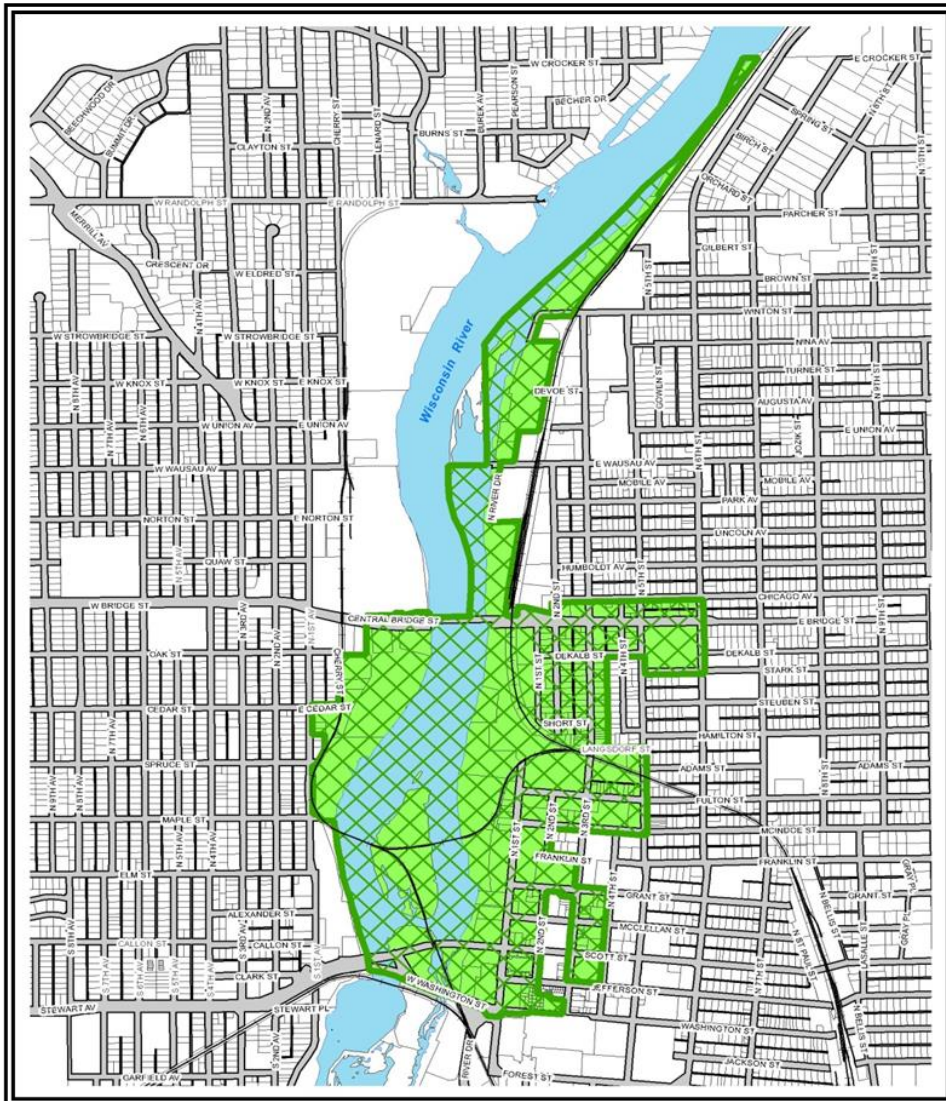


CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT



WAUSAU FINANCE

December 31, 2021

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

For the Year Ended December 31, 2021
From Date of Creation Through December 31, 2021

	Year Ended	From Date of Creation
PROJECT COSTS		
Capital expenditures	\$ -	\$ 60,196,894
Professional Services	\$ 10,773	\$ 5,072,337
Interest and fiscal charges	497,496	12,578,508
Discount on long-term notes	-	235,901
Debt issuance costs	-	353,522
Payment to refunded debt escrow	-	1,617,503
Administration	13,286	1,269,953
Developers grants/incentives	-	10,728,226
	\$ 521,555	\$ 92,052,844
PROJECT REVENUES		
Tax increments	2,580,791	\$ 32,173,928
Special assessment taxes	-	155,742
Special assessment interest income	-	8,912
Investment income	17	595,767
Exempt computer aid	69,202	2,460,558
Personal property aid	498,167	498,167
Subsidy from TID # 1 and TID# 2	-	8,564,738
Subsidy from TID #5	-	6,398,571
Grant income	178,728	7,894,864
Sale of property	2,501	679,514
Premium on long-term notes	-	642,563
Miscellaneous revenue	129,039	700,325
Donations	4,000	4,472,601
	\$ 3,462,445	\$ 65,246,250
NET COST RECOVERABLE THROUGH TAX INCREMENTS	<u>\$ (2,940,890)</u>	<u>\$ 26,806,594</u>
RECONCILIATION OF RECOVERABLE COSTS		
GO Debt		\$ 16,417,749
Transfers from other Funds		8,883,177
Less: Fund balance		<u>(1,505,668)</u>
NET COST RECOVERABLE THROUGH TID INCREMENTS		<u>\$ 26,806,594</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

