



MINUTES OF THE COMMON COUNCIL - SPECIAL SESSION

TUESDAY, APRIL 08, 2025 AT 6:30 PM

COUNCIL ROOM, MUNICIPAL BUILDING, 450 S. MAIN ST., RICHLAND CENTER, WI 53581 & VIRTUALLY

CALL TO ORDER: Meeting was called to order by Mayor Coppernoll at 6:30 PM. Members present were Ron Fruit, Karin Tepley, Tom McCarthy, Melony Walters, and Steve Downs. Absent: Mark Chambers and Ryan Cairns.

APPROVAL OF AGENDA: Motion by Alderperson Tepley to approve the agenda as presented. Seconded by Alderperson Downs. Motion carried unanimously.

REVIEW RFP PROPOSALS: Director Glasbrenner recognized the contributions of Alderperson Karen Tepley, Candace Fagerlund, Ron Fruit, Rachel Schultz, and staff involved in the hotel development process. Two proposals were submitted: Cobblestone's Main Street product and a Grand Stay hotel from MarketPointe. Glasbrenner compared the two proposals, noting both offer high-quality, three to four-story products with similar amenities such as pools and fitness centers. Key differences include design flexibility: Cobblestone is more uniform, while GrandStay allows for customization. While financial data for comparison was limited, both proposals appear to have similar project costs. Cobblestone seeks \$1.4 million in Tax Increment Financing and land cost reductions, while MarketPointe has not requested incentives, pending an updated feasibility study for additional evaluation.

PRESENTATION FROM ANNA JAKUBEK OF COBBLESTONE HOTELS: Anna Jakubik, Vice President of Development at Cobblestone Hotels, presented an overview of the Main Street prototype design, which is specifically tailored for small-town America. This concept prioritizes a uniform guest experience across various locations. She provided a detailed description of the available room types, including suites and standard accommodation, as well as extended stay options. The design also incorporates local artwork to reflect the unique identity of each community. Furthermore, operational details were discussed, covering aspects such as construction, brand management, and the training of local general managers.

The Common Council requested feedback from those who attended location tours, and they highlighted several key observations. The breakfast room was characterized as bright and airy, benefiting from an abundance of natural light. Additionally, the interior design received commendation for its suite configurations, which include convertible furniture, as well as for the community-specific artwork. The pool area was recognized for its accessibility.

DISCUSSION WITH KAYLA THORPE OF EHLERS ON FINANCIAL INCENTIVES: Kayla Thorpe from Ehlers outlined the firm's method of analyzing confidential financial data from developers. This includes pro forma assessments, cash flow evaluations, and ROI calculations, focusing on comparing projected ROI (15-20% hotel industry standard) with and without public assistance. The analysis would consider factors such as construction costs and interest rates to assess the feasibility of public incentives. Concerns were raised over "undue enrichment" if public funds support developers already achieving standard returns, emphasizing the need to align financial assistance with actual project requirements.

CLOSED SESSION: The Common Council remained in open session to discuss options for a potential hotel project, stressing the importance of obtaining more detailed data to support informed decisions.

ADJOURNMENT: Motion by Alderperson McCarthy to adjourn. Seconded by Alderperson Tepley. Motion carried 5-0 at 8:55 PM.