

Resolution updating the terms of the City's standing loans to the La Crosse Industrial Park Corporation (LIPCO).

RESOLUTION

WHEREAS, the La Crosse Industrial Park Corporation (LIPCO) is a decades-old partnership between the City of La Crosse, the La Crosse Area Development Corporation, and Xcel Energy until 2014, that private partner became Kwik Trip thereafter; and

WHEREAS the mission of LIPCO is to provide real estate solutions to attract, assist, and advance economic development in and for the benefit of La Crosse; and

WHEREAS, LIPCO has a \$550,000 loan with the City, to which \$400,000 was sourced through Industrial Park Sinking Funds and \$150,000 is currently sourced through Community Development Block Grant (CDBG) funds; and

WHEREAS, LIPCO has utilized these funds to facilitate significantly impactful projects such as the reuse of the former PACAL buildings for the expansion of Fowler & Hammer, the redevelopment of the 2nd and King Street area in downtown La Crosse, and the redevelopment of the former Trane Plant 6 site which is now home to 5th Ward Residences; and

WHEREAS, to date, LIPCO has paid the City approximately \$776,000 in interest-only payments; and

WHEREAS, largely due to the length of the City's partnership with LIPCO and the origination date of the first loan to LIPCO in 1998, as well as the different projects and events that occurred throughout this time, the existing loan documents and terms are administratively cumbersome and arguably outdated; and

WHEREAS, there remain future possibilities for LIPCO to further its mission, doing so in partnership and for the betterment of the City of La Crosse; and

WHEREAS, LIPCO's bylaws require the City Mayor to serve as one of the three LIPCO board members, providing oversight to LIPCO's operations and executive decision-making.

NOW, THEREFORE , BE IT RESOLVED that the Common Council of the City of La Crosse approves amending the loan terms as follows:

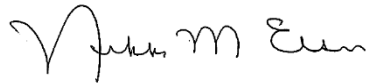
- Payments:
 - 3 years of 0% interest, beginning March 1, 2025
 - Beginning March 1, 2026, 2 years of quarterly principal payments at \$4,500
 - Beginning March 1, 2028, interest increases to 3%, with the remaining principal balance amortized with a 10-year payoff (i.e. loan to be paid back in full by March 1, 2038).
- In the event LIPCO is unable to resume principal and interest payments in March 2028, LIPCO will transfer the remaining balance of its liquid assets to the City.

BE IT FURTHER RESOLVED, that staff will facilitate the execution of an amended agreement with LIPCO that will include the above terms.

BE IT FURTHER RESOLVED that \$150,000 of Industrial Sinking Park Funds will be transferred to pay off the \$150,000 CDBG loan, leaving one internal City funding source: \$550,000 from Industrial Sinking Park Funds.

BE IT FURTHER RESOLVED that the Mayor and Director of Planning, Development and Assessment are hereby authorized to take any and all steps necessary to effectuate this resolution.

I, Nikki M. Elsen, certify that this resolution was duly and officially adopted by the Common Council of the City of La Crosse on February 13, 2025.

A handwritten signature in black ink, appearing to read "Nikki M. Elsen". The signature is fluid and cursive, with the first name "Nikki" being the most prominent part.

*Nikki M. Elsen, WCMC, City Clerk
City of La Crosse, Wisconsin*