HISTORICAL SUMMARY OF SOURCES, USES, AND STATUS OF FUNDS

For the Year Ended December 31, 2021
From Date of Creation Through December 31, 2021

	Year Ended	From Date of Creation
SOURCES OF FUNDS		
Tax increments	\$ 2,580,791	\$ 32,173,928
Special assessment taxes		155,742
Special assessment interest income		8,912
Investment income	17	595,767
Exempt computer aid	69,202	2,460,558
Personal property aid	498,167	498,167
Subsidy from TID # 1 and TID #2		8,564,738
Subsidy from TID #5		6,398,571
Grant income	178,728	7,894,864
Sale of property	2,501	679,514
Miscellaneous revenue	129,039	700,325
Transfer from other funds		
General Fund		8,361,431
CDBG Fund		521,746
Donations	4,000	4,472,601
Premium on long-term notes		642,563
Proceeds from long-term debt		80,751,657
Total Sources	\$ 3,462,445	\$ 154,881,084
USE OF FUNDS		
Capital expenditures		\$ 60,196,894
Professional Services	10,773	5,072,337
Interest and fiscal charges	497,496	12,578,508
Discount on long-term notes		235,901
Debt issuance costs		353,522
Payment to refunded debt escrow		1,617,503
Administration & organizational costs	13,286	1,269,953
Principal on long-term debt	2,183,498	63,400,740
Transfer debt proceeds to TID 8		933,168
Developers grants/incentives		10,728,226
Total Uses	\$ 2,705,053	156,386,752
BEGINNING FUND BALANCE	\$ (2,263,060)	\$ -
ENDING FUND BALANCE	\$ (1,505,668)	\$ (1,505,668)

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

DETAILED SUMMARY OF PROJECT COSTS

For the Year Ended December 31, 2021

	<u>Actual</u>	<u>Project Plan Estimate</u>
PROJECT COSTS		
Capital expenditures	47,990,983	\$ 36,839,303
Property acquisition	11,814,447	7,622,226
Relocation costs	391,464	1,603,000
Developers grants and incentives	10,728,226	1,150,000
Interest and fiscal charges	12,578,508	34,281,508
Discount on long term debt	235,901	-
Debt issuance costs	353,522	250,983
Payment to refunded escrow	1,617,503	-
Professional services	5,072,337	2,702,562
Administration and discretionary	1,269,953	1,550,000
TOTAL PROJECT COSTS	<u>\$ 92,052,844</u>	<u>\$ 85,999,582</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

ANNUAL SUMMARY OF SOURCES AND USES
From Date of Creation Through December 31, 2021

	16	17	18	19	20	21	22	23	24	25	26	27	28	Totals	Project Plan Estimate
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021		
PROJECT COSTS															
Capital expenditures	\$ 395,716	\$ 1,702,967	\$ 1,724,661	\$ 219,675	\$ 281,032	\$ 1,619,228	\$ 2,685,483	\$ 5,215,421	\$ 2,761,309	\$ 3,611,210	\$ 2,183,013	\$ 3,142,590	\$ -	\$ 47,990,983	\$ 36,839,303
Real property assembly costs		310,305	2,908,102	481,797	854,747	181,176	968,413	1,694,129	154,515					11,814,447	7,622,226
Relocation														591,464	1,603,000
Development grants/incentives			174,000	275,000	1,000			1,420,079	82,384	499,999	2,190,767			10,728,226	1,150,000
Interest and fiscal charges	702,756	648,366	621,181	1,053,734	474,988	329,733	377,440	386,961	585,673	577,624	610,721	542,587	497,496	12,578,508	34,281,508
Discount on long-term debt		4,741		11,191				46,316	66,676			10,430		235,901	
Debt issuance costs		7,312		21,980		9,351	52,373	35,154	33,838			9,324		353,522	250,983
Payment to refunded debt escrow														1,617,303	
Administrative (In-house) and Organizational	27,371	48,007	54,560	46,258	54,239	71,919	132,683	219,116	149,816	122,044	92,553	103,609	13,286	1,269,953	1,550,000
Professional services	13,156	2,814	61,740	69,790	155,553	467,077	822,478	58,774	421,682	59,841	120,837	39,475	10,773	5,072,337	2,702,562
Total Costs	\$ 1,138,999	\$ 2,724,512	\$ 5,544,244	\$ 2,179,425	\$ 1,821,559	\$ 2,678,484	\$ 5,038,870	\$ 9,075,950	\$ 4,255,893	\$ 4,870,718	\$ 5,197,891	\$ 3,848,015	\$ 521,555	\$ 92,052,844	\$ 85,999,582
PROJECT REVENUES															
Tax increments	\$ 1,922,136	\$ 1,913,174	\$ 1,962,727	\$ 1,919,739	\$ 1,764,433	\$ 1,752,528	\$ 1,868,669	\$ 2,108,433	\$ 2,214,568	\$ 2,324,996	\$ 2,771,677	\$ 2,646,873	\$ 2,580,791	\$ 32,173,928	
Exempt computer aid	251,579	108,497	160,063	162,395	87,197	69,682	71,240	66,602	66,588	67,567	93,383	330,376	69,202	2,460,558	
Intergovernmental grants				113,063	166,538	383,456	1,427,763	460,037	4,060	250,000		559,500	178,728	7,894,864	
Personal property aid													498,167		
Special assessments & charges	4,879	62,378	10,416	8,485	9,721	7,333	34	17,430	1,839	1,839				155,742	
Interest on special assessments	115	54	3,223	2,291	1,305	666		188						8,912	
Investment income	1,989	2,808	33	40,237				37,265	85,147		68,926	3,441	17	595,767	
Premium on long-term debt							82,307	459,446						642,563	
User fees and rental income							13,500	15,766				39,731	40,066	122,563	
Sale of Land								200,000						679,514	
Donations		122,763	977,617	864	22,000	15,279	700	692,300	1,666,750	904,650	36,200	66,757	4,000	4,472,601	
Miscellaneous			12,600				8,134		5,859	86,279	123,105	59,038	88,973	577,762	
Contribution from TID #2														1,944,153	
Contribution from TID #1														6,398,571	
Contribution from TID #5															
Total Revenues	\$ 2,886,828	\$ 3,902,789	\$ 3,396,378	\$ 2,269,074	\$ 2,081,617	\$ 2,228,944	\$ 3,464,213	\$ 5,021,203	\$ 4,212,870	\$ 4,988,997	\$ 5,346,250	\$ 3,462,445	\$ -	\$ 65,246,250	\$ -

