



OFFICIAL NOTICE AND AGENDA

of a meeting of a City Board, Commission, Department, Committee, Agency, Corporation, Quasi-Municipal Corporation, or sub-unit thereof.

JOINT MEETING: FINANCE COMMITTEE and ECONOMIC DEVELOPMENT COMMITTEE

Date/Time: **Tuesday, April 11, 2023 at 5:15 PM**

Location: **City Hall (407 Grant Street) - Council Chambers**

Finance Members Lisa Rasmussen, Doug Diny, Carol Lukens, Michael Martens, Sarah Watson

ED Members: Sarah Watson, Chad Henke, Lisa Rasmussen, Carol Lukens Tom Kilian

AGENDA ITEMS

Joint Items

- 1 Discussion and possible action regarding Tax Incremental District No. 3 Project Plan Amendment in Order to Add Projects and Project Costs
- 2 Discussion and possible action regarding Tax Incremental District No. 8 Project Plan Amendment in Order to Add Projects and Project Costs
- 3 Discussion and possible action regarding Tax Incremental District No. 12 Project Plan Boundary Amendment in Order to Subtract Territory and Add Projects and Project Costs
- 4 Discussion and possible action approving Development Agreement with S.C. Swiderski, LLC at Riverlife Lots 6, 7, and 8 (Fifrick S.C. Swiderski Rep)
- 5 Discussion and possible action approving Offer to Purchase County Materials property at 103, 105, 111 Winton Street and that portion of 402-406 Winton Street lying west of the railroad tracks and related budget modification (Brodek)
- 6 **CLOSED SESSION** pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: relating to approval of SCS Wausau, LLC Development Agreement
- 7 **CLOSED SESSION** pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session: relating to approval purchasing properties located at 103, 105, 111 Winton Street and portion 402-406 Winton Street lying west of the railroad tracks

RECONVENE into Open Session

ED Adjourns

Finance items:

- 8 Minutes of the previous meeting(s): (3/28/23)
- 9 Discussion and Possible Action to Approve Starting Wage Increases and Promotions at the Beginning of the Pay Period.
- 10 Discussion and Possible Action to Classify Newly Created Fleet Analyst Position (Approved in 2023 Budget).
- 11 Discussion and possible action on Production Agreement between Wausau School District Board of Education and Administration and City of Wausau
- 12 Discussion and possible action regarding budget modification request to reallocate 2022 CIP funds (Police Dept)
- 13 Discussion and possible action on authorizing the write-off of certain uncollectible delinquent personal property tax accounts from the City's accounting records

Adjourn

Lisa Rasmussen, Finance Chair

Sarah Watson, ED Chair

NOTICE: It is possible and likely that members of, and possibly a quorum of members of the Committee of the Whole or other committees of the Common Council of the City of Wausau may be in attendance at the above-mentioned meeting. No action will be taken by any such groups.

Members of the public who do not wish to appear in person may view the meeting live over the internet, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at <https://tinyurl.com/WausauCityCouncil>. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with "Finance Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom 4/06/23 at 4:00 PM

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6622 or ADAServices@ci.wausau.wi.us to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

Other Distribution: Media, (Alderspersons: Kilian, Gisselman, McElhaney, Herbst, Larson, Henke), *Rosenberg, *Jacobson, *Groat, Department Heads



TO: PLAN COMMISSION MEMBERS

FROM: MARYANNE GROAT

DATE: April 5, 2023

RE: TID 3, 8 and 12 Amendments

Attached are Tax Increment District Project Plan Amendments for districts 3, 8 and 12. The amendments require the following reviews and approvals:

- Joint Review Board initial meeting
- Finance and ED Committee April 11
- Plan Commission public hearing and approval April 18
- Common Council approval April 25
- Joint Review Board approval April 27

I have highlighted the significant changes proposed in each amendment below. If you recall these are plans. They do not represent budgets nor do they authorize spending. Each plan provides a map and spending plan.

TID 3 – This is a downtown blight district. The plan amendment adds projects as follows:

Parking \$2,500,000

- Demolition of the McClellan Parking Ramp and related parking lot construction.
- Parking lot expansion and improvements to support riverfront activity and Athletic Park

Land Acquisition \$2,200,000

- Land acquisition to the north of city-owned property formerly Great Lakes Cheese and MBX property on the west side of the river

Street Improvements \$2,400,000

- Street reconstruction Fulton Street from N 1st Street to N 7th Street
- Street construction 1st Street/River Drive from McIndoe Street – 300' N of Fulton Street

Trail Development \$1,950,000

- River Edge Trail development MBX – North, Graphic Packaging and MBX – South and North to Gilbert Park

Site Work and Remediation \$1,000,000

- Site remediation, demolition of Dive Point, Wausau Chemical, Water Plant and MBX

Developer Incentives \$600,000

- Developer incentives

TID 8 – This district is a rehabilitation/conservation district located within the near west side. The plan amendment adds projects as follows:

- Reconstruction of 17th Avenue from Stewart to Elm St including utilities \$2,700,000
- Washington Street Siphon Project and retaining wall. \$850,000
- N 8th Avenue Reconstruction including utilities. \$1,500,000
- Other street improvements \$1,050,000

TID 12 – This district is a rehabilitation/conservation district located within the downtown. The plan is a territory subtraction. The subtraction will remove 29 parcels and add 7 parcels. The added parcels represent the mall and sears footprint.

- Streets, pedestrian and utilities construction \$6,775,253
- Remediation \$1,314,000
- Parking Improvements to the Sears and Penneys Ramps \$725,000
- Developer Incentives TWall \$10,800,000
- Developer Incentives Swiderski \$9,277,000

CITY OF WAUSAU TAX INCREMENT DISTRICT THREE PROJECT PLAN AMENDMENT #5

Economic Development Committee: April 6, 2023

Finance Committee: April 6, 2023

Joint Review Board - Initial Meeting: April 18, 2023

Plan Commission: April 18, 2023

Common Council: April 25, 2023

Joint Review Board: April 27, 2023

PLAN DRAFT DATE:

4/4/2023

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TYPE AND GENERAL DESCRIPTION OF THE DISTRICT

This document is the FIFTH amendment to the *Tax Incremental Finance District No. 3 Project Plan*. Tax Incremental District No. 3 is an existing blight district, which was approved by the Wausau Common Council on September 1, 1994.

Major components of the existing modified plan include:

- Riverfront redevelopment and renewal
- Residential blight elimination
- Parking improvements
- Commercial development and redevelopment
- Public infrastructure improvements

The district boundaries have been amended in 2000, 2007 and in 2020.

The district projects were amended in 2000, 2007 and 2013.

The district received special legislation in 2013 within Wisconsin Act 32 which enabled the district to undergo five territory amendments and extended the maximum life and expenditure period by ten years.

AMENDMENT 5 PURPOSE AND SUMMARY

This amendment furthers the original goals of the district by supporting additional riverfront redevelopment, environmental remediation riverfront industrial sites, extending the river Edge trail, supporting downtown parking capital improvements, reconstruction of downtown streets. The plan amendment adds project costs within the district and the ½ mile radius including:

- Demolition of the McClellan Parking Ramp and related parking lot construction.
- Parking lot expansion and improvements to support riverfront activity and Athletic Park
- Land acquisition to the north of city-owned property formerly Great Lakes Cheese and MBX property on the west side of the river
- Street reconstruction Fulton Street from N 1st Street to N 7th Street
- Street construction 1st Street/River Drive from McIndoe Street – 300' N of Fulton Street
- River Edge Trail development MBX – North, Graphic Packaging and MBX – South and North to Gilbert Park
- Site remediation, demolition of Dive Point, Wausau Chemical, Water Plant and MBX
- Developer incentives

EXPECTED TERMINATION

Based upon current law, Tax Incremental District Three expenditure period ends in 2027 with the termination required in 2031.

SUMMARY OF FINDINGS

As required by s.66.1105 Wisconsin Stats., and as documented in the original project plan along with this amendment and the related attachments contained and referenced herein, the following findings are made:

1. **That the “but for” amendment of the Project Plan, the development projected to occur as detailed in the Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the city.** In making this determination the city has considered the following:
 - The original findings of the Project Plan for TID #3 are all still valid and are hereby referenced and incorporated into this amendment.
 - The projects contemplated by the plan amendment are necessary to fully achieve the goals of the District Project Plan including rehabilitation of the area, riverfront renewal and remediation, creation of new tax base and other economic benefits.
 - Financial support on infrastructure neutralizes cost obstacles and allows the City to continue to commit to renewal efforts.
2. **The economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the costs of the improvements.** In making this determination, the City considered the following information: As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are sufficient to pay for the proposed Project Costs. On this basis alone, the finding is supported.
3. **The benefits for the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** The project costs of the district relate to promoting development and redevelopment in the district. Redevelopment brings more tax base and economic activity which will support and grow existing and new businesses.
4. **The improvements made within the district are likely to significantly enhance all other real property values.** Redevelopment of property and elimination of blight improves the marketability and demand for surrounding properties.
5. **The project costs relate directly to the blight objective of the original district.**
6. **The city estimates that less than 35% of the territory within the district, as amended, will be devoted to retail business at the end of the district’s maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6) (am)1.**
7. **The equalized value of taxable property of the amendment area plus the value increment of all existing tax incremental district within the City does not exceed 12% of the total equalized value of taxable property within the City.** This is not applicable as the no boundary amendment is proposed.
8. **The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.**

STATEMENT OF KIND, NUMBER AND LOCATION OF THE PROPOSED PUBLIC WORKS OR IMPROVEMENTS WITHIN THE DISTRICT OR THE ½ MILE RADIUS

A list of improvements contained in the original plan include the following:

1. **STREETS.** The city will construct and or reconstruct certain streets, alleys, access drives, and parking areas. Eligible project costs include, but are not limited to, excavation; removal or placement of fill; construction of road base; asphalt, concrete or brick paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts and catch basins; retaining walls; utility relocation and burying overhead utility lines; conventional or decorative street lighting; enhancement, construction or reconstruction

- of median areas; installation or replacement of traffic signals and traffic signs; pavement marking; right-of-way restoration and installation of fences, berms and landscaping.
2. **PROPERTY ACQUISITION FOR DEVELOPMENT AND/OR REDEVELOPMENT.** To promote and facilitate development or redevelopment of both residential and commercial properties and to further the objective of blight elimination, the City may contribute to the acquisition of property within the district and the half-mile radius. The cost of property acquired, and any costs associated with the transaction are eligible costs. Transactional costs include costs such as fee title, easements, appraisals, consultant, and broker fees, closing costs, surveying, and mapping. Following acquisition, other project costs may be incurred to make the project suitable for development/redevelopment. If total project costs incurred by the City to acquire and prepare the site for development/redevelopment exceed the revenues or other consideration received from the sale or lease of the property, the deficit amount shall be considered “real property assembly costs” as defined in State Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible project cost. The city seeks to purchase strategic sites on the river that will allow the city to expand the river edge trail and promote redevelopment.
 3. **ENVIRONMENTAL AUDITS AND REMEDIATION.** Any cost incurred by the City related to environmental audits, testing, and remediation is eligible project costs.
 4. **DEMOLITION AND SITE WORK.** Development and redevelopment of the area may require site preparation such as demolition, grading, fill, construction of retaining walls and other activities related to modifying property to make it suitable for private sector development or redevelopment. This may include the demolition of the Dive Point building, Wausau Chemical and Water Plant facilities.
 5. **ACQUISITION OR RIGHTS-OF-WAY.** The City may need to acquire property to allow for installation of street access, driveways, sidewalks, utilities, stormwater management practices, river edge development or other public infrastructure.
 6. **ACQUISITION OF EASEMENTS.** The city may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices, river edge development or other public infrastructure.
 7. **WATER, SEWER, AND STORMWATER IMPROVEMENTS** - to allow for development and/or redevelopment to occur the city may need to construct, alter, rebuild, or expand utility infrastructure within the district. Eligible project costs would include but are not limited to the following: distribution and collection mains; manholes clean out and valves; hydrants; service laterals; interceptor sewers; stormwater infiltration, filtration, and detention; and all related appurtenances.
 8. **ELECTRICAL SERVICE.** To assure a site is suitable for development or redevelopment, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines.
 9. **GAS SERVICE.** To create sites suitable for development or redevelopment, the City may incur costs to provide, relocate or upgrade gas mains and services.
 10. **COMMUNICATION INFRASTRUCTURE.** To create sites suitable for development or redevelopment, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to, telephone lines, cable lines and fiber optic cable.
 11. **PARKING ENHANCEMENTS AND INFRASTRUCTURE.** The existing plan included the construction, reconstruction, and demolition of existing infrastructure if necessary. Parking infrastructure includes surface parking lots and parking ramps, skywalks and related parking enforcement, metering, and revenue systems. The McClellan Ramp has reached end of life. Parking engineers are recommending that facility be razed in the very near future. Covid and the demolition of the mall have significantly reduced parking demand in the downtown. While the other parking facilities provide an ample supply of parking; convenience is a factor in

visitor, employee, and business parking satisfaction. The costs added to this plan will fund the demolition of the McClellan Ramp, landscaping, expansion of surface parking in the area and other parking costs. In addition, the city expects to provide additional parking amenities in the north riverfront area to support riverfront visitors and Athletic Park fans. Some of these expenses will be within the half-mile radius of the district.

12. **STREETSCAPING AND LANDSCAPING.** The city will provide landscaping and streetscape to improve the aesthetics and attract quality development.
13. **RIVER EDGE TRAIL EXPANSION AND ENHANCEMENTS.** The city may construct bike and pedestrian trails to the areas noted as opportunities allow and improve existing infrastructure as necessary this may include easement acquisition. Several areas are denoted for trail improvements on the map. These areas will connect existing sections to provide longer hiking opportunities. In addition, the proposed land acquisition on the north riverfront will allow for connectivity to Gilbert Park and connect sections of the trail on the westside of the river. These expenditures may occur anywhere along the trail so long as it is within the district boundaries or ½ mile radius.
14. **CASH GRANTS AND DEVELOPMENT INCENTIVES.** The City may enter into development agreements with property owners or developers for the purpose of sharing costs and eliminating financing to encourage the desired kind of improvements, eliminate blight and assure sufficient tax base is generated to recover project costs. No cash grant will be provided until a development agreement is executed with the recipient of the cash grant. Funds may be provided in the form of a cash grant, forgivable loan, direct loan, loan guarantee or “Pay-As-You-Go” financing. Such funds may be provided at terms appropriate to, and as demonstrated to be required by the proposed economic development and or housing project. Specific areas that have redevelopment potential are highlighted on the map in yellow.
15. **PROFESSIONAL SERVICE.** Including but not limited to engineering, architectural, planning studies, legal services, financial and accounting services, and costs of informing the public with respect to plan amendment and plan implementation.
16. **FINANCE COSTS –** Interest, financing and debt issuance costs, financial advisor fees are included as project costs.
17. **ADMINISTRATIVE COSTS.** These include but are not limited to a portion of the staff salaries associated with managing the project plan through implementation and termination. Accounting and legal fees associated with the management of the plan. Engineering, surveying, inspection, planning, community development, financial and legal are a sample of staff activities involved in managing these plans.

The plan is neither meant to be a budget nor an appropriation or commitment of funds for specific projects within the TID amendment area. The plan does provide a framework for managing project expenditures and generating the revenue needed to balance those expenditures. All costs included in the plan are estimates based upon the best information currently available. The city retains its ability to implement only those projects that remain viable and affordable as the plan period proceeds.

Project costs are any expenditure made, estimated to be made of monetary obligations incurred or estimated to be incurred by the City as outlined in this plan, other plan amendments or the original Project Plan. Costs identified are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Project costs will be diminished by any income including special assessment, grants, donations, or other revenues.

LIST OF ESTIMATED NON-PROJECT COSTS

There are no anticipated “non-project costs” associated with this amendment to Tax Incremental District Number Three.

PROPOSED CHANGES IN ZONING ORDINANCES

The city does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this project plan amendment.

PROPOSED CHANGES TO THE MASTER PLAN, BUILDING CODES, AND CITY ORDINANCES

It is expected that this plan will be complementary to the City’s Master Plan. The projects proposed will comply with the recently completed comprehensive update of building codes and related ordinances.

EXISTING USES AND CONDITIONS

A map depicting the existing uses and conditions of property within the district was included in the original plan and boundary amendments. Since the scope of this amendment is limited to incurring project costs no map changes are necessary. North riverfront properties are currently zoned medium industrial and urban mixed-use. These parcels may be re-zoned to be compatible as redevelopment occurs.

RELOCATION

It is not anticipated there will be a need to relocate persons or businesses in conjunction with the plan amendment. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

ORDERLY DEVELOPMENT OF THE CITY OF WAUSAU

This amendment contributes to the orderly development of the city by providing opportunity for continued growth in tax base, job opportunities and general positive economic development.

