

ORDINANCE NO.: 4812

AN ORDINANCE to amend Paragraph 2.23(E)(11)(a) to modify the application review procedure for economic development incentives.

THE COMMON COUNCIL of the City of La Crosse do ordain as follows:

SECTION I: Section 2.23(E)(11)(a) is hereby amended to read as follows:

- (a) The following information is required of all applicants for any type of incentive. Application for financial assistance shall include a cover letter and shall be made on the forms provided by the City and include all of the information requested on the form. An initial non-refundable fee of one percent (1%) of the requested assistance or \$10,000, whichever is greater, shall accompany any financial assistance request involving a grant. For loan requests, the fee shall be one percent (1%) of the requested amount. This fee shall be used to partially cover the City's legal, professional, administrative, and planning costs. Outside consultants hired by the City to analyze funding requests including evaluating the gap and/or determination of financial need and the project's return on investment (ROI) shall be paid for by the applicant and will not be considered part of the fee. If an additional amount of money is required to reimburse the City of its reasonable costs, the applicant shall be responsible for those costs. If the application is made and the project does not move forward, the application fee, minus documented City expenditures for the project, will be refunded to the applicant. The applicant shall, at a minimum, provide the following information:
- (i) A detailed project plan, timetable including plans and/or drawings for the project, architectural analysis, phase I environmental assessment, appraisals, and evidence of site control.
 - (ii) A business plan created in conjunction with the UW-La Crosse Small Business Development Center or reviewed by an entity determined by the City. If the business is not following traditional business planning models, initial planning document acceptable to the City will be submitted. A business plan will be submitted to the City within one-year of business start-up.
 - (iii) Background information on the developer, complete listing (name and address) of all investors in the project and specify each individual's ownership interest.
 - (iv) The articles of incorporation for the business, borrowing resolutions, operating agreements, and other applicable documents verifying that the entity is in good standing.
 - (v) A current balance sheet.
 - (vi) The operating (profit/loss) statements for the last three years.

- (vii) The five-year projected cash flow statement for expansion of existing businesses. If the business is a start-up, two-year projected cash flow statements will be required.
- (viii) The previous year's personal and the business Federal Income Tax Return.
- (ix) The developer shall submit audited financial statements for the last three (3) years. If the audited statements are comparative, only two (2) years are needed. If audited statements are not available, the developer shall provide three years of annual financial statements and summary schedules for other projects completed or started within the three (3) timeframe covered by the financial statement for the current year. Upon request, the City may permit these documents to be provided directly to the City's financial advisor or developer's financial advisor to protect proprietary or confidential information.
- (x) Personal financial statements of the officers (To be provided only to Finance Director or financial consultant for review).
- (xi) A preliminary financial commitment from a financial institution
- (xii) A list of current employees, their job titles and benefits and a list of titles and descriptions, with benefit package of projected jobs.
- (xiii) A detailed pro forma showing income and expenses for the project including a feasibility analysis justifying why assistance is necessary.
- (iv) Market studies, signed letters of intent from prospective tenants, any market or feasibility analysis, appraisals, and all information provided to private lenders for the project as well as any other information or data which the City, or its financial consultants may require in order to review the need for financing assistance.

SECTION II: This ordinance shall take effect and be in force from and after its passage and publication.

_____/s/_____
 Timothy Kabat, Mayor
 _____/s/_____
 Teri Lehrke, City Clerk

Passed: 04/10/14
 Approved: 04/16/14
 Published: 04/19/14