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

ANNUAL SUMMARY OF SOURCES AND USES
From Date of Creation Through December 31, 2021

	1 1994	2 1995	3 1996	4 1997	5 1998	6 1999	7 2000	8 2001	9 2002	10 2003	11 2004	12 2005	13 2006	14 2007	15 2008
PROJECT COSTS															
Capital expenditures	\$ 9,966	\$ 181,352		356,771		\$ 60,766	\$ 85,878	\$ 3,761,279	\$ 1,188,593	\$ 13,801,314	\$ 918,800	\$ 98,129	\$ 1,279,812	\$ 1,461,540	\$ 789,842
Real property assembly costs	1,950,362						25,000						433,263	307,274	
Relocation	10,461									2,160	2,700			123,560	
Development grants/Incentives							750,000		252,583	1,758,625	2,652,480	132,520			
Interest and fiscal charges	53,253	72,157	58,771	58,771	52,268	77,686	48,759	71,184	71,184	176,903	707,527	1,449,724	815,816	775,451	753,451
Discount on long-term debt							86,479					3,506		6,562	
Debt issuance costs							58,507			17,856	15,118	40,428		6,990	741
Payment to refund debt escrow							1,617,503								
Administrative (In-house) and Organizational								157		21,834	28,504		188,653	49,012	142,788
Professional services	92,361	31,786	79,541	1,099,900	127,328	13,025	76,082	838,964							
Total Costs	\$ 92,361	\$ 2,055,828	\$ 366,370	\$ 1,572,079	\$ 196,583	\$ 78,781	\$ 130,089	\$ 2,672,126	\$ 6,141,250	\$ 16,617,656	\$ 4,325,129	\$ 1,724,307	\$ 2,717,544	\$ 2,779,804	\$ 1,686,822
PROJECT REVENUES															
Tax increments			\$ 40,926	\$ 10,998	\$ 13,909	\$ 25,163	\$ 40,161	\$ 47,151	\$ 78,603	\$ 206,394	\$ 296,392	\$ 632,340	\$ 831,571	\$ 992,593	\$ 1,207,183
Exempt computer aid							22,339	27,582	28,446	19,002	28,600	203,148	171,695	181,054	174,321
Intergovernmental grants									791,372	1,258,625		11,000			
Personal property aid															
Special assessments & charges															
Interest on special assessments															
Investment income															
Premium on long-term debt			25,705	31,128	119,437	10,490	7,854	12,388	7,854	30,471	31,900	17,075	65,158	30,499	14,036
User fees and rental income															
Sale of Land															
Donations										475,000					2,013
Miscellaneous									2,031	55,709	9,000	24,419	12,481	432	
Contribution from TID #2								392,198	690,243	686,173	679,709	710,142	696,683	675,390	711,825
Contribution from TID #1														174,128	1,770,025
Contribution from TID #5															
Total Revenues	\$ -	\$ -	\$ 2,066,631	\$ 42,126	\$ 133,346	\$ 35,653	\$ 62,500	\$ 479,319	\$ 1,598,549	\$ 2,731,374	\$ 1,045,601	\$ 1,598,124	\$ 1,777,588	\$ 2,054,096	\$ 3,913,700

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 1 – Tax Increment District Information:

The **City of Wausau** Tax Incremental District Number Three (the "District") was created under the provisions of Wisconsin Statute Section 66.1105. The purpose of that section is to allow a municipality to recover development and improvement costs in a designated area from the property taxes generated on the increased value of the property after the creation date of the district. The tax on the increased value is called tax increment.