EQUALIZED VALUE TEST

This amendment adds project costs without boundary changes and as such the 12% equalized value test is not applicable. The current valuation test is provided as additional information only.

TID No.	Base		2022 TID	2022 TID	2022 Total Muni	
	Year	Year	Current Value	Value Increment	Equalized Value	12% Test
003	1994		173,650,900	130,832,200		
006	2005		234,477,800	153,898,500		
007	2006		101,000,700	71,559,100		
008	2012		73,516,800	32,173,600		
009	2012		2,133,900	901,500		
010	2013		63,913,000	18,200,000		
011	2017		70,568,700	69,182,300		
012	2017		28,057,700	15,616,400		
Total			747,319,500	492,363,600	3,680,737,900	13.38

ESTIMATE OF ADDITIONAL PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

The city estimates that less than 35% of the territory within the district, as amended, will be devoted to retail business at the end of the district’s maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)(1).

ECONOMIC FEASIBILITY STUDY

The cash flow projection presents projected sources and uses of funds for the district. Uses of Funds includes existing and projected debt service, contractual development agreements and estimated public work improvements and project costs proposed within this amendment. Sources of Funds includes existing increment, anticipated new increment and any other revenue sources such as interest income and developer loan repayments. The City continually refines and updates projections to reflect current economic conditions and ensure the continued financial viability of the district. The actual cash flow will change. The cash flow supports the financial viability of the proposed amendment.

AVAILABLE FINANCING METHODS

- It is expected that the projects will be funded by general obligation promissory notes.

PROJECT COSTS LOCATED WITHIN 1/2MILE OF THE DISTRICT BOUNDARIES

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1. n, the city may undertake projects within territory located within one-half mile of the boundary of the district provided that: 1) the project area is located within the City’s corporate boundaries and 2) the projects are approved by the Joint Review Board. The detailed list of project costs outlined in the next section identifies those that are located within the one-half mile of the district boundaries and are considered eligible project costs.

DETAILED LIST OF PROJECT COSTS

The various project costs include engineering and other related professional services.

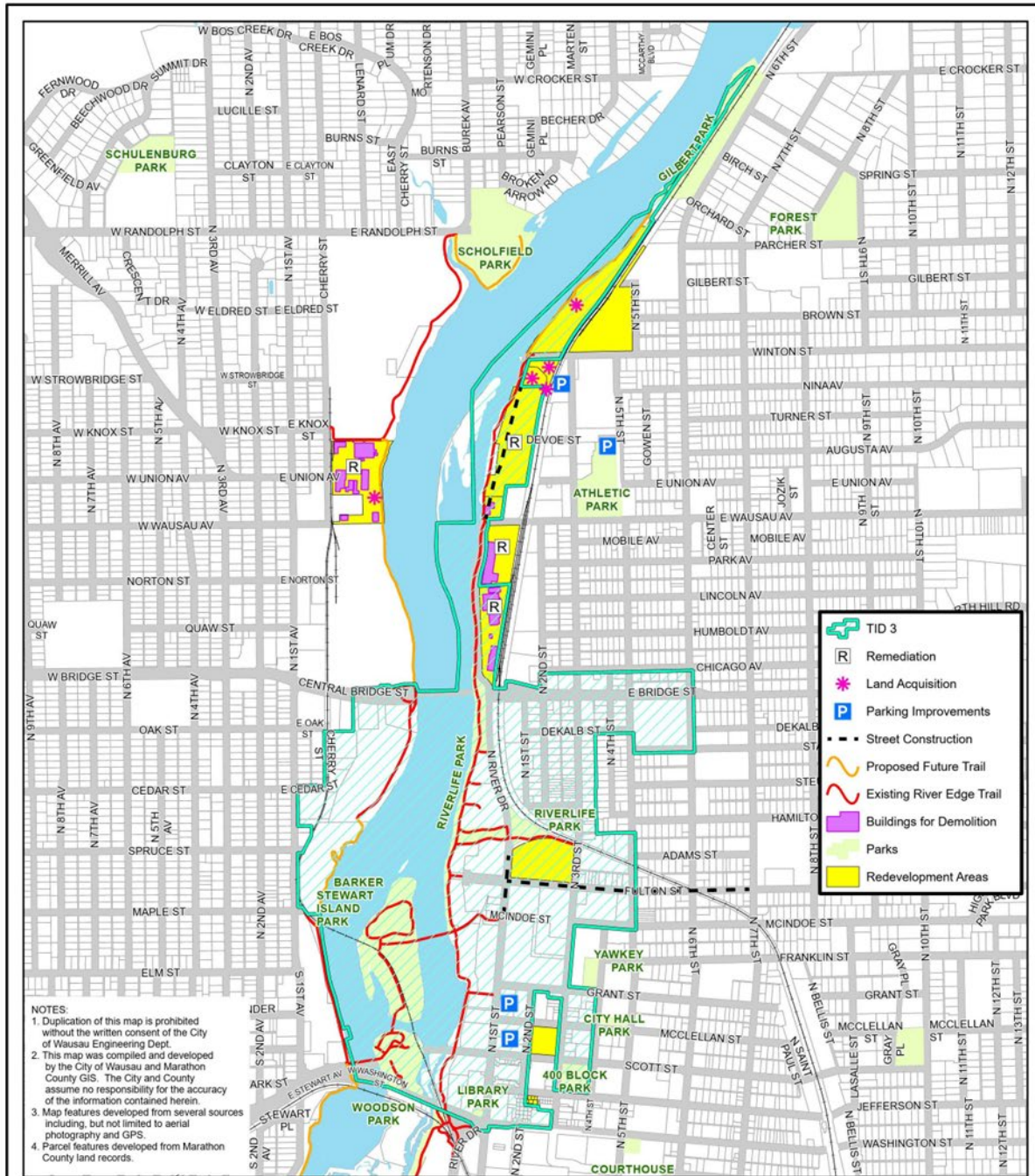
		1/2 Mile Boundary	Total Cost
Land Acquisition	2023-2024	Y	2,200,000
Street Improvements	2026	Y	2,400,000
Trail Development	2024-2026	Y	1,950,000
Remediation and Site Work	2024-2026	Y	1,000,000
Parking Demolition	2024-2026	Y	2,500,000
Developer Incentives	2024-2026	Y	600,000
Administrative Costs			660,150
Financing Costs			2,976,788
Total			14,286,938

CALCULATION OF THE SHARE OF PROJECTED INCREMENT ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

County	17.50%	\$2,500,660
City	38.56%	\$5,508,362
School	39.31%	\$5,615,829
Tech	4.63%	\$662,087
		<u>\$14,286,938</u>

MAP OF TAX INCREMENT DISTRICT NUMBER EIGHT PROPOSED IMPROVEMENTS WITHIN THE TERRITORY AND ½ MILE BOUNDARIES

CITY OF WAUSAU TAX INCREMENT DISTRICT THREE PROJECT PLAN AMENDMENT #5 | 4/4/2023



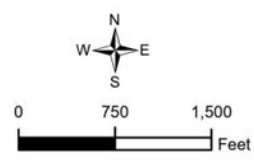
NOTES:
 1. Duplication of this map is prohibited without the written consent of the City of Wausau Engineering Dept.
 2. This map was compiled and developed by the City of Wausau and Marathon County GIS. The City and County assume no responsibility for the accuracy of the information contained herein.
 3. Map features developed from several sources including, but not limited to aerial photography and GPS.
 4. Parcel features developed from Marathon County land records.



Department of Public Works
 GIS Division
 407 Grant St Wausau WI 54403
 (715) 261-6740 gis@mail.co.wausau.wi.us

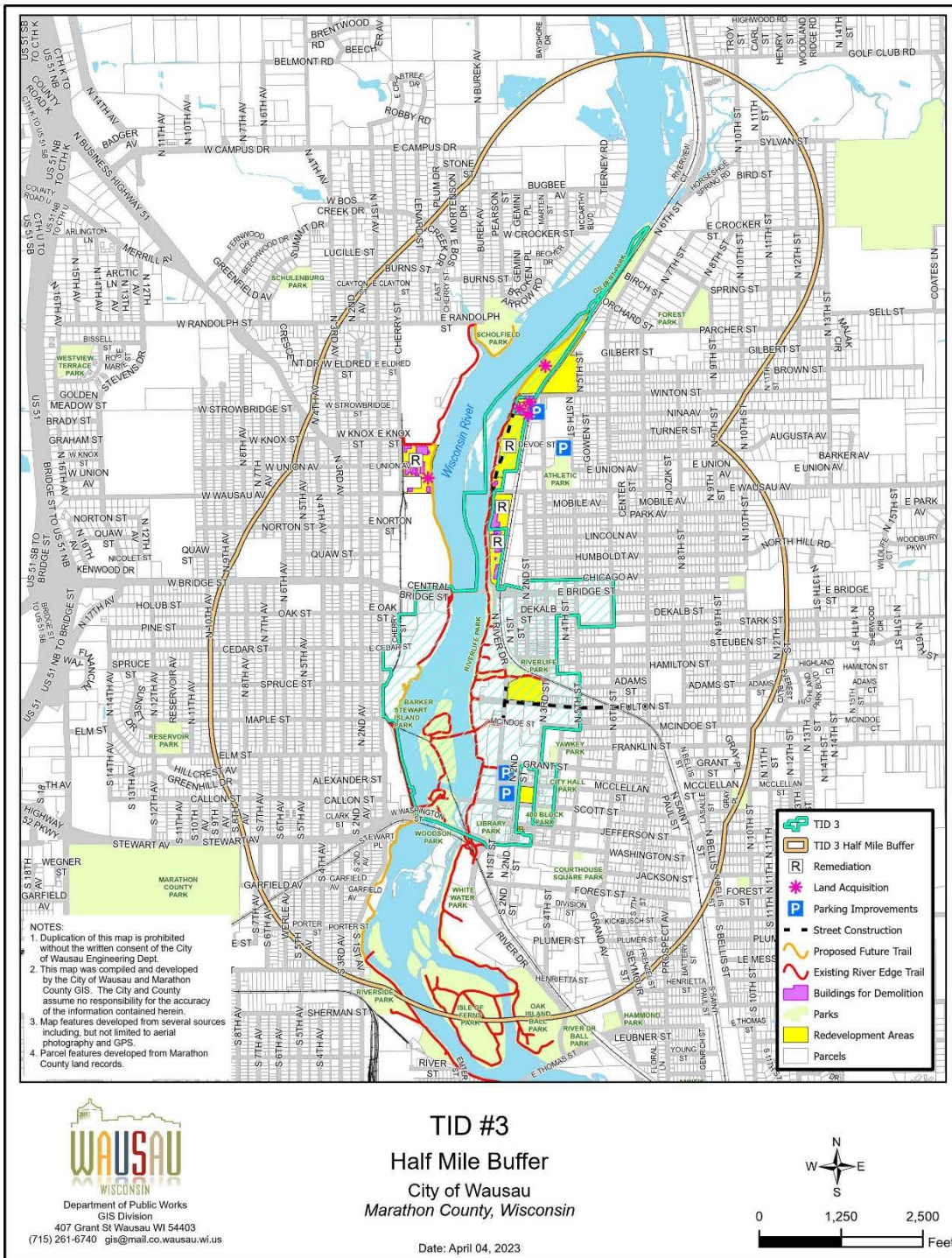
TID #3 Area Improvements City of Wausau Marathon County, Wisconsin

Date: March 31, 2023



MAP OF TAX INCREMENT DISTRICT NUMBER EIGHT AND 1/2 MILE RADIUS

CITY OF WAUSAU TAX INCREMENT DISTRICT THREE PROJECT PLAN AMENDMENT #5 | 4/4/2023



PROJECTED CASH FLOW

CITY OF WAUSAU TAX INCREMENTAL DISTRICT NUMBER THREE CASH FLOW PROJECTION

Year	USES OF FUNDS					SOURCES OF FUNDS				Annual Surplus (Deficit)	Accumulated Balance
	Total Annual Debt Service Existing Issues	Future Debt Issues	Administrative, Consulting Services and Other Costs	Developer Incentives	Capital Expenditures	Debt Proceeds	Other Income	Grant & Donation Income	Tax Increment		
ESTIMATED											
2022	\$2,979,989		\$55,150		\$15,000		\$474,027		\$2,926,879	\$350,767	(\$1,154,901)
2023	\$1,892,866		\$105,150		\$1,380,000	\$1,380,000	\$379,000		\$2,900,000	\$1,280,984	\$126,083
2024	\$1,886,247	\$228,000	\$135,000		\$1,470,000	\$1,470,000	\$379,000		\$2,900,000	\$1,029,753	\$1,155,836
2025	\$3,244,707	\$504,000	\$60,000		\$3,000,000	\$3,000,000	\$379,000		\$2,900,000	(\$529,707)	\$626,129
2026	\$1,542,180	\$1,166,640	\$60,000	\$300,000	\$4,200,000	\$3,850,000	\$729,000	\$379,000	\$2,900,000	\$589,180	\$1,215,309
2027	\$1,545,370	\$2,206,640	\$60,000	\$300,000			\$379,000		\$2,900,000	(\$833,010)	\$382,299
2028	\$1,536,970	\$2,206,640	\$60,000				\$379,000		\$2,900,000	(\$524,610)	(\$142,311)
2029	\$1,423,601	\$2,206,640	\$60,000				\$379,000		\$2,900,000	(\$411,241)	(\$553,552)
2030	\$923,650	\$2,206,640	\$60,000				\$379,000		\$2,900,000	\$88,710	(\$464,842)
2031	\$0		\$60,000				\$379,000		\$2,900,000	\$3,219,000	\$2,754,158
	\$ 16,975,580	\$ 10,725,200	\$ 715,300	\$ 600,000	\$ 10,065,000	\$ 9,700,000	\$ 4,235,027	\$ 379,000	\$ 29,026,879		

		1/2 Mile Boundary	Total Cost
Land Acquisition	2023-2024	Y	2,200,000
Street Improvements	2026	Y	2,400,000
Trail Development	2024-2026	Y	1,950,000
Remediation and Site Work	2024-2026	Y	1,000,000
Parking Demolition	2024-2026	Y	2,500,000
Developer Incentives	2024-2026	Y	600,000
Administrative Costs			660,150
Financing Costs			2,976,788
Total			14,286,938

FINANCING PROJECTION

	2023 Debt	2024 Debt	2025 Debt	2026 Debt	Total
	\$1,380,000	\$1,470,000	\$3,000,000	\$3,850,000	
	5%	5%	5%	5%	
2024	228,000				228,000
2025	228,000	276,000			504,000
2026	228,000	276,000	662,640		1,166,640
2027	228,000	276,000	662,640	1,040,000	2,206,640
2028	228,000	276,000	662,640	1,040,000	2,206,640
2029	228,000	276,000	662,640	1,040,000	2,206,640
2030	228,000	276,000	662,640	1,040,000	2,206,640
2031					
	\$ 1,596,000	\$ 1,656,000	\$ 3,313,200	\$ 4,160,000	\$ 10,725,200

RESOLUTION OF THE COMMON COUNCIL

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE PLAN COMMISSION, ECONOMIC DEVELOPMENT AND FINANCE COMMITTEES	
Approving the Project Plan Amendment Tax Incremental Financing District Number 3, City of Wausau (TID # 3)	
Committee Action:	Plan Commission Finance Committee Economic Development Committee
Fiscal Impact:	The project plan will add project costs
File Number:	94-0907
Date Introduced:	April 25, 2023

FISCAL IMPACT SUMMARY				
COSTS	Budget Neutral	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>		
	Included in Budget:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Budget Source:	
	One-time Costs:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Amount:	
	Recurring Costs:	Yes <input type="checkbox"/> No <input type="checkbox"/>	Amount:	
SOURCE	Fee Financed:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Amount:	
	Grant Financed:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Amount:	
	Debt Financed:	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	Amount	Annual Retirement
	TID Financed:	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Amount:	
	TID Source: Increment Revenue <input checked="" type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/>			

WHEREAS, the City of Wausau has followed a policy of promoting business, community amenities, and development activities and improving infrastructure within the city; and

WHEREAS, the city’s economic development strategy focuses on the attraction, retention and sustainability of business, community amenities, and development activities and improving infrastructure to increase the property tax base and add new jobs; and

WHEREAS, Tax Increment District Number Three was created by the city in 1994 as a revitalization effort for the central business district and riverfront; and

WHEREAS, the city now desires to amend the project plan of the district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the Tax Increment Law); and

WHEREAS, this amendment does not modify the district boundaries; and

WHEREAS, this amendment will modify the categories, locations or costs of the projects to be undertaken; and

WHEREAS, such amendment will allow for the district to incur project costs outside of, but within the one half-mile of the radius of the district as permitted under Wisconsin Statutes; and

WHEREAS, an amended project plan for the district has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the district, or to the extent provided in Wisconsin Statutes Section 66.1105(2)(f)1.n., outside of the district;

- b. An economic feasibility study;
- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing proposed improvements and uses in the district;
- f. Proposed changes of zoning ordinances, master plan, map, building codes and city ordinances;
- g. A list of estimated non-project costs;
- h. A statement of the proposed plan for relocation of any persons to be displaced;
- i. A statement indicating how the amendment of the district promotes the orderly development of the city;
- j. An opinion of the City Attorney or of an attorney retained by the city advising that the plan amendment is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to publication of the public hearing notice, a copy of said notice was sent to the Superintendent of the Wausau School District, the President of Northcentral Technical College, and the Marathon County Administrator; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 18, 2023, held a public hearing concerning the proposed amendment to the project plan, providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, after said public hearing, the Plan Commission, adopted the project plan amendment, and recommended to the Common Council that it amend the Project Plan for the district.

