-0)

MOVED BY:	Board Member Engel
SECONDED BY:	Board Member Kramer
RESULT:	**Approved [Unanimous]**
AYES:	Carr, Parrish, Engel, Gannon, Kramer, Sipiora
ABSENT:	Baka, Johnson, McLean, Petzold

3) Revolving Loan Fund Application for Mind + Neurology

Ms. Kathleen Cady-Schilling stated that the application is from Mind+ Neurology for a new clinic for comprehensive care focusing on headaches and migraines. There are three principals; Aaron Hart, CEO currently employed by GE; Dr. Alan Bublitz, CMO who has worked in the neurology field since 2016; and Jason Hart, COO who is a healthcare worker at Aurora. This is a niche field as there are not a lot of clinics in the Midwest focused on this specialty. There is a potential lease that would start in April with the plan to open for business in October 2022. The total project cost is $2.65M with a breakdown of costs:

- $850,000 lease hold improvements
- $200,000 capital improvements
- $1.6M working capital

The applicant has requested a $100,000 loan with a 10-year loan term and an interest rate of 1.675% and a 6-month deferral, which is very common especially when construction is involved. This application was reviewed by outside counsel, per City protocols and the review concluded that the business plan is very strong and financially solid. Approval is recommended with the contingences noted in the report.

The applicants Aaron Hart and Jacob Hart were present. When questioned by the Board about why they applied for the RLF loan, Mr. Aaron Hart answered that the bank is requiring 10% owner equity and they do not have the cash to fulfill this requirement. The bank would treat the RLF from the City as owner equity and this would enable them to finance this project which they would otherwise be unable to finance.

The applicant explained that the landlord, Irgens, is also investing $500,000 towards improvements so that the total cost of improvements is $1.4M. He stated that most of the services offered will be diagnostic and procedures including injections. He explained that the treatment of diagnostic and treatment of headaches and migraines is a scarce resource. They will be the first in the state to offer these services. Their business plan focuses on remote access, which is new in the medical field, to serve people across the country. They also plan to serve Veterns, which are a highly underserved community.

Their plan for marketing is through online advertising, targeted marketing sales and by establishing relationships with existing doctors and hospitals especially in the mental health and pain management fields. They will onboard a nurse practitioner right away who will be able to provide many services. A second neurologist is planned for in order to grow the practice.

The Board discussed the contingencies of the loan with the applicants which include key man insurance for all three principals and dedicated life insurance for all three principals.

<u>Action</u>
Ald. Parrish made a motion to go into closed session.
Board member Gannon seconded the motion.
A voice vote was taken; vote passed (6-0)

The Board met in closed session.

Action

Board member Kramer made a motion to return to open session.
Board member Engel seconded the motion.
A voice vote was taken; vote passed (6-0)

There was continued discussion regarding the loan and whether the project would be viable if less money than requested was approved and the applicant communicated that it would be difficult. The Board suggested that another neurologist join the business and contribute some financing. Mr. Aaron Hart explained that they do not wish to take on another investor and to give up 1/3 of their equity in the business and that there is a shortage of neurologists in general and patients are waiting up to 6 months for appointments.

Mr. Hart also stated that the business plan is built on a very conservative patient build. They believe that a large base of Dr. Bublitz's patients will follow him to this clinic from the Green Bay area. They will be building a business relationship with the VA and they hope to begin to see patients remotely before the clinic doors open. They will be doing outreach and they are planning to pre-schedule patients.

Action

Board member Engel made a motion to recommend the approval of the RLF for $100,00 to the Common Council
Board member Kramer seconded the motion.
A voice vote was taken; vote passed (6-0)

Ald. Parrish made a friendly amendment that the loan be contingent that key man insurance must be included and that a neurologist must always be on staff.

Board member Engel and Kramer accepted the friendly amendment.

A roll call vote was taken; vote passed (5-1) (No: Gannon)

MOVED BY:	Board Member Engel
SECONDED BY:	Board Member Kramer
RESULTS:	Approved as Amended
AYES:	Carr, Parrish, Engel, Kramer, Sipiora
DEEMED NO:	Gannon
ABSENT:	Baka, Johnson, McLean, Petzold

4) Staff Updates

- Chairman Carr asked that the Board members start to think about ideas for the Fall event.
- Tracy and Kim to coordinate a M-7 representative visit.
- A one-page information sheet listing available programs and economic tools from the City is requested from the Board.
- The Board asked Ald. Parrish about whether the Council would consider whether

meetings could be attended remotely.

5) Announcements

The next meeting is Tuesday, March 15, 2022, at 8:00 a.m.

6) Adjourn

Action
Board member Kramer made a motion to adjourn the meeting.
Board member Engel seconded the motion.
A voice vote was taken; vote passed (6-0)

Respectfully Submitted,

Kim Tollefson
Director of Community Development

City of Mequon

11333 N. Cedarburg Road
Mequon, WI 53092-1930
Phone: 262-242-3100
Fax: 262-242-9655

www.ci.mequon.wi.us **Office of Community Development**

TO:	**Economic Development Board**
FROM:	**Kim Tollefson, Director of Community Development**
DATE:	**March 15, 2022**
SUBJECT:	**Milwaukee 7 (M7) Representative: Rebecca Gries, Director, Corporate Attraction & Expansion**

Background

Outreach and coordination with WEDC and M7 are part of the Board's work program. The Board has the following objectives:

- Align City economic programs with thus offered at the regional and state level, to the extent possible.
- Position the City through land use decisions, economic initiatives and technical zoning standards that may be attractive to prospective new businesses and businesses looking to expand.
- Ensure the City of Mequon remains at the forefront of opportunities being considered by our partners at WEDC and M7.

Board Member Johnson reached out to Rebecca Gries, Director, Corporate Attraction & Expansion, to gain her perspective about the City's objectives. Ms. Gries, will join the Board at our meeting for an open discussion and ideas for coordination and on-going communications for prospective projects.

Please review information related to M7 at the following:
https://www.mke7.com/index.php

END OF MEMO

City of Mequon

11333 N. Cedarburg Road
Mequon, WI 53092-1930
Phone: 262-242-3100
Fax: 262-242-9655

www.ci.mequon.wi.us **Office of Community Development**

TO: **Economic Development Board**
FROM: **Kim Tollefson, Director of Community Development**
DATE: **March 15, 2022**
SUBJECT: **Hotel STAR Report**

Background

In recent months the Board has considered commissioning a report for the positioning of a hotel in the N. Port Washington corridor. After some further exploration by both staff and members, there are a few options to consider:

- Specify the desired attributes of a hotel and request a report, including an expert's interpretation of the report outcomes.
- Consider a market analysis specific to a hotel use.
- Consider a market analysis for a specific set of desired land uses, including a hotel.

There are funds available for commissioning an analysis, but staff needs to understand the desired scope.

END OF MEMO