Project costs may not be incurred longer than 5 years prior to the mandated termination date of the district. The statutes allow the municipality to collect tax increments until the net project cost has been fully recovered, or until 27 years after the creation date, whichever occurs first. Project costs uncollected at the dissolution date are absorbed by the municipality.

The State of Wisconsin legislature and Governor signed into law special enabling legislation that will provide several benefits including a 10-year extension on the expenditure and maximum life of the district along with one extra amendment.

Project plan and District objectives are:

- To eliminate predominantly open and under-utilized areas which contribute to blight in the Central Business District and impair the sound growth of the community.
- To help prevent the recurrence of blight and blighting conditions through public and private investments within the tax incremental district.
- To carry out “rehabilitation or conservation work”, as defined in 66.435(3).
- To enhance the property value and development potential of properties within and adjacent to the tax incremental district.
- To strengthen the economic well-being of the tax incremental district area and the Central Business District.
- To identify feasible and appropriate means of undertaking and financing the improvements outlined in this project plan.
- To increase employment opportunities available in the community.
- To increase total and per capita income in the community.
- To help implement the Redevelopment plan and any amendments to the plan.

	Creation Date	Last Date to Incur Project Costs	Final Dissolution Date
District # 6	9/1//1994	9/1/2026	9/1/2031

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 2 Long-term Debt

All general obligation notes and bonds payable are backed by the full faith and credit of the municipality. Notes borrowed to finance District expenditures will be retired by current available resources or by tax increments generated by the TIF fund. If those revenues are not sufficient, payments will be made by future tax levies.

	Original		Balance 12/31/2021
	Amount Borrowed	Repaid	
1995 State Trust Fund Loan	\$ 750,000	\$ 750,000	\$ -
1996 General Obligation Bonds	757,555	757,555	-
Mirman Promissory Note	300,000	300,000	-
McDevco Promissory Note	1,146,447	1,146,447	-
1997 General Obligation Note	4,000,000	4,000,000	-
1998 General Obligation Bonds	856,402	856,402	-
2001 General Obligation Note	475,800	475,800	-
2001 State Trust Fund Loan	1,617,503	1,617,503	-
2002 State Trust Fund Loan	2,415,665	2,415,665	-
2003 State Trust Fund Loan	2,617,794	2,617,794	-
2003 State Trust Fund Loan	5,057,592	5,057,592	-
2003 State Trust Fund Loan	3,908,949	3,908,949	-
2003D General Obligation Note	3,285,000	3,285,000	-
2004A General Obligation Note	643,534	643,534	-
2004 General Obligation Refunding Bond	13,445,000	13,445,000	-
2005B General Obligation Note	2,000,000	2,000,000	-
2007 General Obligation Note	1,396,190	1,396,190	-
2008 General Obligation Note	270,000	270,000	-
2009 General Obligation Note	320,000	320,000	-
2010A General Obligation Note	1,580,447	1,580,447	-
2012A General Obligation Note - Taxable	2,725,000	2,425,000	300,000
2012B General Obligation Note Refunding	6,280,000	6,280,000	-
2014B General Obligation Bonds	1,185,000	415,000	770,000
2015B General Obligation Bonds	1,420,000	395,000	1,025,000
2015C General Obligation Bonds - Taxable	2,655,000	710,000	1,945,000
2016B General Obligation Bond	3,315,000	655,000	2,660,000
2016C Taxable Note	2,556,832	1,578,862	977,970
2017B General Obligation Bond	6,405,000	1,090,000	5,315,000
2020D Promissory Note	1,175,000	110,000	1,065,000
Foundation Loan - Housing	600,000	600,000	-
Foundation Loan - Scott Street Property	1,609,779		1,609,779
Foundation Loan	1,530,000	1,530,000	-
Foundation Loan - Savo Supply	358,000	358,000	-
Foundation Loan - Riverfront Property Acquisition	750,000		750,000
	<u>\$ 79,818,489</u>	<u>\$ 63,400,740</u>	<u>\$ 16,417,749</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 2 Long-term Debt continued

Aggregate maturities of all long-term debt relating to the district is as follows:

Schedule of Maturities			
Year	Principal	Interest	Total
2022	2,483,498	494,287	2,977,785
2023	1,458,498	431,750	1,890,248
2024	1,500,571	392,295	1,892,866
2025	1,535,403	350,844	1,886,247
2026	2,934,779	309,928	3,244,707
2027	1,365,000	177,180	1,542,180
2028	1,410,000	135,370	1,545,370
2029	1,445,000	91,970	1,536,970
2030	1,375,000	48,601	1,423,601
2031	910,000	13,650	923,650
	<u>16,417,749</u>	<u>2,445,875</u>	<u>18,863,624</u>