WHEREAS, the Finance Committee and the Economic Development Committee of the City of Wausau has recommended, and determined that the Wisconsin Tax Increment Law provides a desirable and feasible means of locally financing projects within the ½ mile boundaries of TID #3; and

WHEREAS, the Finance Committee and Economic Development Committee have reviewed the plan and concur with the summary of findings as required by Wisconsin Statute 66.1105(4m)(c) including:

- That development or projects would not occur or would not occur in the manner, at the values, or within the timeframe desired by the city without the plan amendment,
- That the economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are insufficient to compensate for the cost of the improvements,
- That the benefits of the plan outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing jurisdictions.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau, under the powers granted by the authority of the Tax Increment Law adopts the project plan amendment of Tax Increment District Three and makes the following assertions:

1. That the Project Plan Amendment is consistent with the original classification of the district.
2. That improvements of the area are likely to significantly enhance the value of other real property in the district.
3. That the project costs directly serve to promote to eliminate blight and rehabilitate properties of the area which is consistent with the purpose for which the district was created.
4. That the project plan is feasible and in conformity with the City's master plan.
5. That the amended project plan for Tax Incremental District Number Three is adopted and that the plan is feasible and in conformity with the City's community and economic development objectives.

6. That the City estimates that less than 35% of the territory within the district, will be devoted to retail business at the end of the district's maximum expenditure period pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6)(am)1.
7. The amendment does not modify the district boundaries.
8. That the appropriate City officials shall provide the Joint Review Board with the information needed to prepare findings relative to approving the project plan amendment; and
9. That the City Clerk, City Treasurer, and City Assessor shall complete and submit the necessary forms to the Wisconsin Department of Revenue as may be required by that agency to formally approve the Tax Incremental District Number Three project plan amendment.

Approved:

Katie Rosenberg Mayor

RESOLUTION OF THE JOINT REVIEW BOARD

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE JOINT REVIEW BOARD	
Approving the Project Plan Amendment Tax Incremental Financing District Number 3, City of Wausau (TID #3)	
File Number:	Date Introduced:

WHEREAS, the City of Wausau, Marathon County, Wisconsin seeks authorization to amend the project plan for Tax Increment District Number Three, (the "District"); and

WHEREAS, this plan has received the necessary approvals by the Wausau Plan Commission and Common Council; and

WHEREAS, Wisconsin Statutes, Section 66.1105 requires that a Joint Review Board, (the "Board") shall convene no later than 45 days after receipt of the council approval to consider the proposed plan amendments; and

WHEREAS, the Board has reviewed the Project Plan amendment presented by the City of Wausau attached to this resolution; and

WHEREAS, the Board has evaluated the Project Plan amendment based upon the criteria established in Wisconsin Statutes, Section 66.1105(4m)(c)1. and found the following to be true:

- The development projected to occur would not occur or would not occur in the manner, at the values, or within the timeframe desired by the City without the plan amendment,
- The economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements,
- The benefits of the plan outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing jurisdictions.

NOW, THEREFORE, BE IT RESOLVED by the Joint Review Board of the City of Wausau that the Project Plan Amendment for the City of Wausau Tax Increment District Number Three be approved,

BE IT FURTHER RESOLVED, that this executed resolution be signed by at least three members of the Board and submitted to the City of Wausau no later than seven days after Board action.

Passed and Approved
Joint Review Board Members

Representing

City of Wausau

Citizen Member

Marathon County

Northcentral Technical College

Wausau School District

Opinion forth coming

CITY OF WAUSAU TAX INCREMENT DISTRICT EIGHT PROJECT PLAN AMENDMENT #3

Economic Development Committee: April 6, 2023

Finance Committee: April 6, 2023

Joint Review Board - Initial Meeting: April 18, 2023

Plan Commission: April 18, 2023

Common Council: April 25, 2023

Joint Review Board: April 27, 2023

PLAN DRAFT DATE:

3/22/2023

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TYPE AND GENERAL DESCRIPTION OF THE DISTRICT

This document is the THIRD amendment to the *Tax Incremental Finance District No. 8 Project Plan*. Tax Increment District No. 8 is an existing conservation/rehabilitation district, which was approved by the Wausau Common Council on April 10, 2012. The plan facilitated infrastructure and development in the Near West Side planning area. Amendment one added projects to the plan in 2018. Amendment two modified the boundaries and added projects to the plan in 2020.

Major components of the existing modified plan include:

- 2nd Avenue Reconstruction
- Stewart Avenue bicycle and pedestrian accommodations
- Parking study
- Developer incentives for the Schierl project which included the redevelopment of the vacant “Stahmer Clinic” into apartments.
- 1st Avenue Reconstruction
- \$1,000,000 forgivable loan to WOZ for the purchase of the Wausau Center Mall.
- Purchase of LS Printing and Westside Battery; redevelopment pending
- 17th Avenue multi-family and hotel redevelopment
- Reconstruction of 18th Avenue

AMENDMENT 3 PURPOSE AND SUMMARY

The purpose of the third amendment is to add project costs within the ½ boundaries. These projects include:

- Reconstruction of 17th Avenue from Stewart to Elm St
- Washington Street Siphon Project and retaining wall.
- N 8th Avenue Reconstruction.

EXPECTED TERMINATION

Based upon current law, Tax Increment District Eight expenditure period ends in 2034 with the termination required in 2039. Based upon existing obligations and the proposed amendment; termination is expected in 2033. This may change as other redevelopment opportunities emerge and are undertaken.

SUMMARY OF FINDINGS

As required by s.66.1105 Wisconsin Stats., and as documented in the original project plan along with this amendment and the related attachments contained and referenced herein, the following findings are made:

1. **That the “but for” amendment of the Project Plan, the development projected to occur as detailed in the Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the city.** In making this determination the City has considered the following:

- The original findings of the Project Plan for TID #8 are all still valid and are hereby referenced and incorporated into this amendment.
 - The infrastructure project contemplated by the plan amendment are necessary to fully achieve the goals of the District Project Plan including rehabilitation of the area, riverfront renewal, creation of new tax base and other economic benefits.
 - Financial support on infrastructure neutralizes cost obstacles and allows the City to continue to commit to renewal efforts.
2. **The economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the costs of the improvements.** In making this determination, the City considered the following information: As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are sufficient to pay for the proposed Project Costs. On this basis alone, the finding is supported.
 3. **The benefits for the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** The project costs of the district relate to promoting development in the District. They will have a direct impact on redevelopment. The infrastructure projects will support the redevelopment achieved by the original project plan.
 4. **The improvements made within the district are likely to significantly enhance all other real property values.**
 5. **The project costs relate directly to the rehabilitation objective of the original district.**
 6. **The city estimates that less than 35% of the territory within the district, as amended, will be devoted to retail business at the end of the district’s maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6) (am)1.**
 7. **The equalized value of taxable property of the amendment area plus the value increment of all existing tax incremental district within the City does not exceed 12% of the total equalized value of taxable property within the City. This is not applicable as the no boundary amendment is proposed.**
 8. **The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.**

STATEMENT OF KIND, NUMBER AND LOCATION OF THE PROPOSED PUBLIC WORKS OR IMPROVEMENTS WITHIN THE DISTRICT OR THE ½ MILE RADIUS

A list of improvements contained in the original plan include the following:

STREETS AND PAVEMENT IMPROVEMENTS – The City will reconstruct and or improve certain streets. These improvements may include or be limited to installation or replacement of traffic signals, construction or reconstruction of median areas, curb and gutter replacement, sidewalk, catch basins, asphalt or concrete pavement replacement or improvement, installation, or replacement of streetlights, retaining walls, signs, pavement markings, bicycle accommodations and pedestrian crossings.

RIGHT OF WAY ACQUISITION – The City may acquire right of way for installation of public infrastructure including streets, sidewalks, utilities and stormwater management. Costs incurred by the City to identify, negotiate and acquire right of way are eligible costs.

ACQUISITION OF EASEMENTS – The City may acquire easements for installation of public infrastructure including streets, sidewalks, utilities and stormwater management. Costs incurred by the City to identify, negotiate and acquire right of way are eligible costs.

WATER, SEWER AND STORM WATER - Water, sewer and storm water utility work including extension and/or upgrades of existing mains, laterals, hydrants and service connections. This includes the replacement of lead service lines. In addition, storm water management will be added where necessary including but not limited to construction of retention/detention basins and other storm water management facilities.

STREETSCAPING AND PEDESTRIAN IMPROVEMENTS – In order to attract development consistent with the objectives of this plan, the City may install amenities to enhance the aesthetic of the area. These improvements include but are not limited to landscaping, plantings, trees, decorative items and benches. These and any other similar amenities are eligible project costs.

DEMOLITION, AND SITE WORK – Development and redevelopment of the area may require site preparation such as demolition, grading, fill, utility relocation, construction of retaining walls and other activities related to modifying property to make it suitable for private sector development or redevelopment.

CASH GRANTS (DEVELOPMENT INCENTIVES) – The City may enter into development agreements with property owners or developers for the purpose of sharing costs to encourage the desired kind of improvements and assure sufficient tax base is generated to recover project costs. No cash grant will be provided until a development agreement is executed with the recipient of the cash grant.

PROJECTS OUTSIDE THE TAX INCREMENT DISTRICT- Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1. n, the city may undertake projects within territory located within one-half mile of the boundary of the district projected that 1) the project area is located within the City’s corporate boundaries and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District the project plan amendment

FINANCING COSTS – Interest, financing and debt issuance costs, premiums and any other fees and costs incurred in conjunction with obtaining financing for projects undertaken under this Plan are eligible Project Costs.

ADMINISTRATIVE COSTS – The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs including but not limited to employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with implementation of the plan.

PROFESSIONAL SERVICE AND ORGANIZATIONAL COSTS – The costs of professional services rendered and other costs incurred in relation to the creation, administration and termination of the District and the undertaking of the projects contained within this plan are eligible project costs. Professional services include, but are not limited to architectural, environmental; planning; engineering; legal audit financial and costs of informing the public with respect to the plan amendment and plan implementation.

The plan is neither meant to be a budget nor an appropriation or commitment of funds for specific projects within the TID amendment area. The plan does provide a framework for managing project expenditures and generating the revenue needed to balance those expenditures. All costs included in the plan are estimates based upon the best information currently available. The City retains its ability to implement only those projects that remain viable and affordable as the plan period proceeds. In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under the Wisconsin Statutes 66.1105, in the written opinion of counsel retained by the City as Bond Counsel, then such project or projects shall be deleted and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

Project costs are any expenditure made, estimated to be made of monetary obligations incurred or estimated to be incurred by the City as outlined in this plan, other plan amendments or the original Project Plan. Costs identified are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Project costs will be diminished by any income, special assessments or other revenues including user fees or charges other than tax increments received or reasonably expected to be received by the city in connection with the implementation of this Plan.

LIST OF ESTIMATED NON-PROJECT COSTS

There are no anticipated “non-project costs” associated with this amendment to Tax Incremental District Number Eight.

PROPOSED CHANGES IN ZONING ORDINANCES

The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this project plan amendment.

PROPOSED CHANGES TO THE MASTER PLAN, BUILDING CODES, AND CITY ORDINANCES

It is expected that this plan will be complementary to the City’s Master Plan. The projects proposed will comply with the recently completed comprehensive update of building codes and related ordinances.

EXISTING USES AND CONDITIONS

A map depicting the existing uses and conditions of property within the district was included in the original plan and boundary amendments. Since the scope of this amendment is limited to incurring project costs no map changes are necessary.

RELOCATION

It is not anticipated there will be a need to relocate persons or businesses in conjunction with the plan amendment. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

ORDERLY DEVELOPMENT OF THE CITY OF WAUSAU

This amendment contributes to the orderly development of the city by providing opportunity for continued growth in tax base, job opportunities and general positive economic development.

EQUALIZED VALUE TEST

This amendment adds project costs without boundary changes and as such the 12% equalized value test is not applicable. The current valuation test is provided as additional information only.

TID No.	Base Year	2022 TID Current Value	2022 TID Value Increment	2022 Total Muni Equalized Value	12% Test
003	1994	173,650,900	130,832,200		
006	2005	234,477,800	153,898,500		
007	2006	101,000,700	71,559,100		
008	2012	73,516,800	32,173,600		
009	2012	2,133,900	901,500		
010	2013	63,913,000	18,200,000		
011	2017	70,568,700	69,182,300		
012	2017	28,057,700	15,616,400		
Total		747,319,500	492,363,600	3,680,737,900	13.38

ESTIMATE OF ADDITIONAL PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

The City estimates that less than 35% of the territory within the District, as amended, will be devoted to retail business at the end of the District’s maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)(1).

ECONOMIC FEASIBILITY STUDY

The cash flow projection presents projected sources and uses of funds for the district. Uses of Funds includes existing and projected debt service, contractual development agreements and estimated public work improvements and project costs proposed within this amendment. Sources of Funds includes existing increment, anticipated new increment and any other revenue sources such as interest income and developer loan repayments. The City continually refines and updates projections to reflect current economic conditions and ensure the continued financial viability of the district. The actual cash flow will change. The cash flow supports the financial viability of the proposed amendment.

AVAILABLE FINANCING METHODS

- It is expected that the projects will be funded by ten-year general obligation promissory notes.

PROJECT COSTS LOCATED WITHIN 1/2MILE OF THE DISTRICT BOUNDARIES

Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1. n, the city may undertake projects within territory located within one-half mile of the boundary of the district provided that: 1) the project area is located within the City’s corporate boundaries and 2) the projects are approved by the Joint Review Board. The detailed list of project costs outlined in the next section identifies those that are located within the one-half mile of the district boundaries and are considered eligible project costs.

DETAILED LIST OF PROJECT COSTS

The presentation below is limited to the new costs outlined in the project plan amendment.