NOTE 3 - Valuation and Increment of the district

The annual valuation and percentage change and the tax increment by year is as follows:

YEAR	VALUATION	% INCREASE	INCREMENT
1994	\$ 9,719,600		
1995	10,989,700	13.07%	
1996	10,100,700	-8.09%	\$ 40,926
1997	10,195,800	0.94%	10,998
1998	10,596,400	3.93%	13,909
1999	11,130,900	5.04%	25,163
2000	11,377,100	2.21%	40,161
2001	17,246,000	51.59%	47,151
2002	21,877,500	26.86%	78,603
2003	25,324,400	15.76%	206,394
2004	37,527,900	48.19%	296,392
2005	46,201,500	23.11%	632,340
2006	54,013,600	16.91%	831,571
2007	61,948,100	14.69%	992,593
2008	122,085,200	97.08%	1,207,183
2009	116,758,800	-4.36%	1,922,136
2010	115,776,400	-0.84%	1,913,174
2011	113,527,400	-1.94%	1,962,727
2012	107,384,900	-5.41%	1,919,739
2013	106,038,900	-1.25%	1,764,433
2014	113,066,800	6.63%	1,752,528
2015	119,919,400	6.06%	1,868,669
2016	123,438,200	2.93%	2,108,433
2017	128,565,800	4.15%	2,214,368
2018	146,621,800	14.04%	2,324,996
2019	143,102,900	-2.40%	2,771,677
2020	145,034,800	1.35%	2,646,873
2021	154,854,600	6.77%	2,580,791

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

The amount to be generated in 2022 is \$2,926,879.

NOTE 5 - Designation as Donee District

During 2001, the City of Wausau Common Council amended the project plan for Tax Incremental District Number Two to authorize the allocation of positive tax increments of that district to Tax Incremental District Three for a period not to exceed five years.

On April 30, 2004, the Joint Review Board approved Amendment Number Two for Tax Increment District Number Two and Amendment Number One for Tax Increment District Number One. Each of these amendments authorized a five-year donation period of positive tax increments to Tax Increment District Number Three. These donation periods are 2004 through 2008 for Tax Increment District Number One, and 2006 through 2010 for Tax Increment District Number Two.

Tax Increment District Five was amended by the Wausau Common Council in December 2015 to serve as a donor district for a five-year period beginning in 2016.

A summary of the donor district contributions is:

Year	Amount Allocated From TID #1	Amount Allocated From TID #2	Amount Allocated From TID #5
2001		\$ 392,198	
2002		690,243	
2003		686,173	
2004		679,709	
2005		710,142	
2006		696,683	
2007	174,128	675,390	
2008	1,770,025	711,825	
2009		685,107	
2010		693,115	
2011			
2012			
2013			
2014			
2015			
2016			1,434,277
2017			1,321,470
2018			1,300,537
2019			1,119,579
2020			1,222,708
Total	<u>\$ 1,944,153</u>	<u>\$ 6,620,585</u>	<u>\$ 6,398,571</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 6 - Contributions from Other Funds

The General Fund and Community Development Block Grant Fund contributed equity transfers to provide additional offsets against any operating deficits. Should generated revenues within the District be sufficient, these contributions will be returned to the respective funds.

General Fund	\$ 8,361,431
Community Development Block Grant Fund	<u>521,746</u>
 Total	 <u>\$ 8,883,177</u>

NOTE 7 - Amendment to District

Tax Increment District Three was amended by the Joint Review Board on August 25, 2000. This amendment added territory and additional projects to the district.

Tax Increment District Three was amended by the Joint Review Board on December 14, 2006. This amendment added territory and additional projects to the district.

Tax Increment District Three was amended by the Joint Review Board on August 10, 2010. This amendment modified the project plan to allow project costs of \$802,500 for River Edge Trail improvements located outside the district within a one-half mile radius of the district’s boundaries.

Tax Increment District Three was amended in December 2015. This amendment modified the project plan to allow project costs of \$16,634,988. The major project costs relate to loans of \$12,100,000 for the Wausau Center Mall redevelopment and related financing costs. This amendment was withdrawn by the Wausau Common Council in 2016.

Below is a summary of the project plan and amendments:

	TAX INCREMENT DISTRICT NUMBER THREE				
	PLAN	AMENDMENTS			TOTAL
#1		#2	#3		
Capital expenditures	29,172,700	2,961,953	3,902,150	802,500	36,839,303
Property acquisition	4,135,976	2,011,250	1,475,000		7,622,226
Relocation costs	923,000	480,000	200,000		1,603,000
Developers grants and incentives			1,150,000		1,150,000
Interest and fiscal charges	27,778,376	4,195,882	2,307,250		34,281,508
Discount on long term debt					-
Debt issuance costs	154,747	96,236			250,983
Payment to refunded escrow					-
Professional and contractual services	2,355,962	146,600	200,000		2,702,562
Administration and discretionary	400,000	250,000	900,000		1,550,000
	<u>64,920,761</u>	<u>10,141,921</u>	<u>10,134,400</u>	<u>802,500</u>	<u>85,999,582</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 8 – Developer Agreements

In August of 2000, the City of Wausau entered into a developer agreement with Cedar Creek Foods, LLP. The development entailed the construction of a 68,000 square foot grocery store on blighted riverfront property. In exchange, the city agreed to pay Cedar Creek Foods, LLP an amount not to exceed \$750,000 for storm sewer main improvements. In addition, the city made the following public improvements: relocate power poles and improve the Bridge Street intersection including the installation of traffic signals.

On July 15th, 2002, the City of Wausau entered into a developer agreement with Wausau Benefits, Inc., and Opus North Corporation. The development entailed the construction of a 98,000 square foot prime office building within Downtown Wausau. The city transferred land for the development, constructed two public parking lots, a parking garage, sky walk and tower to provide connectivity of the garage and building. In addition, the city provided a cash donation of \$2,049,997.

The City of Wausau, on September 13, 2005, entered into a developer agreement with Dudley Investments, LLC. The development entailed the construction of a 100,000 square foot office building with costs estimated between \$14,000,000 to \$15,000,000. The city has agreed to provide permit parking for 500 workers downtown, construct a skywalk and provide environmental remediation and necessary upgrades to street, sidewalk, street lighting and utilities. The construction of the skywalk represents an outstanding obligation of the district.

On June 13, 2006, the City of Wausau entered into a developer agreement with Doctors Park, LLP, and the Eye Clinic of Wisconsin SC. The development entailed the construction of a 53,500 square foot medical facility with costs estimated to be \$15,000,000. The city agreed to assist with environmental remediation in amount not to exceed \$300,000. In addition, the city agreed to provide necessary upgrades and modifications to streets, sidewalk, street lighting and utilities. The city also agreed to raze the building located at 814 N 1st Street.

On October 10, 2006, the City of Wausau entered into a developer agreement with City Center Investors III, LLP to construct a hotel, banquet, retail, and residential condominium development in Downtown Wausau. In exchange for the construction of this facility the city agreed to make several public infrastructure improvements including relocate an electrical substation, construct a public parking lot skywalk and tower connecting to the Jefferson Ramp to the Hotel facility.

On November 14, 2006, the City of Wausau entered a partnership with the Wausau School District to cost share the acquisition demolition and improvement of blighted properties on the block bounded by Stark, Bridge, Sixth and Fifth Streets for the purpose of incorporating the property into the Franklin Elementary School Campus. The City's obligation includes \$500,000 of financial assistance, and \$200,000 of resources for demolition of buildings.

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 8 – Developer Agreements continued

On December 22, 2008, the City of Wausau entered into a development agreement with Trolley Quarter Flats Limited Partnership. The development entails the redevelopment of properties located at 1502 and 1506 North 1st Street into a 40-unit affordable tax credit apartment housing project. In exchange for the project the city agreed to provide the developer with a \$174,000 17-year loan, a \$250,000 30-year HOME program loan and a CDBG grant of \$26,000.

On January 31, 2011, the City of Wausau entered into an agreement with Metro Plains Partners LLC. The development provides for the conversion of the Federal Building into approximately 20 loft style apartments with gallery space. The City will lease the property to Metro Plains Partners for a term of 50 years. The lease requires annual lease payments of \$14,000 subject to an annual inflator of 2%. The city will provide seven parking spaces abutting the building. Finally, the city will facilitate the project through a loan in an amount not to exceed \$75,000. This loan is amortized over a 30-year period with 0% interest.

On February 14th, 2012, the City of Wausau entered into a development agreement with Collaborative Consulting LLC. Collaborative Consulting agreed to create an information technology site in Wausau and create 200 full time jobs. In exchange the city provided them with a \$200,000 developers grant and \$1,000 in grants to up to ten employees locating within Tax Increment District Number Three. The total grant funds expended on December 31, 2016, is \$202,000.

On December 28, 2015, the City of Wausau and Van-Smiling Eyes, LLC doing business as Wausau on the Water executed a development agreement for the construction of a commercial building on the City's riverfront property. Van-Smiling Eyes will own and operate the restaurant/entertainment facility and will enter a long-term ground lease with the city. In addition, they agree to employ 8 new FTE equivalent jobs and 32 part time equivalent jobs by December 31, 2017. To facilitate the project the city provided certain development incentives including construction of public parking, a grant for building foundation work in the amount of \$271,000; a grant for landscaping of \$54,000 and two loans totaling \$804,000. Loan 1 of \$521,000 requires equal monthly principal and interest payments beginning 9/1/2017 based upon a 15-year amortization period with interest at 2.75%. Loan 2 of \$283,000 requires monthly principal and interest commencing September 1, 2017, based on a twenty-year amortization period. Interest is deferred for eighteen months and is equal to the City's borrowing rate.

On January 28, 2016, the City of Wausau executed a development agreement with Metroplains Partners LLC for the redevelopment of the Savo Supply building located at 1418 N 1st Street. The developer committed to purchasing the property from the City for \$200,000 and redeveloping the property into apartments.