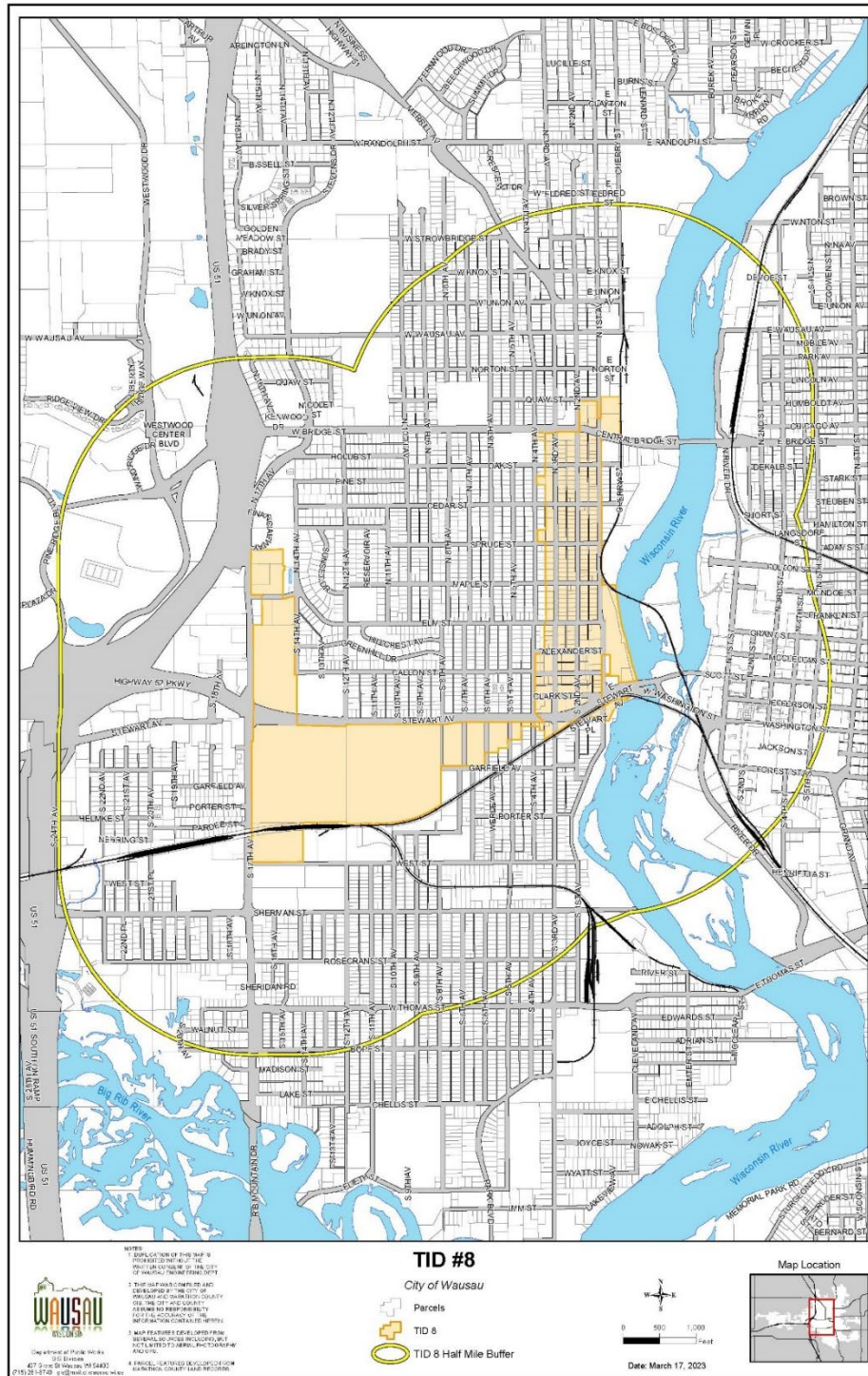
	1/2 Mile Boundary	2023	2024	2025	Total
17th Avenue Stewart to Elm St					
Sanitary Sewer	Y	200,000			200,000
Water Mains	Y	670,000	450,000		1,120,000
Stormwater	Y	150,000			150,000
Street	Y	1,230,000			1,230,000
Washington Street					-
Sewer Siphon Project	Y	400,000			400,000
Retaining Wall	Y		450,000		450,000
N 8th Avenue	Y			1,500,000	1,500,000
Concrete and Asphalt Repairs	Y				-
Various locations within					
1/2mile boundary	Y	350,000	350,000	350,000	1,050,000
		<u>3,000,000</u>	<u>1,250,000</u>	<u>\$1,850,000</u>	<u>6,100,000</u>
Financing Costs		<u>880,000</u>	<u>370,000</u>	<u>550,000</u>	<u>1,800,000</u>
Total		<u>\$3,880,000</u>	<u>\$1,620,000</u>	<u>\$2,400,000</u>	<u>\$7,900,000</u>

CALCULATION OF THE SHARE OF PROJECTED INCREMENT ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS

County	17.50%	\$1,382,747
City	38.56%	\$3,045,863
School	39.31%	\$3,105,287
Tech	4.63%	\$366,103
		<u>\$7,900,000</u>

MAP OF TAX INCREMENT DISTRICT NUMBER EIGHT AND ½ MILE RADIUS

CITY OF WAUSAU TAX INCREMENT DISTRICT EIGHT PROJECT PLAN AMENDMENT #3 | 3/22/2023



PROJECTED CASH FLOW

CITY OF WAUSAU TAX INCREMENTAL DISTRICT NUMBER EIGHT CASH FLOW PROJECTIONS

Year	USES OF FUNDS					SOURCES OF FUNDS					
	Annual Projected Debt Service	Administrative, Organization & Discretionary Costs	Future Debt	Developer Payments	Capital Expenditures	Net Debt Proceeds	Other Income	Tax Increment	Annual Surplus (Deficit)	Cumulative Balance	
ESTIMATED											
11	2022	702,170	50,967		317,856	112,193		514,548	646,578	(22,060)	(788,903)
12	2023	688,254	95,000		333,664	\$3,000,000	\$3,000,000	237,948	834,085	(44,885)	(833,788)
13	2024	702,799	80,000	388,000		1,250,000	1,250,000	347,948	995,000	172,149	(661,639)
14	2025	687,828	80,000	550,000		1,850,000	1,850,000	347,948	995,000	25,120	(636,519)
15	2026	409,818	8,000	790,000				347,948	995,000	135,130	(501,389)
16	2027	406,922	6,000	790,000				347,948	995,000	140,026	(361,363)
17	2028	403,908	6,000	790,000				347,948	995,000	143,040	(218,323)
18	2029	400,663	6,000	790,000				347,948	995,000	146,285	(72,038)
19	2030	149,687	6,000	790,000				237,948	995,000	287,261	215,223
20	2031	52,113	6,000	790,000				237,948	995,000	384,835	600,058
21	2032	40,650	6,000	790,000				237,948	995,000	396,298	996,356
22	2033		6,000	790,000				237,948	995,000	436,948	1,433,304
23	2034		6,000	402,000				237,948	995,000	824,948	2,258,252
24	2035		6,000	240,000				237,948	995,000	986,948	3,245,200
25	2036		6,000	-				237,948	995,000	1,226,948	4,472,148
TOTAL		4,644,812	\$373,967	\$7,900,000	\$651,520	\$6,212,193	\$6,100,000	\$4,505,820	\$14,415,663		

	1/2 Mile Boundary	2023	2024	2025	Total
17th Avenue Stewart to Elm St					
Sanitary Sewer	Y	200,000			200,000
Water Mains	Y	670,000	450,000		1,120,000
Stormwater	Y	150,000			150,000
Street	Y	1,230,000			1,230,000
Washington Street					-
Sewer Siphon Project	Y	400,000			400,000
Retaining Wall	Y		450,000		450,000
N 8th Avenue	Y			1,500,000	1,500,000
Concrete and Asphalt Repairs	Y				-
Various locations within 1/2mile boundary	Y	350,000	350,000	350,000	1,050,000
		<u>3,000,000</u>	<u>1,250,000</u>	<u>\$1,850,000</u>	<u>6,100,000</u>
Financing Costs		<u>880,000</u>	<u>370,000</u>	<u>550,000</u>	<u>1,800,000</u>
Total		<u>\$3,880,000</u>	<u>\$1,620,000</u>	<u>\$2,400,000</u>	<u>\$7,900,000</u>

FINANCING PROJECTION

	2023 Debt \$3,000,000 5% Interest	2024 Debt \$1,250,000 5% Interest	2025 Debt \$1,850,000 5% Interest	Total
2024	388,000			388,000
2025	388,000	162,000		550,000
2026	388,000	162,000	240,000	790,000
2027	388,000	162,000	240,000	790,000
2028	388,000	162,000	240,000	790,000
2029	388,000	162,000	240,000	790,000
2030	388,000	162,000	240,000	790,000
2031	388,000	162,000	240,000	790,000
2032	388,000	162,000	240,000	790,000
2033	388,000	162,000	240,000	790,000
2034		162,000	240,000	402,000
2035			240,000	240,000
Total Payments	3,880,000	1,620,000	2,400,000	7,900,000
Interest Expense	880,000	370,000	550,000	1,800,000

RESOLUTION OF THE COMMON COUNCIL

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE PLAN COMMISSION, ECONOMIC DEVELOPMENT AND FINANCE COMMITTEES	
Approving the Project Plan Amendment Tax Incremental Financing District Number 8, City of Wausau (TID # 8)	
Committee Action:	Plan Commission Finance Committee Economic Development Committee
Fiscal Impact:	The project plan will add project costs
File Number:	12-0316
Date Introduced:	April 25, 2023

FISCAL IMPACT SUMMARY			
COSTS	Budget Neutral	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
	Included in Budget:	Yes <input type="checkbox"/>	No <input type="checkbox"/> Budget Source:
	One-time Costs:	Yes <input type="checkbox"/>	No <input type="checkbox"/> Amount:
	Recurring Costs:	Yes <input type="checkbox"/>	No <input type="checkbox"/> Amount:
SOURCE	Fee Financed:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/> Amount:
	Grant Financed:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/> Amount:
	Debt Financed:	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/> Amount: Annual Retirement
	TID Financed:	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/> Amount:
	TID Source: Increment Revenue <input checked="" type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/>		

WHEREAS, the City of Wausau has followed a policy of promoting business, community amenities, and development activities and improving infrastructure within the City; and

WHEREAS, the City's Economic Development strategy focuses on the attraction, retention and sustainability of business, community amenities, and development activities and improving infrastructure to increase the property tax base and add new jobs; and

WHEREAS, Tax Increment District Number Eight was created by the City in April 10, 2012; and

WHEREAS, the City now desires to amend the Project Plan of the District in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the Tax Increment Law); and

WHEREAS, this amendment does not modify the district boundaries; and

WHEREAS, this amendment will modify the categories, locations or costs of the projects to be undertaken; and

WHEREAS, such amendment will allow for the District to incur project costs outside of, but within the one half-mile of the boundaries of the District as permitted under Wisconsin Statutes; and

WHEREAS, an amended Project Plan for the District has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Section 66.1105(2)(f)1.n., outside of the District;
- b. An economic feasibility study;

- c. A detailed list of estimated project costs;
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
- e. A map showing proposed improvements and uses in the District;
- f. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
- g. A list of estimated non-project costs;
- h. A statement of the proposed plan for relocation of any persons to be displaced;
- i. A statement indicating how the amendment of the District promotes the orderly development of the City;
- j. An opinion of the City Attorney or of an attorney retained by the City advising that the plan amendment is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to publication of the public hearing notice, a copy of said notice was sent to the Superintendent of the Wausau School District, the President of Northcentral Technical College, and the Marathon County Administrator; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 18, 2023 held a public hearing concerning the proposed amendment to the Project Plan, providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, after said public hearing, the Plan Commission, adopted the Project Plan amendment, and recommended to the Common Council that it amend the Project Plan for the District.

WHEREAS, the Finance Committee and the Economic Development Committee of the City of Wausau has recommended, and determined that the Wisconsin Tax Increment Law provides a desirable and feasible means of locally financing projects within the ½ mile boundaries of TID # 8; and

WHEREAS, the Finance Committee and Economic Development Committee have reviewed the plan and concur with the summary of findings as required by Wisconsin Statute 66.1105(4m)(c) including:

- That development or projects would not occur or would not occur in the manner, at the values, or within the timeframe desired by the City without the plan amendment,
- That the economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are insufficient to compensate for the cost of the improvements,
- That the benefits of the plan outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing jurisdictions.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau, under the powers granted by the authority of the Tax Increment Law adopts the project plan amendment of Tax Increment District Eight and makes the following ascertions:

1. That the Project Plan Amendment is consistent with the original classification of the district;
2. That improvements of the area is likely to significantly enhance the value of other real property in the district;
3. That the project costs directly serve to promote the rehabilitation of the area which is consistent with the purpose for which the district was created;
4. That the project plan is feasible and in conformity with the City’s master plan;
5. That the amended project plan for Tax Incremental District Number Eight is adopted and that the plan is feasible and in conformity with the City’s community and economic development objectives;

6. That the City estimates that less than 35% of the territory within the District, will be devoted to retail business at the end of the District's maximum expenditure period pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6)(am)1.
7. The amendment does not modify the district boundaries.
8. That the appropriate City officials shall provide the Joint Review Board with the information needed to prepare findings relative to approving the project plan amendment; and
9. That the City Clerk, City Treasurer, and City Assessor shall complete and submit the necessary forms to the Wisconsin Department of Revenue as may be required by that agency to formally approve the Tax Incremental District Number Eight project plan amendment.

Approved:

Katie Rosenberg Mayor

RESOLUTION OF THE JOINT REVIEW BOARD

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE JOINT REVIEW BOARD	
Approving the Project Plan Amendment Tax Incremental Financing District Number 8, City of Wausau (TID # 8)	
File Number:	Date Introduced:

WHEREAS, the City of Wausau, Marathon County, Wisconsin seeks authorization to amend the project plan for Tax Increment District Number Eight, (the "District"); and

WHEREAS, this plan has received the necessary approvals by the Wausau Plan Commission and Common Council; and

WHEREAS, Wisconsin Statutes, Section 66.1105 requires that a Joint Review Board, (the "Board") shall convene no later than 45 days after receipt of the council approval to consider the proposed plan amendments; and

WHEREAS, the Board has reviewed the Project Plan amendment presented by the City of Wausau attached to this resolution; and

WHEREAS, the Board has evaluated the Project Plan amendment based upon the criteria established in Wisconsin Statutes, Section 66.1105(4m)(c)1. and found the following to be true:

- The development projected to occur would not occur or would not occur in the manner, at the values, or within the timeframe desired by the City without the plan amendment,
- The economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements,
- The benefits of the plan outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing jurisdictions.

NOW, THEREFORE, BE IT RESOLVED by the Joint Review Board of the City of Wausau that the Project Plan Amendment for the City of Wausau Tax Increment District Number Eight be approved,

BE IT FURTHER RESOLVED, that this executed resolution be signed by at least three members of the Board and submitted to the City of Wausau no later than seven days after Board action.

Passed and Approved
Joint Review Board Members

Representing

City of Wausau

Citizen Member

Marathon County

Northcentral Technical College

Wausau School District

OPINION OF THE CITY ATTORNEY

Opinion forth coming

CITY OF WAUSAU TAX INCREMENT DISTRICT TWELVE PROJECT PLAN



Economic Development Committee: April 6, 2023

Finance Committee: April 6, 2023

Joint Review Board Meeting: April 18, 2023

Plan Commission Meeting: April 18, 2023

Common Council Meeting: April 25, 2023

Joint Review Board Meeting: April 27, 2023

PLAN DRAFT DATE:

4/4/2023

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INTRODUCTION

The project plan amendment for City of Wausau, Tax Increment District #12 has been prepared in compliance with Wisconsin Statutes Chapter 66.1105(4)(f).

The original plan established the need for the district, detailed the improvements and project costs. The district consists of approximately 80 acres of land centrally located within the downtown and along the riverfront. The district's purpose is to support the redevelopment of underutilized properties and obsolete properties within the downtown and riverfront.

AMENDMENT #1

The first amendment eliminated 13 parcels and added 2 parcels to retain a contiguous map.

AMENDMENT #2

Amendment 2 is considered a boundary subtraction pursuant to the State's requirements. The subtraction is achieved when the creation values of parcels subtracted exceed the current values of parcels added. This amendment removes 29 parcels and adds 7 parcels.

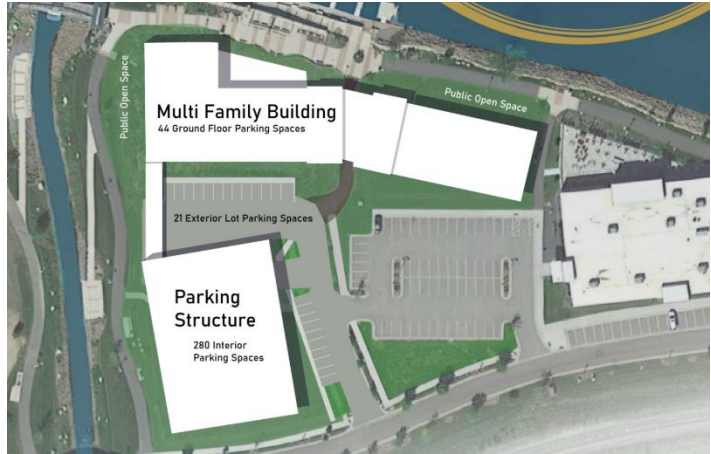
This plan amendment focuses on the redevelopment phase of the Wausau Center Mall Properties and a 2.11-acre lot on the riverfront. Specifically, the plan will finance:

- Environmental remediation required on the areas within the mall site.
- Street, utilities, and pedestrian infrastructure for the new street grid.
- Redevelopment financial assistance.
- Parking improvements.

Wausau Center Mall Redevelopment - The mall property has been divided into block parcels with the dedication of right of way for public infrastructure. The plan amendment includes costs associated with the public infrastructure along with improvements to the Penney's and Sear's parking structures. The Council executed an agreement with T.Wall Enterprises Mgt LLC. The agreement commits the developer to construct a five-story, mixed use building with underground parking, first floor retail and apartment units above a rendering appears on the front cover of this document. The developer will also construct skywalk connection to the Sear's parking structure. Construction will commence in 2023 with 2024 completion. The project requires a minimum development cost of forty million dollars and minimum assessed valuation of twenty-four million. The Common Council approved tax increment financing incentives in the amount of \$6,000,000 which shall accrue interest on the unpaid principal. The maximum total payment shall not exceed \$10,800,000.



Riverfront Redevelopment - The plan amendment also includes costs associated with the development of a 2.11-acre riverfront parcel that will be redeveloped by S.C. Swiderski. The Common Council authorized the negotiations with S.C. Swiderski after conducting a competitive solicitation for development of the city-owned site. The developer's proposal included the construction of a seven-story mixed-use building with approximately two hundred residential units, commercial space, a separate parking structure and outdoor surface parking lot. The developer will purchase the site for four-hundred thousand dollars. The negotiations include tax increment financing incentives of an accumulative maximum of \$9,277,000 without interest. The expected completion of this project is December 2026.



Both financial assistance requests were reviewed by the city's financial advisors, Ehlers Public Finance Advisors. This comprehensive review included analysis of the construction budget, land acquisition, developer fees, financing, rental income, operating expenses and return on investment to ensure they were reflective of industry standards. The review also established that the financial assistance was necessary and met the but for tests included in the Wisconsin statutes.

Housing is an essential element in the revitalization of downtowns. Downtown housing will contribute to a strong flow of foot traffic to support retailers, services, restaurants, and other businesses. These properties will not only support the need for housing but have a positive economic impact on our downtown businesses.

PROJECT PLAN OBJECTIVES

The objectives of Tax Increment District Number Twelve as previously identified include:

- Eliminate blight and foster urban renewal through public and private investment.
- Enhance the development potential of private property within and adjacent to the district.
- Facilitate the relocation of land uses along the river that are no longer compatible to the economic restructuring of the River Edge Corridor.
- Further the objectives of the River Edge Trail Plan, Wausau MPO Bicycle and Pedestrian Plan,
- Improve housing within the central core.
- Promote retention, expansion, and attraction through the development of an improved area, thereby facilitating the creation of new jobs and increased tax base.
- Increase per capita income in the community.
- Strengthen the economic well-being and economic diversity of the Central Business District.
- Improve infrastructure such as streets, parking facilities and streetscape that supports commercial district.
- Provide appropriate financial incentives to encourage business expansion.
- Reduce the financial risk to the taxpayer by timing the implementation of the Project Plan with the creation of additional property value through business expansions.
- Maximize the districts' strategic location within the Central Business District and proximity to the Interstate Corridor.

SUMMARY OF FINDINGS

As required by s.66.1105 Wisconsin Stats., and as documented in this Project Plan and the related attachments contained and referenced herein, the following findings are made:

- 1. That “but for” the creation of this District, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the city.** The creation of the district provided the suitable conditions to promote redevelopment. The conditions include site preparation, developer incentive payments, infrastructure, parking facilities, river edge development, aesthetic enhancements, pedestrian and bicycle accommodations and housing stock improvements. Based upon market and economic environment, the current conditions and use of the district and the financial challenges of redevelopment; the City has determined that redevelopment of the area will not occur solely because of private investment. Without the use of Tax Increment District Financing, redevelopment of the area is unlikely, and the area will continue to decline. The city also makes the determination that expenditures contemplated by this plan amendment are necessary to achieve the goals of the district including creation of new tax base, jobs, and other economic benefits. As noted above both development agreements were reviewed by the city’s independent financial advisors. Both financing plans were determined necessary for the project to occur. The City has entered into a development agreement with T.Wall contingent on the Project Plan amendment approval. The development agreement with S.C. Swiderski is under development after the Council authorized negotiations at their August 10th, 2022, meeting.
- 2. The economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the costs of the improvements.** In making this determination, the city has considered the following information. As demonstrated in the Economic Feasibility Study and the Cash Flow Projections of this plan, tax increment is critical to the successful financial outcome. With these financial resources, the City will fund the necessary public infrastructure projects to attract and retain commercial enterprises that will increase jobs, income, and property values. In addition, these commercial enterprises will add value by eliminating blight and transform property use to its best and highest purpose. *Finding required by Wisconsin Statutes 66.1105(4m) (c) 1.b.*
- 3. The benefits for the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** Given that it is not likely that the District will achieve the objectives of its Project Plan without the continued support of tax increment district financing, and since the District is expected to generate additional economic benefits for the community, the City reasonably concludes that the overall additional benefits of the District outweigh the anticipated tax increments to be paid by the owners of the property in the overlying taxing jurisdictions. *Finding Required by Wisconsin Statute 66.1105(4m)(c)1.c.*
- 4. The requirement for rehabilitation/conservation district.** Tax Increment District Number Twelve was created as a “Rehabilitation District” based on a finding that not less than 50%, by area of the real property within the district boundaries needs conservation or rehabilitation. This finding remains valid.
- 5. Enhance Value.** The City finds that improvement of the area is likely to significantly enhance the value of the real property of the entire district. The project costs directly relate to the elimination of blight and will serve to rehabilitate the area consistent with purpose for creating the district.
- 6. Compliance with Tax Increment District Limitations.** The project plan amendment is considered a subtraction. City has documented within the plan that the equalized value of taxable property proposed for addition and subtraction meet the definition of a district subtraction which is allowable even though the city exceeds the 12 percent of the total equalized value threshold.

7. **Complete Project Plan.** The City determines that the project plan amendment is complete and that the required documentation has been presented to the Joint Review Board.
8. **Other Limitations.** The city determines that less than 35% of the territory within the district will be devoted to retail business at the end of the district's maximum expenditure period, pursuant to Wisconsin Statutes 66.1105(5)(b) and 66.1105(6)(am)1.
9. **Orderly Development.** The City acknowledges and determines that proper planning has been conducted for the redevelopment of the mall and riverfront site. That these plans complement the original TID 12 plan and further other planning initiatives including the Comprehensive Plan, River Edge Plan and the MPO Bicycle and Pedestrian Plan and the North Downtown Area Master Plan which will result in the orderly development of the city.

PLAN IMPLEMENTATION AND FLEXIBILITY

The Project Plan must remain flexible to accommodate alternative proposals related to the size, design, and location of some of the public and private improvements and other expenditures planned for the project area. Flexibility in the means of financing the project costs and the timing for implementing project plan elements is incorporated into the plan by reference to allow the City to adapt to or capitalize upon changing conditions. This flexibility will help ensure that street, parking, sewer, water and other utility improvements and project cost expenditures are programmed in the most cost-effective manner. Similarly, various financing means which are not feasible today because of financial institutions lending practices, tax levy difficulties, grant availability, or other reasons, may be appropriate in the future as implementation proceeds.

Further, in accordance with Wisconsin Statutes Section 66.1105 (2)(f)1.n, the City will consider using tax increments to pay for project costs incurred for the territory that is located within a one-half mile radius of the district's boundaries and within the City limits.

All projects, expenses and financing outlined within a Tax Increment District require further consideration and approval by the Common Council. The Common Council generally approves infrastructure projects and other spending when the annual budget is approved or with a budget amendment. The method of financing the individual debt issues and any developer agreement commitments require Common Council approval. The City's annual budget includes an updated cashflow projection for each tax increment district which shows the long-term impact of spending decisions.

STATEMENT OF KIND, NUMBER AND LOCATION OF THE PROPOSED PROJECT COSTS, PUBLIC WORKS, AND IMPROVEMENTS WITHIN THE DISTRICT OR THE ½ MILE BUFFER ZONE

The proposed specific public works and project costs are detailed later in the plan amendment. The list included within the initial plan have not changed. The specific kind, number, location, and estimated costs are based upon preliminary plans and concepts. These may be modified as to kind, number, location, and costs allocated to the district at any time during project execution based on more definitive construction plans, studies, engineering work, developer needs, feasibility studies and construction plans without amendment of this plan. Any expenditure directly or indirectly related to the costs outlined below is considered "project costs" and eligible to be paid with tax increment revenues. Project costs will be diminished by any investment income, land sale proceeds, special assessments or other income generated.

1. **STREETS.** The city will construct and or reconstruct certain streets, alleys, access drives, and parking areas. Eligible project costs include, but are not limited to, excavation; removal or placement of fill; construction of road base; asphalt, concrete or brick paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts and catch basins; retaining walls; utility relocation and burying overhead utility lines; conventional or decorative street lighting; enhancement, construction or reconstruction of median areas; installation or replacement of traffic signals and traffic signs; pavement marking; right-of-way restoration and installation of fences, berms and landscaping and installation of pedestrian accommodations.
2. **PROPERTY ACQUISITION FOR DEVELOPMENT AND/OR REDEVELOPMENT.** To promote and facilitate development or redevelopment of both residential and commercial properties and to further the objective of blight elimination, the City may contribute to the acquisition of property. The cost of property acquired, and any costs associated with the transaction are eligible costs. Transactional costs include costs such as fee title, easements, appraisals, consultant, and broker fees, closing costs, surveying, and mapping. Following acquisition, other project costs may be incurred to make the project suitable for development/redevelopment. If total project costs incurred by the City to acquire and prepare the site for development/redevelopment exceed the revenues or other consideration received from the sale or lease of the property, the deficit amount shall be considered “real property assembly costs” as defined in State Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible project cost.
3. **ENVIRONMENTAL AUDITS AND REMEDIATION.** Any cost incurred by the City related to environmental audits, testing, and remediation is eligible project costs.
4. **DEMOLITION AND SITE WORK.** Development and redevelopment of the area may require site preparation such as demolition, grading, fill, construction of retaining walls and other activities related to modifying property to make it suitable for private sector development or redevelopment.
5. **ACQUISITION OR RIGHTS-OF-WAY.** The City may need to acquire property to allow for installation of street access, driveways, sidewalks, utilities, stormwater management practices, river edge development or other public infrastructure.
6. **ACQUISITION OF EASEMENTS.** The city may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices, river edge development or other public infrastructure.
7. **WATER, SEWER, AND STORMWATER IMPROVEMENTS** - to allow for development and/or redevelopment to occur the city may need to construct, alter, rebuild, or expand utility infrastructure. Eligible project costs would include but are not limited to the following: distribution and collection mains; manholes clean out and valves; hydrants; service laterals; interceptor sewers; stormwater infiltration, filtration, and detention; and all related appurtenances.
8. **ELECTRICAL SERVICE.** To assure a site is suitable for development or redevelopment, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of existing poles or towers, installation of new poles or towers, or burying of overhead electric lines.
9. **GAS SERVICE.** To create sites suitable for development or redevelopment, the City may incur costs to provide, relocate or upgrade gas mains and services.
10. **COMMUNICATION INFRASTRUCTURE.** To create sites suitable for development or redevelopment, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to, telephone lines, cable lines and fiber optic cable.
11. **PARKING ENHANCEMENTS AND INFRASTRUCTURE.** The plan provides for the construction, reconstruction, and demolition of existing infrastructure if necessary. Parking infrastructure includes surface

parking lots and parking ramps, skywalks and related parking enforcement, metering, and revenue systems. This amendment includes improvements to the Sear's and Parking ramps necessary after the demolition of the mall.

12. **STREETSCAPING AND LANDSCAPING.** The city will provide landscaping and streetscape to improve the aesthetics and attract quality development.
13. **RIVER EDGE TRAIL EXPANSION AND ENHANCEMENTS.** The city may construct bike and pedestrian trails to the north as opportunities allow and improve existing infrastructure as necessary. These expenditures may occur anywhere along the trail so long as it is within the district boundaries or ½ mile buffer zone.
14. **CASH GRANTS AND DEVELOPMENT INCENTIVES.** The City may enter into development agreements with property owners or developers for the purpose of sharing costs and eliminating financing to encourage the desired kind of improvements, eliminate blight and assure sufficient tax base is generated to recover project costs. No cash grant will be provided until a development agreement is executed with the recipient of the cash grant. Funds may be provided in the form of a cash grant, forgivable loan, direct loan, loan guarantee or "Pay-As-You-Go" financing. Such funds may be provided at terms appropriate to, and as demonstrated to be required by the proposed economic development and or housing project. The T.Wall and S.C Swiderski development incentives are included in this plan amendment. Both incentives were determined to have met the but for test and are financed annually with increment generated from their project.
15. **PROFESSIONAL SERVICE.** Including but not limited to engineering, architectural, and legal services.
16. **STUDIES.** The City plans on commissioning studies related to further riverfront development and Scott Street properties located within the ½ mile boundaries of the district. Other studies may be deemed necessary to promote and plan for redevelopment.
17. **FINANCE COSTS –** Interest, financing and debt issuance costs, financial advisor fees are included as project costs.
18. **ADMINISTRATIVE COSTS.** These include but are not limited to a portion of the staff salaries associated with managing the project plan through implementation and termination. Accounting and legal fees associated with the management of the plan. Engineering, surveying, inspection, planning, community development, financial and legal are a sample of staff activities involved in managing these plans.

The plan is neither meant to be a budget nor an appropriation or commitment of funds for specific projects within the TID district. The plan does provide a framework for managing project expenditures and generating the revenue needed to balance those expenditures.

PROJECT COSTS LOCATED WITHIN 1/2 MILE OF THE DISTRICT BOUNDARIES

Project costs located within the ½ mile zone include:

- Parking Infrastructure
- Street Improvements
- Utility Improvements
- Planning studies

LIST OF ESTIMATED NON-PROJECT COSTS

There are no anticipated "non-project costs" associated with this Plan.

ANNEXED PROPERTY

There are no lands proposed for inclusion within the district that were annexed by the city on or after January 1, 2007.

CHANGES IN ZONING ORDINANCES

Current zoning within the boundaries of the plan area includes properties zoned MI(Medium Industrial); UMU (Urban Mixed Use) DPMU(Downtown Periphery Mixed Use) DRMU (Downtown High-Rise Mixed Use) DHMU (Downtown Historic Mixed-Use), PUD (Planned Unit Development), and RH-35 (Rural Holding). Changes in the zoning classification of specific properties will be considered in accordance with existing State laws, local ordinances and established procedures and will be likely initiated by private investment. The proposed additions are all zoned (PUD) Planned Unit Development.

CHANGES TO THE MASTER PLAN, MAP, BUILDING CODE, AND CITY ORDINANCES

No changes to the *City of Wausau Comprehensive Plan* are proposed as part of the Tax Increment District Number Twelve amendment. There are no proposed changes to building codes or other City ordinances for implementation of this. Plan amendment. Should changes be proposed later, statutory requirements would be followed, plan commission public hearings and the amended master plan would be publicly available.

RELOCATION

It is not anticipated there will be a need to relocate persons or businesses in conjunction with the plan amendment. In the event relocation or the acquisition of property by eminent domain becomes necessary at some time during the implementation period, the City will follow applicable Wisconsin Statutes Section chapter 32.

ORDERLY DEVELOPMENT OF THE CITY OF WAUSAU

The creation of TID #12 and implementation of the projects in this project plan amendment are consistent with the economic development goal identified in the *City of Wausau Comprehensive Plan* and with several of the objectives, policies, and economic development strategies established in that report. The planned projects will promote the orderly development of the City of Wausau. By creating well designed and strategically located areas for residential and business, land use conflicts and infrastructure deficiencies can be avoided. By providing financial incentives to stimulate private development projects, the City can ensure that economic growth continues to occur, thus offsetting the inevitable loss of jobs and incomes when economic conditions force the closure of employers in the community.

By utilizing the provisions of the Tax Increment Law, the City can increase property values through development projects that result in increased tax base. The creation of TID #12 will add to the tax and employment base of the community, will generate positive secondary impacts in the community through increased local disposable incomes, and improve public facilities in the community.

EQUALIZED VALUE TEST

This project plan boundary amendment is considered a subtraction by the State of Wisconsin. As such the 12% restriction does not apply to this amendment. The valuation test is provided as additional information only.

TID No.	Base Year	2022 TID Current Value	2022 TID Value Increment	2022 Total Muni Equalized Value	12% Test
003	1994	173,650,900	130,832,200		
006	2005	234,477,800	153,898,500		
007	2006	101,000,700	71,559,100		
008	2012	73,516,800	32,173,600		
009	2012	2,133,900	901,500		
010	2013	63,913,000	18,200,000		
011	2017	70,568,700	69,182,300		
012	2017	28,057,700	15,616,400		
Total		747,319,500	492,363,600	3,680,737,900	13.38

MAP SHOWING EXISTING USES AND CONDITIONS

The map, located on Page 13, shows the zoning of the parcels to be added which are compatible with a downtown district.

DISTRICT FINANCIAL PLAN, ECONOMIC FEASIBILITY STUDY AND FINANCING METHODS AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED

The plan provides the expected sequence of improvements and the related public expenditures and related issuance of debt. However public investment will be initiated by private investment to assure that there is sufficient increment within the district to fund debt retirement. The use of pay as you go financing of the developer assistance will mitigate the risk of unrealized value growth and the need to borrow funds upfront. In addition, annual deficits which may occur in the initial years of the district will be managed by interfund loans by the City’s general fund and managed in compliance with the TID interfund loan policy adopted by the Common Council.

The information and exhibits contained in the plan demonstrate that the district as proposed will remain economically feasible insofar as:

- Since much of the plan involves financial assistance provided on a pay-as-you-go basis the City will need to issue limited debt for the project.
- The city has sufficient debt limit to complete the project.
- That the projected cash flows depend on minimal growth outside the two developments outlined to fund existing obligations and the proposed infrastructure projects.
- The development anticipated to occur generates sufficient tax increment.