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 8 – Developer Agreements continued

On April 12, 2016, the Wausau Common Council authorized the sale of 1.9 acres of city owned property located along the North Third Street corridor to Blenker Companies Inc. for \$1. Blenker Companies Inc. will construct approximately 30 residential units at a projection construction cost of \$4.6 million. In addition, the city agreed to offer a \$500,000 0% interest with a principal balloon payment of the earlier of completion of construction or 1/1/2021. \$50,000 of the loan will be forgiven when \$4,000,000 in actual construction costs have been completed. Up to \$230,000 of the loan will be forgiven based upon developer’s costs to acquire and raze additional adjacent properties.

The Wausau Common Council approved the acquisition and lease of a downtown city block from the Resurrection Parish. The purchased portion of the block is to be used for parking including but not limited to a parking lot or mixed-use parking ramp. The city entered a 10-year lease with four 10-year renewal options at an annual rent of \$1. This portion of the property shall be developed by the City into 20 parking stalls and a public park or similar green space.

On July 12, 2016, the Wausau Common Council authorized a developer agreement with Frantz Community Investors – Riverlife Villages for the development of city-owned riverfront property. The development plan includes apartment buildings, townhomes, and mixed-use commercial buildings. In exchange for this the development the City will provide 85-year ground lease for the property, construction of the extension of Fulton Street, utilities, and parking along with providing a \$250,000 grant for foundation work and \$1,250,000 loan for 15 years at 0% interest for phase 1 residential of the project and \$990,000 loan for 15 years at 0% interest and \$250,000 foundation grant for the mixed-use building. Loan repayment will be financed through increment forgiveness. This agreement is in default and the City is working to engage alternate developers to complete the project under similar terms and conditions.

On June 28, 2019, the city entered into an agreement with Riverlife Wausau LLC to construct multifamily housing and a mixed-use building on the existing foundations constructed with the Riverlife Village project. The agreement contains provisions for lease or sale of the land, a forgivable loan of \$242,233 and a tax increment grant of up to \$100,000.

DEVELOPER PAYMENTS

		Authorized	Paid
Pick N Save Development	Grant	\$ 750,000	\$ 750,000
Wausau Benefits Development	Grant	2,050,000	2,049,997
Collaborative Consulting	Grant	200,000	200,000
Collaborative Consulting - Housing	Grant	10,000	2,000
Federal Building Redevelopment LLP	Loan	75,000	75,000
Trolley Quarter Flats LLP	Loan	174,000	174,000
Wausau Gateway Hotel	Grant	3,285,000	3,285,000
Wausau on the Water	Grant/Loan	1,129,000	1,129,000
Blenker Companies, Inc.	Loan	500,000	499,999
Frantz Community Investors - Riverlife Villages	Grant/Loan	2,740,000	372,463
Riverlife Wausau LLC	Grant/Loan	342,233	-
		\$ 11,255,233	\$ 8,537,459
Total To Date		\$ 11,255,233	\$ 8,537,459

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

NOTE 8 – Developer Agreements continued

The amount of developer loans outstanding on December 31, 2021, is:

Metro Plains	\$ 75,000
Trolley Quarter Flats	127,609
Wausau On Water	688,987
Blenker Construction	<u>255,000</u>
Total Outstanding	<u>\$ 1,146,596</u>