The project plan assumes \$30,651,253, of new costs during the life of the district. Based upon the existing allocation of tax increment, the impact to the overlying jurisdictions over the life of the district is:

County	17.50%	\$4,963,324
City	38.56%	\$10,933,028
School	39.31%	\$11,146,328
Tech	4.63%	<u>\$3,608,574</u>
		\$30,651,253

AVAILABLE FINANCING METHODS

The City strives to complete projects in an efficient and effective manner while limiting interest expense. The developer gap financing will be funded as their project generates increment. This financial structure minimizes risk, city debt obligations and financial deficits of the district. In addition, the public infrastructure projects are expected to be financed with ten-year general obligation promissory notes. The interest rates of 5 % reflects the current market.

	2025 Infrastructure \$2,000,000 Principal 5%	2024 Infrastructure \$2,000,000 Principal 5%	2023 Infrastructure \$3,600,000 Principal 5%	Existing Issues	Total
2023				774,375	774,375
2024				775,410	775,410
2025			466,000	765,105	1,231,105
2026		260,000	466,000	758,475	1,484,475
2027	260,000	260,000	466,000	362,825	1,348,825
2028	260,000	260,000	466,000	363,515	1,349,515
2029	260,000	260,000	466,000	363,718	1,349,718
2030	260,000	260,000	466,000	363,560	1,349,560
2031	260,000	260,000	466,000	323,425	1,309,425
2032	260,000	260,000	466,000	323,305	1,309,305
2033	260,000	260,000	466,000	327,753	1,313,753
2034	260,000	260,000	466,000	326,755	1,312,755
2035	260,000	260,000		325,348	845,348
2036	260,000			323,520	583,520
TOTAL	\$2,600,000	\$2,600,000	4,660,000	6,477,089	\$16,337,089

ESTIMATE OF ADDITIONAL PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

The City estimates that less than 35% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period. This finding is made to fulfill the reporting requirement as contained in Wisconsin Statutes Sections 66.1105(5)(b) and 66.1105(6)(am)(1).

TAX INCREMENT PROJECTION WORKSHEET

	Swiderski Project	TWall Project	Existing Increment	Total
2023			407,970	407,970
2024			450,000	450,000
2025		137,066	450,000	587,066
2026	199,522	458,723	450,000	1,108,245
2027	767,730	623,453	450,000	1,841,183
2028	767,730	629,687	450,000	1,847,417
2029	767,730	635,984	450,000	1,853,714
2030	767,730	642,344	450,000	1,860,074
2031	767,730	648,768	450,000	1,866,498
2032	767,730	655,255	450,000	1,872,985
2033	767,730	661,808	450,000	1,879,538
2034	767,730	668,426	450,000	1,886,156
2035	767,730	675,110	450,000	1,892,840
2036	767,730	681,861	450,000	1,899,591
2037	767,730	688,680	450,000	1,906,410
2038	767,730	695,567	450,000	1,913,297
2039	767,730	702,522	450,000	1,920,252
2040	767,730	709,548	450,000	1,927,278
2041	767,730	716,643	450,000	1,934,373
2042	767,730	723,809	450,000	1,941,539
2043	767,730	731,048	450,000	1,948,778
2044	767,730	738,358	450,000	1,956,088
2045	767,730	745,742	450,000	1,963,472
TOTAL	14,786,392	13,570,402	10,307,970	\$38,664,764

PROJECT COSTS

Category	Detail	1/2 Mile Boundary	
Streets	Washington St, 2nd St, 3rd St, 4th St, and Jackson St	X	\$3,800,000
Pedestrian Improvements	Sidewalks, Landscaping, Street Scape, Furnishings	X	828,000
Parking	Parking Penneys and Sears Improvements	X	725,000
Developer Incentives	T. Wall and S.C. Swiderski		20,077,000
Remediation and Consulting	Mall Street Grid Project	X	1,314,000
Utility Extensions and Improvements	Washington St, 2nd St, 3rd St, 4th St, and Jackson St	X	2,147,253
	SubTotal		28,891,253
Interest and Financing Costs			1,660,000
Administrative Costs and Consulting Services			100,000
	Total		\$30,651,253

PROJECTED DEVELOPER PAYMENTS

Year	Swiderski Project	TWall Project	Macondon	Riverlife	Woz	Total
2023			12,000	100,000	1,500,000	1,612,000
2024			12,000		627,219	639,219
2025		109,653	12,000			121,653
2026	179,570	366,978	12,000			558,548
2027	690,957	498,762	11,967			1,201,686
2028	690,957	503,750				1,194,707
2029	690,957	508,787				1,199,744
2030	690,957	513,875				1,204,832
2031	575,797	519,014				1,094,811
2032	575,797	524,204				1,100,001
2033	575,797	529,446				1,105,243
2034	575,797	534,741				1,110,538
2035	575,797	540,088				1,115,885
2036	575,797	545,489				1,121,286
2037	575,797	550,944				1,126,741
2038	575,797	556,453				1,132,250
2039	575,797	562,018				1,137,815
2040	575,797	567,638				1,143,435
2041	575,632	573,314				1,148,946
2042		579,048				579,048
2043		584,838				584,838
2044		590,686				590,686
2045		540,274				540,274
TOTAL	9,277,000	10,800,000	59,967	100,000	2,127,219	\$22,364,186

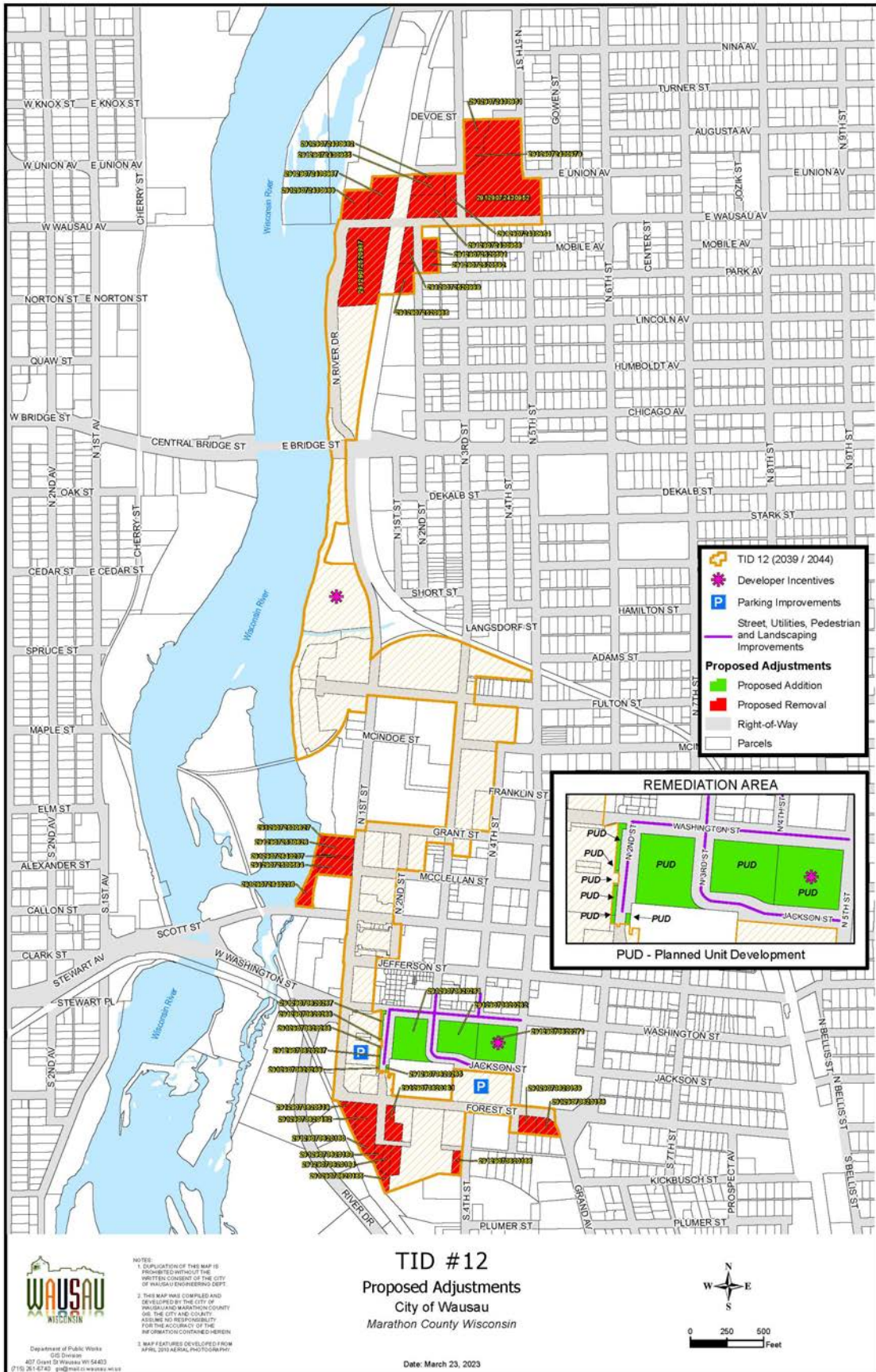
CASHFLOW

TAX INCREMENTAL DISTRICT NUMBER TWELVE CASH FLOW PROJECTION

Year	USES OF FUNDS				SOURCE OF FUNDS				Annual Surplus (Deficit)	Cumulative Balance
	Developer		Admin	Capital	Debt	Other	Tid 7	Tax		
	Debt	Grant	Costs	Expenditures	Proceeds	Revenue	Increment	Increment		
ACTUAL										
2017	\$0		\$96,490	\$125,860					(\$222,350)	(\$222,350)
2018	38,681		17,793	88,015	4,005,000	11,768			3,872,279	3,649,929
2019	113,992	3,974,984	38,106	684,322		366,239			(4,445,165)	(795,236)
2020	143,553	12,974	29,945	455,051	320,000	57,819			(263,704)	(1,058,940)
2021	4,205,089	1,279,303	92,268	115,409	5,650,000	673			(41,396)	(1,100,336)
2022	121,265	115,537	127,396	626,768		45,577	278,414	323,071	(343,904)	(1,444,240)
ESTIMATED										
2023	774,375	1,612,000	130,000	3,600,000	3,600,000	400,000	1,865,293	407,970	156,888	(1,287,352)
2024	775,410	639,219	130,000	2,000,000	2,000,000		1,865,293	450,000	770,664	(516,688)
2025	1,231,105	121,653	130,000	2,000,000	2,000,000		1,865,293	587,066	969,601	452,913
2026	1,484,475	558,548	75,000	1,000,000			1,865,293	1,108,245	(144,485)	308,428
2027	1,348,825	1,201,686	11,150					1,841,183	(720,478)	(412,050)
2028	1,349,515	1,194,707	11,150					1,847,417	(707,955)	(1,120,005)
2029	1,349,718	1,199,744	11,150					1,853,714	(706,898)	(1,826,903)
2030	1,349,560	1,204,832	11,150					1,860,074	(705,468)	(2,532,371)
2031	1,309,425	1,094,811	11,150					1,866,498	(548,888)	(3,081,259)
2032	1,309,305	1,100,001	11,150					1,872,985	(547,471)	(3,628,730)
2033	1,313,753	1,105,243	11,150					1,879,538	(550,608)	(4,179,338)
2034	1,312,755	1,110,538	11,150					1,886,156	(548,287)	(4,727,625)
2035	845,348	1,115,885	11,150					1,892,840	(79,543)	(4,807,168)
2036	583,520	1,121,286	11,150					1,899,591	183,635	(4,623,533)
2037	-	1,126,741	11,150					1,906,410	768,519	(3,855,014)
2038	-	1,132,250	11,150					1,913,297	769,897	(3,085,117)
2039	-	1,137,815	11,150					1,920,252	771,287	(2,313,830)
2040	-	1,143,435	11,150					1,927,278	772,693	(1,541,137)
2041	-	1,148,946	11,150					1,934,373	774,277	(766,860)
2042	-	579,048	11,150					1,941,539	1,351,341	584,481
2043	-	584,838	11,150					1,948,778	1,352,790	1,937,271
2044	-	590,686	11,150					1,956,088	1,354,252	3,291,523
2045	-	540,274	11,150					1,963,472	1,412,048	4,703,571
TOTAL	\$20,959,669	27,746,984	\$1,078,848	\$10,695,425	\$17,575,000	\$882,076	\$7,739,586	\$38,987,835		

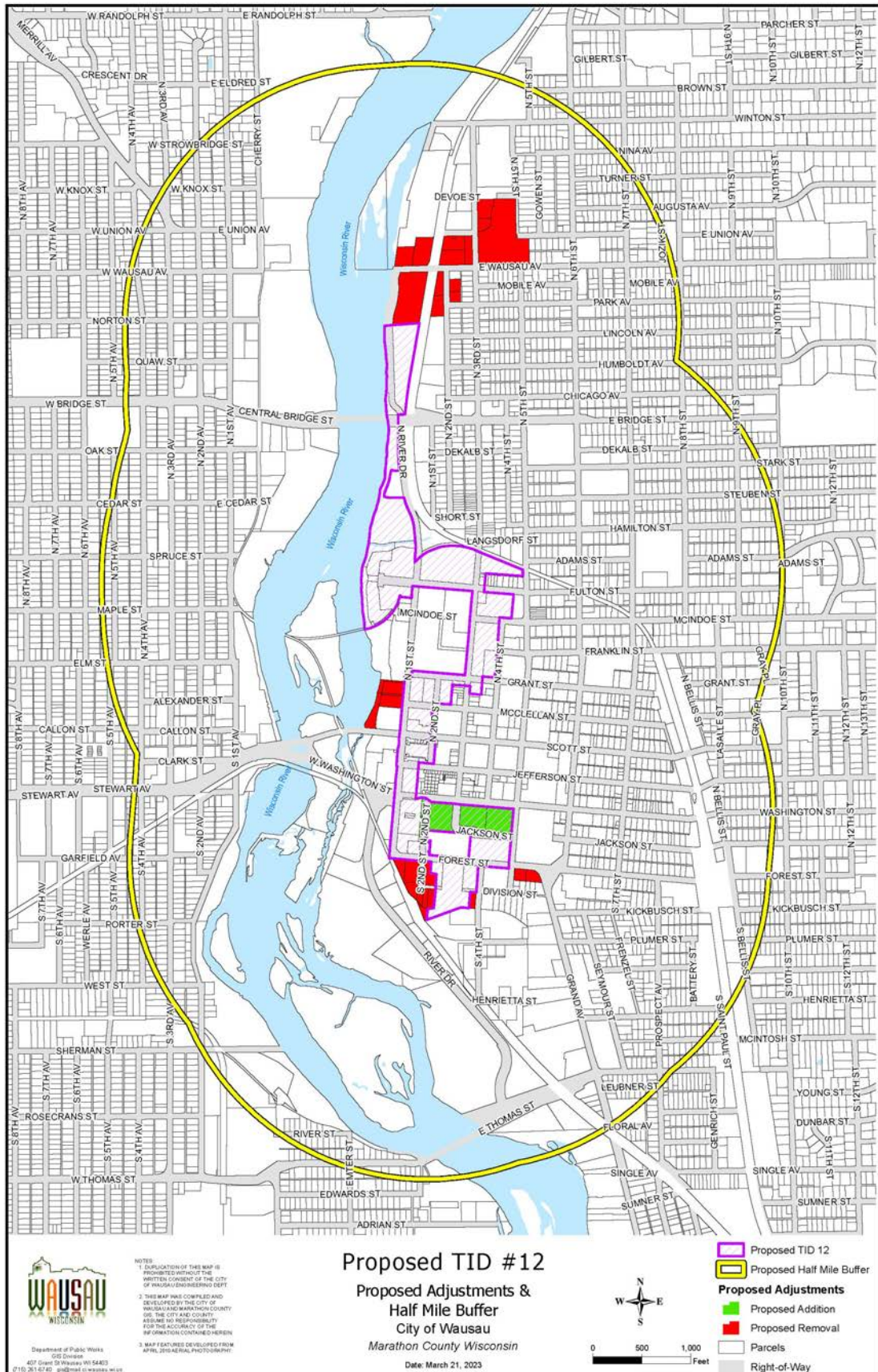
MAP OF BOUNDARY CHANGES, ZONING AND PROPOSED PROJECTS

CITY OF WAUSAU TAX INCREMENT DISTRICT TWELVE PROJECT PLAN | 4/4/2023



MAP OF ½ MILE AREA SURROUNDING TAX INCREMENT DISTRICT NUMBER TWELVE

CITY OF WAUSAU TAX INCREMENT DISTRICT TWELVE PROJECT PLAN | 4/4/2023



LIST OF PROPERTIES TO ADD AND SUBTRACT

REMOVALS

ORIGINAL PLAN

CURRENT PARCELS

ADDRESS

29129072430967		112 E Wausau Ave
29129073620159		503 Forest St
29129073620158		100 Grand Ave
29129073620166		202 S 4th
29129073620165		205 Division St
29129073620164		201 Division St
29129073620163		119 Division St
29129073620482		115 Forest St
29129073620519		101 Forest ST
29129073620161		201 Forest ST
29129072530564		520 N 1st St
29129072640227	29129072640236 & 29129072640237	8 Scott St
29129072530571	29129072530626 & 29129072530627	614 N 1st St
29129073620160		116 S 2nd St
29129072520986		1940 N 2nd St
29129072520999		2102 N 2nd St
29129072520571	29129072520591 & 29129072520592	2001 N 2nd St
29129072430955		203 E Union St
29129072430982		205 E Union St
29129072430954		200 E Wausau Ave
29129072430952		324 E Wausau Ave
29129072430979		2301 N 3rd St
29129072430951		2401 N 3rd St
29129072430989		106 E Wausau Ave
29129072430956		180 E Wausau Ave(M)
29129072520987		2001 N River Dr(M)

ADDITIONS

29129073620267		210 N 2nd St
29129073620268		
29129073620269		168 N 2nd St
29129073620265		169 N 2nd St
29129073620261		201 Washington St
29129073620262		301 Washington St
29129073620271		411 Washington St

LEGAL DESCRIPTION OF THE DISTRICT

The land area for TID #12 includes the following:

CITY OF WAUSAU
TAX INCREMENTAL DISTRICT NO. 12
(Revised April 2023)

Part of the NW ¼ and part of the SW ¼, Section 25, part of Governments Lots 5 and 6, Section 26, part of Government Lot 5, Section 35, and part of Government Lot 1, Section 36, all in Township 29 North, Range 7 East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Northeast corner of the Certified Survey Map recorded in the office of Register of Deeds for Marathon County in Volume 2 of Certified Survey Maps on Page 200, the point of beginning;

Thence S04°50'W, along the Easterly line of said Certified Survey Map and along the Westerly right-of-way of N. 1st Street, to the Southerly right-of-way of Forest Street; thence Easterly, along said Southerly right-of-way, to the Easterly line of Certified Survey Map Number 4162 recorded in the office of Register of Deeds for Marathon County in Volume 15 of Certified Survey Maps on Page 160; thence Southerly, along said Easterly line, to the Southerly line of Parcel Two of the Certified Survey Map Number 33 recorded in the office of Register of Deeds for Marathon County in Volume 1 of Certified Survey Maps on Page 33; thence N69°44'48"E, along said Southerly line of Parcel Two, 362.88 feet; thence S87°47'30"E, along said Southerly line, 35.80 feet; thence S75°37'18"E, along said Southerly line, 51.44 feet to the East line of said Parcel Two; thence Northerly, along said East line, 186.33 feet to the South right-of-way of Division Street; thence East, along said South right-of-way, to the Westerly right-of-way of S. 4th Street; thence Northerly, along said Westerly right-of-way, to the Southerly right-of-way of Forest Street; thence Easterly, along said Southerly right-of-way, to the Westerly right-of-way of S. 5th Street; thence North, to the intersection of the North right-of-way of Forest Street and the Westerly right-of-way of N. 5th Street; thence Northerly, along said Westerly right-of-way, to the Southerly right-of-way of Washington Street; thence Westerly, along said Southerly right-of-way, to the Easterly right-of-way of N. 2nd Street; thence Northwesterly, to the intersection of the Westerly right-of-way of N. 2nd Street and the Southerly right-of-way of Washington Street; thence Westerly, along said Southerly right-of-way, to the Easterly line of the parcel described in Document Number 1593566 recorded in the Register of Deeds for Marathon County, extended Southerly; thence Northerly, along said Easterly line extended Southerly and along said Easterly line and along said Easterly line extended Northerly, to the Northerly right-of-way of Jefferson Street; thence Easterly, along said Northerly right-of-way, to the Easterly right-of-way of N. 2nd Street; thence Northerly, along said Easterly right-of-way, to the Southerly right-of-way of Scott Street; thence Westerly, along said Southerly right-of-way, to the Westerly right-of-way of N. 2nd Street; thence Northerly, along said Westerly right-of-way, to the Northerly right-of-way of McClellan Street; thence Easterly, along said Northerly right-of-way, to the Easterly line of Lot 1 of Certified Survey Map Number 13137 recorded in the office of Register of Deeds for Marathon County in Volume 57 of Certified Survey Maps on Page 74; thence N04°38'07"E, along said Easterly line, to the Southerly line of Certified Survey Map Number 3413 recorded in the office of Register of Deeds for Marathon County in Volume 13 of Certified Survey Maps on Page 8; thence N90°00'E, along said Southerly line and along said Southerly line extended Easterly, to the Easterly right-of-way of N. 3rd Street; thence Southerly, along said Easterly right-of-way, to the Southerly line of Lot 8, Block 3, McIndoe and Shutters Addition; thence Easterly, along said Southerly line and along the Southerly line of Lot 7, said Block 3, 120 feet to the Easterly line of said Lot 7; thence Northerly, along said Easterly line and along said Easterly line extended Northerly, 186 feet

to the Northerly right-of-way of Grant Street; thence Easterly, along said Northerly right-of-way, to the Westerly right-of-way of N. 4th Street; thence Northerly, along said Westerly right-of-way, to the Northerly right-of-way of McIndoe Street; thence Easterly, along said Northerly right-of-way, to the Easterly line of Lot 6, Block 17, Stewart, Parcher and Manson's Addition; thence Northerly, along said Easterly line and along the Easterly line of Lot 9, said Block 17, 240 feet to the Southerly right-of-way of Fulton Street; thence Westerly, along said Southerly right-of-way, to a line 1 foot Easterly of and parallel with the Easterly line of Lot 1, Block 18, Stewart, Parcher, and Manson's Addition, said Section 25; thence Northerly, along said parallel line, to the Southerly line Lot 2 of Certified Survey Map Number 017279 recorded in the office of Register of Deeds for Marathon County in Volume 82 of Certified Survey Maps on Page 77; thence $S85^{\circ}35'03''E$, along said Southerly line, to the Easterly line of said Lot 2; thence $N00^{\circ}10'38''W$, along said Easterly line, 64.93 feet to the Northerly line of said Lot 2; thence $N67^{\circ}32'08''W$, along said Northerly line, 453.47 feet to the Westerly line of said Lot 2; thence Northwesterly, to the Northeast corner Lot 1 of Certified Survey Map Number 5761 recorded in the office of Register of Deeds for Marathon County in Volume 21 of Certified Survey Maps on Page 79; thence Westerly, along the Northerly line of said Lot 1 and said Northerly line extended Westerly, to the Westerly right-of-way of N. River Drive; thence Northerly, along said Westerly right-of-way, to the Southerly line Lot 1 of Certified Survey Map Number 017367 recorded in the office of Register of Deeds for Marathon County in Volume 83 of Certified Survey Maps on Page 24; thence Westerly, along said Southerly line, to the Westerly line of said Lot 1; thence Northerly, along said Westerly line, to the Northerly line of said Lot 1; thence Easterly, along said Northerly line, to said Westerly right-of-way of N. River Drive; thence Northerly, along said Westerly right-of-way, to the Northerly right-of-way of Bridge Street; thence Easterly, along said Northerly right-of-way, to the Westerly Railroad right-of-way of the Chicago, Milwaukee, St. Paul, and Pacific Railroad; thence Northerly, along said Westerly Railroad right-of-way, to the Southerly line Parcel 1 of Certified Survey Map Number 12726 recorded in the office of Register of Deeds for Marathon County in Volume 55 of Certified Survey Maps on Page 44; thence Westerly, along said Southerly line and along said Southerly line extended Westerly, to the Easterly line of the Wisconsin River; thence Southerly, along said Easterly line, to the Southeasterly line of the abandoned Railroad right-of-way described in Document Number 1287462 recorded in the Register of Deeds for Marathon County; thence Northeasterly, along said Southeasterly line, to the Northerly-most line of Lot 1 of Certified Survey Map Number 15024 recorded in the office of Register of Deeds for Marathon County in Volume 67 of Certified Survey Maps on Page 106; thence $S78^{\circ}52'21''E$, along said Northerly-most line, to the Easterly line of said Lot 1; thence $S11^{\circ}07'37''W$, along said Easterly line, to the Southerly line of Certified Survey Map Number 3818 recorded in the office of Register of Deeds for Marathon County in Volume 14 of Certified Survey Maps on Page 116; thence $S89^{\circ}43'25''E$, along said Southerly line, 114.60 feet to the Westerly right-of-way of N. 1st Street; thence Northerly, along said Westerly right-of-way, to the Southerly right-of-way of Fulton Street, extended Westerly; thence Easterly, along said Southerly right-of-way extended Westerly and along said Southerly right-of-way, to the Westerly right-of-way of N. 3rd Street; thence Southerly, along said Westerly right-of-way, to the Northerly right-of-way of Grant Street; thence Westerly, along said Northerly right-of-way, to the Easterly right-of-way of N. 1st Street; thence Southerly, along said Easterly right-of-way extended Southerly, to the Southerly right-of-way of Grant Street; thence Westerly, along said Southerly right-of-way extended Westerly, to the Westerly right-of-way of N. 1st Street; thence Southerly, along said Westerly right-of-way, to the Northerly right-of-way of W. Washington Street; thence Southerly, to said Northeast corner of the Certified Survey Map Number 450 recorded in the office of Register of Deeds for Marathon County in Volume 2 of Certified Survey Maps on Page 200, the point of beginning;

except;

Lot 6 of Alexander Davis Plat, said Government Lot 1, Section 36.

RESOLUTION OF THE COMMON COUNCIL

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE PLAN COMMISSION, ECONOMIC DEVELOPMENT AND FINANCE COMMITTEES	
Approving the Boundaries and Project Plan for Amendment Two to Tax Incremental Financing District Number 12, City of Wausau (TID #12)	
Committee Action:	Plan Commission Finance Committee Economic Development Committee
Fiscal Impact:	The project plan is a territory subtraction and project plan additions
File Number:	17-0716
Date Introduced:	April 25, 2023

WHEREAS, the City of Wausau has followed a policy of promoting business, community amenities, and industrial development activities and improving infrastructure within the City; and

WHEREAS, the City's Economic Development strategy focuses on the attraction, retention and sustainability of business, community amenities, and industrial development activities and improving infrastructure to increase the property tax base and add new jobs; and

WHEREAS, Tax Increment District Number Twelve was created by the city in July 18, 2017; and

WHEREAS, the City now desires to amend the Project Plan and boundaries of the district in accordance with the provisions of Wisconsin Statutes Section 66.1105 (the Tax Increment Law); and

WHEREAS, such amendment subtraction will cause territory to be removed and added to the district providing for opportunities for additional private development and redevelopment; and

WHEREAS, the original Project Plan and the plan amendment for the district has been prepared that includes:

- a. A statement listing of the kind, number and location of all proposed public works or improvements within the district, or to the extent provided in Wisconsin Statutes Sections 66.1105(2)(f)1. k. and 66.1105(2)(f)1.n., outside of the district.
- b. An economic feasibility study.
- c. A detailed list of estimated projects costs.
- d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred.
- e. A map showing existing uses and conditions of real property in the district amendment area.
- f. A map showing proposed improvements and uses in the district.
- g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances.
- h. A list of estimated non-project costs.
- i. A statement of the proposed plan for relocation of any persons to be displaced.
- j. A statement indicating how the amendment of the district promotes the orderly development of the City.
- k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

WHEREAS, prior to publication of the public hearing notice, a copy of said notice was sent to the Superintendent of the Wausau School District, the President of Northcentral Technical College, and the Marathon County Administrator; and

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on April 18th, 2023 held a public hearing concerning the proposed amendment to the Project Plan and boundaries of the District, providing interested parties a reasonable opportunity to express their views thereon; and

WHEREAS, after said public hearing, the Plan Commission designated the boundaries of the amended district, adopted the Project Plan, and recommended to the Common Council that it amend the Project Plan and boundaries for the District.

WHEREAS, the Finance Committee and Economic Development Committee have reviewed the plan and concur with the summary of findings as required by Wisconsin Statute 66.1105(4m) (c) including:

- That development projected to occur would not occur or would not occur in the manner, at the values, or within the timeframe desired by the city without the plan amendment,
- That the economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements,
- That the benefits of the plan outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing jurisdictions.

WHEREAS, the Finance Committee and the Economic Development Committee of the City of Wausau has recommended, the amended plan boundary changes and related project plan amendment; and

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau, under the powers granted by the authority of the Tax Increment Law approves the amendment and makes the following findings:

1. That the territory described and shown on in the Project Plan Amendment Two is hereby included in the amended boundaries of Tax Incremental District Number Twelve, City of Wausau.
2. That the Project Plan Amendment Two is consistent with the original classification of the district and the district remains a rehabilitation district.
3. That the improvement of the area is likely to significantly enhance the value of other real property in the district.
4. That the project costs directly serve to promote rehabilitation and conservation consistent with the purpose for which the district was created.
5. That the project plan is feasible and in conformity with the City's master plan.
6. That the district territory amendment is considered a subtraction. The subtraction is achieved when the creation values of parcels subtracted exceed the current values of parcels added.
7. That the property added to the district is not annexed property as defined within the Tax Increment law.
8. That the project plan is feasible and in conformity with the City's master plan.
9. That the project plan for the development of the property in the area included in Amendment Two of Tax Incremental District Number Twelve is approved and adopted and that the plan is feasible and in conformity with the City's community and economic development objectives.
10. That the effective date of territory amendment will be January 1, 2023.
11. That the City estimates that less than 35% of the territory within the district, as amended, will be devoted to retail business at the end of the District's maximum expenditure period pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6) (am)1.

12. That the City estimates that at least 50%, by area, of the real property within the district needs rehabilitation or conservation work.
13. That the appropriate City officials shall provide the Joint Review Board with the information needed to prepare findings relative to approving the boundaries of the district and the project plan.
14. That the City Clerk, City Treasurer, and City Assessor shall complete and submit the necessary forms to the Wisconsin Department of Revenue as may be required by that agency to formally approve the boundaries of Amendment Two to Tax Incremental District Number Twelve and the project plan.

Approved:

Katie Rosenberg Mayor

RESOLUTION OF THE JOINT REVIEW BOARD

CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE JOINT REVIEW BOARD	
Approving the Project Plan Amendment Two of Tax Incremental Financing District Number 12, City of Wausau (TID # 12)	
File Number:	Date Introduced: X/X/2023

WHEREAS, the City of Wausau, Marathon County, Wisconsin seeks authorization to amend the project plan for Tax Increment District Number Twelve, (the "District"); and

WHEREAS, this plan has received the necessary approvals by the Wausau Plan Commission and Common Council; and

WHEREAS, Wisconsin Statutes, Section 66.1105 requires that a Joint Review Board, (the "Board") shall convene no later than 45 days after receipt of the council approval to consider the proposed plan amendment; and

WHEREAS, the Board has reviewed the Project Plan amendment presented by the City of Wausau attached to this resolution; and

WHEREAS, the Board has evaluated the Project Plan amendment based upon the criteria established in Wisconsin Statutes, Section 66.1105(4m) (c)1. and found the following to be true.

- The development projected to occur would not occur or would not occur in the manner, at the values, or within the timeframe desired by the city without the plan amendment,
- The economic benefits of amending the district, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements,
- The benefits of the plan outweigh the anticipated tax increments to be paid by the property owners in the overlying taxing jurisdictions.

NOW, THEREFORE, BE IT RESOLVED by the Joint Review Board of the City of Wausau that the Project Plan Amendment Number Two for the City of Wausau Tax Increment District Number Twelve be approved,

BE IT FURTHER RESOLVED, that this executed resolution be signed by at least three members of the Board and submitted to the City of Wausau no later than seven days after Board action.

Passed and Approved on TBD
 City of Wausau Tax Increment District Number Twelve
 Joint Review Board Members

_____	Representing
_____	City of Wausau
_____	Citizen Member
_____	Marathon County
_____	Northcentral Technical College
_____	Wausau School District

T.WALL FINANCIAL PROJECTIONS



MEMORANDUM

TO: Liz Brodek – Development Director
 FROM: Keith Dahl - Ehlers
 DATE: September 7, 2022
 SUBJECT: T. Wall Enterprises Tax Increment Financing Request and Recommendation

The City received a financial assistance request from T. Wall Enterprises (the "Developer") to construct a mixed-use apartment building on the southwest corner at the intersection of Washington Street and North 3rd Street. The Developer requested a Municipal Revenue Obligation (MRO) Note in the principal amount of \$6,200,000 to construct a 154-unit apartment and 17,520 square feet of commercial space (the "Project"). The Project would consist of studio, 1, 2, and 3-bedroom units with seven commercial tenant spaces. Construction is proposed to start this fall with an anticipated development cost slightly over \$48 million or \$312,095 per unit.