CITY OF WAUSAU TAX INCREMENT DISTRICT NUMBER THREE

ANNUAL REPORT

CASH FLOW PROJECTION

Year	USES OF FUNDS				SOURCES OF FUNDS						Annual Surplus (Deficit)	Accumulated Balance	
	Total Annual Debt Service Existing Issues	Administrative, Consulting Services and Other Costs	Developer Incentives	Capital Expenditures	Debt Proceeds	Other Income	Advance From Other Funds	Donated Increment	Grant & Donation Income	Tax Increment			
ACTUAL													
1994				\$92,361			\$92,361					\$0	\$0
1995	\$172,413			\$2,002,575	\$2,196,447		\$237,495					\$258,954	\$258,954
1996	\$2,038,966	\$13,210		\$260,893	\$757,555	\$25,705		\$2,000,000	\$40,926			\$511,117	\$770,071
1997	\$185,232	\$48,599		\$1,456,671	\$4,000,000	\$31,128			\$10,998			\$2,351,624	\$3,121,695
1998	\$4,047,263	\$585		\$127,328	\$856,402	\$119,437			\$13,909			(\$3,185,428)	(\$63,733)
1999	\$510,334	\$1,095				\$10,490			\$25,163			(\$475,776)	(\$539,509)
2000	\$249,696			\$73,791		\$22,339			\$40,161			(\$260,987)	(\$800,496)
2001	\$1,820,137		\$750,000	\$110,878	\$2,093,303	\$39,970	\$750,000	\$392,198	\$47,151			\$641,607	(\$158,889)
2002	\$250,875	\$157	\$791,372	\$5,278,537	\$2,415,665	\$38,331	\$2,669,163	\$690,243	\$791,372	\$78,603		\$362,436	\$203,547
2003	\$956,762	\$21,834	\$1,758,625	\$14,642,438	\$16,399,335	\$580,182	\$1,012,805	\$686,173	\$1,258,625	\$206,394		\$2,763,855	\$2,967,402
2004	\$15,106,609		\$2,652,480	\$950,004	\$14,088,534	\$69,500	\$1,034,594	\$679,709		\$296,392		(\$2,540,364)	\$427,038
2005	\$2,533,076		\$132,520	\$98,129	\$2,000,000	\$244,642	\$957,397	\$710,142	\$11,000	\$632,340		\$1,791,796	\$2,218,834
2006	\$2,975,010			\$1,301,728		\$249,334	\$1,109,287	\$696,683		\$831,571		(\$1,389,863)	\$828,971
2007	\$3,122,630	\$49,012		\$1,941,789	\$1,396,190	\$211,985	\$1,020,075	\$849,518		\$992,593		(\$643,070)	\$185,901
2008	\$2,439,384			\$932,630	\$270,000	\$224,667		\$2,481,850		\$1,207,183		\$811,686	\$997,587
2009	\$2,413,435	\$27,371		\$408,872	\$320,000	\$258,562		\$685,107	\$21,023	\$1,922,136		\$357,150	\$1,354,737
2010	\$2,461,237	\$48,007		\$2,016,086	\$1,580,447	\$173,737		\$693,115	\$122,763	\$1,913,174		(\$42,094)	\$1,312,643
2011	\$2,614,684	\$54,560	\$174,000	\$4,694,503		\$186,335			\$1,247,316	\$1,962,727		(\$4,141,369)	(\$2,828,726)
2012	\$8,485,562	\$46,258	\$275,000	\$771,262	\$9,005,000	\$235,408			\$113,927	\$1,919,739		\$1,695,992	(\$1,132,734)
2013	\$2,815,752	\$54,239	\$1,000	\$1,291,332	\$1,108,000	\$150,646			\$166,538	\$1,764,433		(\$972,706)	(\$2,105,440)
2014	\$2,627,195	\$71,919		\$2,267,481	\$1,595,000	\$92,960			\$383,456	\$1,752,528		(\$1,142,651)	(\$3,248,091)
2015	\$2,224,813	\$132,683		\$4,476,374	\$4,075,000	\$167,081			\$1,428,463	\$1,868,669		\$705,343	(\$2,542,748)
2016	\$2,123,431	\$219,116	\$1,420,079	\$6,968,324	\$8,414,779	\$88,236		\$1,434,277	\$1,152,337	\$2,108,433		\$2,467,112	(\$75,636)
2017	\$3,052,086	\$571,498	82,384	2,915,824	\$6,405,000	\$806,414		\$1,321,470	\$1,666,750	\$2,214,368		\$5,792,210	\$5,716,574
2018	\$3,435,523	\$122,044	\$499,999	3,671,051		\$241,020		\$1,300,537	\$1,154,650	\$2,324,996		(\$2,707,414)	\$3,009,160
2019	\$3,253,789	\$92,553	2,190,767	2,303,850		\$285,414		\$1,119,579	\$36,200	\$2,771,677		(\$3,628,089)	(\$618,929)
2020	\$3,589,286	\$1,036,777		\$3,182,065	\$1,235,573	\$432,586		\$1,222,708	\$626,257	\$2,646,873		(\$1,644,131)	(\$2,263,060)
2021	\$2,680,994	\$13,287		\$10,773		\$698,927			\$182,728	\$2,580,791		\$757,392	(\$1,505,668)
ESTIMATED													
2022	\$2,977,785	\$35,150				\$433,477				\$2,926,879		\$347,421	(\$1,158,247)
2023	\$1,890,248	\$35,000				\$390,376				\$2,800,000		\$1,265,128	\$106,881
2024	\$1,892,866	\$35,000				\$390,376				\$2,346,873		\$809,383	\$916,264
2025	\$1,886,247	\$35,000				\$390,376				\$2,346,873		\$816,002	\$1,732,266
2026	\$3,244,707	\$35,000				\$455,376				\$2,346,873		(\$477,458)	\$1,254,808
2027	\$1,542,180	\$35,000				\$390,376				\$2,346,873		\$1,160,069	\$2,414,877
2028	\$1,545,370	\$35,000				\$390,376				\$2,346,873		\$1,156,879	\$3,571,756
2029	\$1,536,970	\$35,000				\$390,376				\$2,346,873		\$1,165,279	\$4,737,035
2030	\$1,423,601	\$35,000				\$390,376				\$2,346,873		\$1,278,648	\$6,015,683
2031	\$923,650	\$35,000				\$390,376				\$2,346,873		\$1,778,599	\$7,794,282
	\$ 97,049,798	\$ 2,974,954	\$10,728,226	\$ 64,247,549	\$80,212,230	\$ 9,696,897	\$ 8,883,177	\$ 14,963,309	\$12,363,405	\$56,675,791			