This memo has been prepared by Ehlers, at the request of the City, in conjunction with a review of the Project, specifically the budget and pro forma based on general industry standards for construction, land acquisition, and project costs; as well as to ensure that all development costs, rental revenues, and expenditures have been appropriately accounted for and considered. General industry standards for purposes of this memo were determined by review of similar projects within Minnesota and Wisconsin over the last two years.

Based on our review, the requested assistance is more than what is necessary for the project to become financially feasible. We've concluded an MRO Note in the principal amount of \$6,000,000 is supported for the Project. The tables below provide a synopsis of the sources and uses for the Project with the supported amount of public assistance.

SOURCES			
	Amount	Pct.	Per Unit
First Mortgage	28,972,000	60.3%	188,130
MRO Note	6,000,000	12.5%	38,961
Equity	13,090,573	27.2%	85,004
TOTAL SOURCES	48,062,573	100%	312,095

USES			
	Amount	Pct.	Per Unit
Acquisition Costs	500,000	1.0%	3,247
Construction Costs	39,658,478	82.5%	257,523
Professional Services	1,399,307	2.9%	9,086
Financing Costs	2,684,035	5.6%	17,429
Developer Fee	2,403,128	5.0%	15,605
Cash Accounts/Escrows/Reserves	1,417,625	2.9%	9,205
TOTAL USES	48,062,573	100%	312,095

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Pro Forma Analysis:

1. **Financing** – The Developer intends to finance the Project with a first mortgage that is approximately 60% of total development costs. Based on current underwriting conditions and lender sizing constraints, the Developer appears to be maximizing its first mortgage debt. The remaining balance of the total development costs would be covered by equity and a privately financed MRO Mortgage. The proposed financing meets our expectations for a project of its nature.
2. **Total Development Costs (TDC)** – The TDC is approximately \$48 million or \$312,095 per unit. Under current market conditions, similar projects have generally ranged between \$270,000 and \$350,000 per unit so the costs are in line with what we would expect under current market conditions. In addition, the per unit metric referenced does not deduct the cost of commercial space. The total residential development cost is approximately \$43.2 million or \$280,240 per unit.
3. **Acquisition Costs** – While the purchase agreement between the owner of land and the Developer is \$1,000,000, the land acquisition cost is structured as a partially forgiven Seller Loan with a 2.00% interest rate and a balloon repayment five years from closing on the property. Upon construction completion of the Project, \$600,000 of the acquisition cost is forgiven. Thus, we analyzed the acquisition cost being \$500,000, or \$3,247 per unit. Similar developments have ranged between \$7,500 to \$15,000 per unit. It appears the land acquisition cost is below the typical range since the land is not being appraised on an income approach or highest and best. The lower acquisition cost benefits the overall financial feasibility of the Project.
4. **Developer Fee** – The proposed developer fee was \$2,993,353 or 6.1% of TDC. For developments requesting City assistance, we'd expect to see a developer fee between 3% to 5%. We reduced the developer fee to 5% of TDC or \$2,403,128 for analysis purposes in determining the supportable amount of public assistance.
5. **Residential Rents** – Proposed market rate rents range between \$800 per month for the smallest studio unit to \$2,879 per month for a 3-bedroom unit. On a per square foot basis, market rate rents range between \$1.88 to \$2.25, averaging \$1.99. Based on review of a CoStar multi-family market report for Wausau and the surrounding area, the proposed rents appear to be reasonable. On an average per square foot basis, other market rate apartments built within the last two years ranged between \$1.64 and \$2.12.
6. **Commercial Rent** – The commercial rents will be structured as triple net leases, meaning the tenant is responsible for paying their respective expenses of the property including property taxes, insurance, and maintenance. The commercial rent that will be collected by the Developer will be \$23.00 per square foot for the restaurant tenant, \$19.00 per square foot for the smaller retail spaces, and \$17.00 per square foot for the larger retail spaces. The proposed triple net rents appear to be reasonable for the market. Other retail spaces built within the last two years in Wausau and the surrounding area have triple net lease rates ranging between \$15.00 and \$25.00 per square foot.



7. **Operating Expenses** – The operating expenses on a per unit basis are \$1,957, which is well below the typical market range of \$3,500 to \$4,500 per unit per year. Please note that this per unit expense is before management fees, property taxes, and replacement reserves. While lower than the typical range, the management fee is 6% of the effective gross income (EGI) of the Project. The typical range for management fees range between 3% to 5% of EGI. It appears the lower operating costs before management fees, property taxes, and replacement reserves is reasonable when you factor in the higher management fee.

Available Tax Increment:

The Project is currently contemplated to be located within the City's Tax Increment District (TID) #12 after boundary amendments. In consultation with the City Assessor, it is estimated the market value of the Project will be \$24,520,000 (\$145,000 per residential unit and \$125 per commercial square foot). Based on the estimated market value, it is projected the Project will generate over \$623,450 of annual tax increment. Based upon an annual 1.00% inflation factor, 80% of tax increment being available to the Developer, and a financing rate of 5.50%, the Project could support an MRO Mortgage in the maximum principal amount of \$6,000,000 over a 21-year term (remaining number of years for the TID). In total, principal and interest, public assistance to the Project would be \$10,800,000.

This would leave 20% of the annually collected tax increment available to the City over the remaining term of the TID to reimburse for upfront project expenditures and ongoing administrative costs related to the TID. In total, the future value sum collected by the City over 21 years could be approximately \$2,803,718. Attached for reference is a cashflow projection.

Projected Return on Investment:

As part of this analysis, we want to ensure that any public assistance in the project does not result in a return on investment greater than what is typical within the industry. Return on investment (ROI) is a performance measure used to evaluate development projects. There are a few common metrics used; however, the Developer has stated they would like to achieve a 10% average annual cash-on-cash (COC). A typical COC return may range between 9 - 11%.

Average annual COC calculates annual net cash flow against the initial equity investment without consideration of market fluctuations on a future sale value. The calculation is simply net cash flow (after debt service) divided by the total amount of equity invested. Based on current estimates over 21-years, the Developer would achieve a 9.7% average annual COC return in the final year of tax increment assistance.

Recommendation:

Based on our review of the Developer's pro forma and under current market conditions, the Project may not reasonably be expected to occur solely through private investment within the near future. The cost associated with development of the Project is only feasible, in part, through public financial assistance from the City. We conclude an MRO Note in the principal amount of \$6,000,000 with an interest rate the lesser of 5.50% or the Developer's actual rate of financing, and payable from 80% of the available tax increment over an anticipated term of 21 years is supported for this project. In total, principal and interest, public assistance to the Project would be \$10,800,000.

Please contact Keith Dahl at 651-697-8500 with any questions.

City of Wausau											
TID 12											
Cash Flow Projection											
Year	Projected Revenues				Expenditures				Balances		
	Tax Increments	Other Revenue	Total Revenues	MRO 10,800,000 Dated Date: TBD 80% Increment	Remaining Increment - 20%	Total Expenditures	Annual	Cumulative	Year		
2024	0		0		0	0	0	0	2024		
2025	137,066		137,066	109,653	27,413	137,066	0	0	2025		
2026	458,723		458,723	366,978	91,745	458,723	0	0	2026		
2027	623,453		623,453	498,762	124,691	623,453	0	0	2027		
2028	629,687		629,687	503,750	125,937	629,687	0	0	2028		
2029	635,984		635,984	508,787	127,197	635,984	0	0	2029		
2030	642,344		642,344	513,875	128,469	642,344	0	0	2030		
2031	648,768		648,768	519,014	129,754	648,768	0	0	2031		
2032	655,255		655,255	524,204	131,051	655,255	0	0	2032		
2033	661,808		661,808	529,446	132,362	661,808	0	0	2033		
2034	668,426		668,426	534,741	133,685	668,426	0	0	2034		
2035	675,110		675,110	540,088	135,022	675,110	0	0	2035		
2036	681,861		681,861	545,489	136,372	681,861	0	0	2036		
2037	688,680		688,680	550,944	137,736	688,680	0	0	2037		
2038	695,567		695,567	556,453	139,113	695,567	(0)	(0)	2038		
2039	702,522		702,522	562,018	140,504	702,522	0	(0)	2039		
2040	709,548		709,548	567,638	141,910	709,548	(0)	(0)	2040		
2041	716,643		716,643	573,314	143,329	716,643	(0)	(0)	2041		
2042	723,809		723,809	579,048	144,762	723,809	0	(0)	2042		
2043	731,048		731,048	584,838	146,210	731,048	0	(0)	2043		
2044	738,358		738,358	590,686	147,672	738,358	(0)	(0)	2044		
2045	745,742		745,742	527,772	217,969	745,742	(0)	(0)	2045		
Total	13,570,402	0	13,565,596	10,800,000	2,803,718	13,605,380			Total		



S.C. SWIDERSKI FINANCIAL PROJECTIONS

City of Wausau TID 12 (S.C. Swiderski) Development Assumptions					
Construction Year		S.C. Swiderski Development ¹	Annual Total	Construction Year	
1	2017	0	0	2017	1
2	2018	0	0	2018	2
3	2019	0	0	2019	3
4	2020	0	0	2020	4
5	2021	0	0	2021	5
<hr/>					
6	2022	0	0	2022	6
7	2023	0	0	2023	7
8	2024	7,637,375	7,637,375	2024	8
9	2025	21,750,000	21,750,000	2025	9
10	2026		0	2026	10
<hr/>					
11	2027		0	2027	11
12	2028		0	2028	12
13	2029		0	2029	13
14	2030		0	2030	14
Totals		<u>29,387,375</u>	<u>29,387,375</u>		

Notes:

¹Construction to start in 2024 with 25% of the 200 unit apartment complex valued at \$145,000 per unit completed in 2024, along with the 3,099 square foot retail space valued at \$125 per square foot. The remaining 75% of the apartment complex would come on line by the end of 2025.



City of Wausau TID 12 (S.C. Swiderski) Tax Increment Projection Worksheet									
Type of District	Rehabilitation				Base Value	0			
District Creation Date	July 15, 2017				Appreciation Factor	0.00%			
Valuation Date	Jan 1,	2017			Base Tax Rate	\$26.12			
Max Life (Years)	27				Rate Adjustment Factor				
Expenditure Period/Termination	22	7/19/2019			Tax Exempt Discount Rate	4.50%			
Revenue Periods/Final Year	27	2045			Taxable Discount Rate	6.00%			
Extension Eligibility/Years	Yes	3							
Eligible Recipient District	Yes								
Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment		
7 2023	0	2024	0	0	2025	\$26.12	0		
8 2024	7,637,375	2025	0	7,637,375	2026	\$26.12	199,522		
9 2025	21,750,000	2026	0	29,387,375	2027	\$26.12	767,730		
10 2026	0	2027	0	29,387,375	2028	\$26.12	767,730		
11 2027	0	2028	0	29,387,375	2029	\$26.12	767,730		
12 2028	0	2029	0	29,387,375	2030	\$26.12	767,730		
13 2029	0	2030	0	29,387,375	2031	\$26.12	767,730		
14 2030	0	2031	0	29,387,375	2032	\$26.12	767,730		
15 2031	0	2032	0	29,387,375	2033	\$26.12	767,730		
16 2032	0	2033	0	29,387,375	2034	\$26.12	767,730		
17 2033	0	2034	0	29,387,375	2035	\$26.12	767,730		
18 2034	0	2035	0	29,387,375	2036	\$26.12	767,730		
19 2035	0	2036	0	29,387,375	2037	\$26.12	767,730		
20 2036	0	2037	0	29,387,375	2038	\$26.12	767,730		
21 2037	0	2038	0	29,387,375	2039	\$26.12	767,730		
22 2038	0	2039	0	29,387,375	2040	\$26.12	767,730		
23 2039	0	2040	0	29,387,375	2041	\$26.12	767,730		
24 2040	0	2041	0	29,387,375	2042	\$26.12	767,730		
25 2041	0	2042	0	29,387,375	2043	\$26.12	767,730		
26 2042	0	2043	0	29,387,375	2044	\$26.12	767,730		
27 2043	0	2044	0	29,387,375	2045	\$26.12	767,730		
Totals	29,387,375		0		Future Value of Increment		14,786,396		
Notes:									
Actual results will vary depending on development, inflation of overall tax rates.									
NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).									



City of Wausau										
TID 12 (S.C. Swiderski)										
Cash Flow Projection										
Year	Projected Revenues			Expenditures			Balances		Year	
	Tax Increments	Other Revenue	Total Revenues	MRO 5,492,076 Dated Date: TBD Annual Increment	Percent Available	Remaining Increment	Total Expenditures	Annual		Cumulative
2025	0		0	0		0	0	0	0	2025
2026	199,522		199,522	179,570	90%	19,952	199,522	0	0	2026
2027	767,730		767,730	690,957	90%	76,773	767,730	0	0	2027
2028	767,730		767,730	690,957	90%	76,773	767,730	0	0	2028
2029	767,730		767,730	690,957	90%	76,773	767,730	0	0	2029
2030	767,730		767,730	690,957	90%	76,773	767,730	0	0	2030
2031	767,730		767,730	575,797	75%	191,932	767,730	0	0	2031
2032	767,730		767,730	575,797	75%	191,932	767,730	0	0	2032
2033	767,730		767,730	575,797	75%	191,932	767,730	0	0	2033
2034	767,730		767,730	575,797	75%	191,932	767,730	0	0	2034
2035	767,730		767,730	575,797	75%	191,932	767,730	0	0	2035
2036	767,730		767,730	575,797	75%	191,932	767,730	0	0	2036
2037	767,730		767,730	575,797	75%	191,932	767,730	0	0	2037
2038	767,730		767,730	575,797	75%	191,932	767,730	0	0	2038
2039	767,730		767,730	575,797	75%	191,932	767,730	0	0	2039
2040	767,730		767,730	575,797	75%	191,932	767,730	0	0	2040
2041	767,730		767,730	575,797	75%	191,932	767,730	0	0	2041
2042	767,730		767,730	0	0%	767,730	767,730	0	0	2042
2043	767,730		767,730	0	0%	767,730	767,730	0	0	2043
2044	767,730		767,730	0	0%	767,730	767,730	0	0	2044
2045	767,730		767,730	0	0%	767,730	767,730	0	0	2045
Total	14,786,386	0	14,781,581	9,289,667		5,530,036	14,821,365			Total

Notes: **Net Present Value at 6.00% \$5,492,076** **Projected TID Closure**



OPINION OF THE CITY ATTORNEY

Coming soon

To: Economic Development Committee &
Finance Committee

From: Randy Fifrick, Economic Development Manager

Date: April 11, 2023

Re: Development Agreement for S.C. Swiderski Wausau



In May of 2022, the City of Wausau released a Request for Proposals (RFP) for mixed-use development in its Riverlife District at approximately 1200 N. River Drive, including Lots 6, 7 and 8. In August, the City selected the proposal from S.C. Swiderski for a seven-story, mixed-use building with 200 total residential units and a separated parking structure.

City Staff has been working with the Developer since then to come to terms on a development agreement acceptable to both sides. Construction is proposed to start in 2024 with an anticipated development cost slightly over \$51.8 million or \$259,151 per unit.

The Project is located within the City's Tax Increment District (TID) #12. In consultation with the City Assessor, it is estimated the market value of the Project will be approximately \$29,387,375 (\$145,000 per residential unit and \$125 per commercial square foot).

The City engaged Ehlers to assist with reviewing the Developer's Application for Tax Increment Financing (TIF) assistance and determining the appropriate funding required to close the financial gap in the project. The review of the project included looking at the budget and pro forma based on general industry standards for construction, land acquisition, and project costs; as well as to ensure that all development costs, rental revenues, and expenditures have been appropriately accounted for and considered.

The Developer has requested the deal have a higher percentage of the tax increment generated be returned in the initial five years to help with upfront costs, specifically the construction of the separated parking structure. The agreement is structured to return 90% of the increment generated by the Developer back to the Developer in years 1 to 5 and 75% of the increment generated in years 6 to 16.

Based on the estimated market value, Ehler's has projected the Project will generate over \$767,730 of annual tax increment. Based upon, 90% of tax increment being available to the Developer in years 1 to 5, 75% of tax increment being available to the Developer in years 6 to 16, and a financing rate of 6.00%, the Project could support an MRO Mortgage in the maximum principal amount of \$5,490,000 over a 16-year term. In total, TIF assistance to the Project would be \$9,277,000.

In total, the future value sum collected by the City over 20 years is estimated to be approximately \$5,530,000 as shown on the cash flow projection in Exhibit D of the Agreement. The \$9.277 million in TIF assistance is 17.9% of the Developers overall project of \$51.8 million.

Staff recommends approval of the Purchase and Development Agreement with S.C. Swiderski and SCS Wausau.

Project Overview

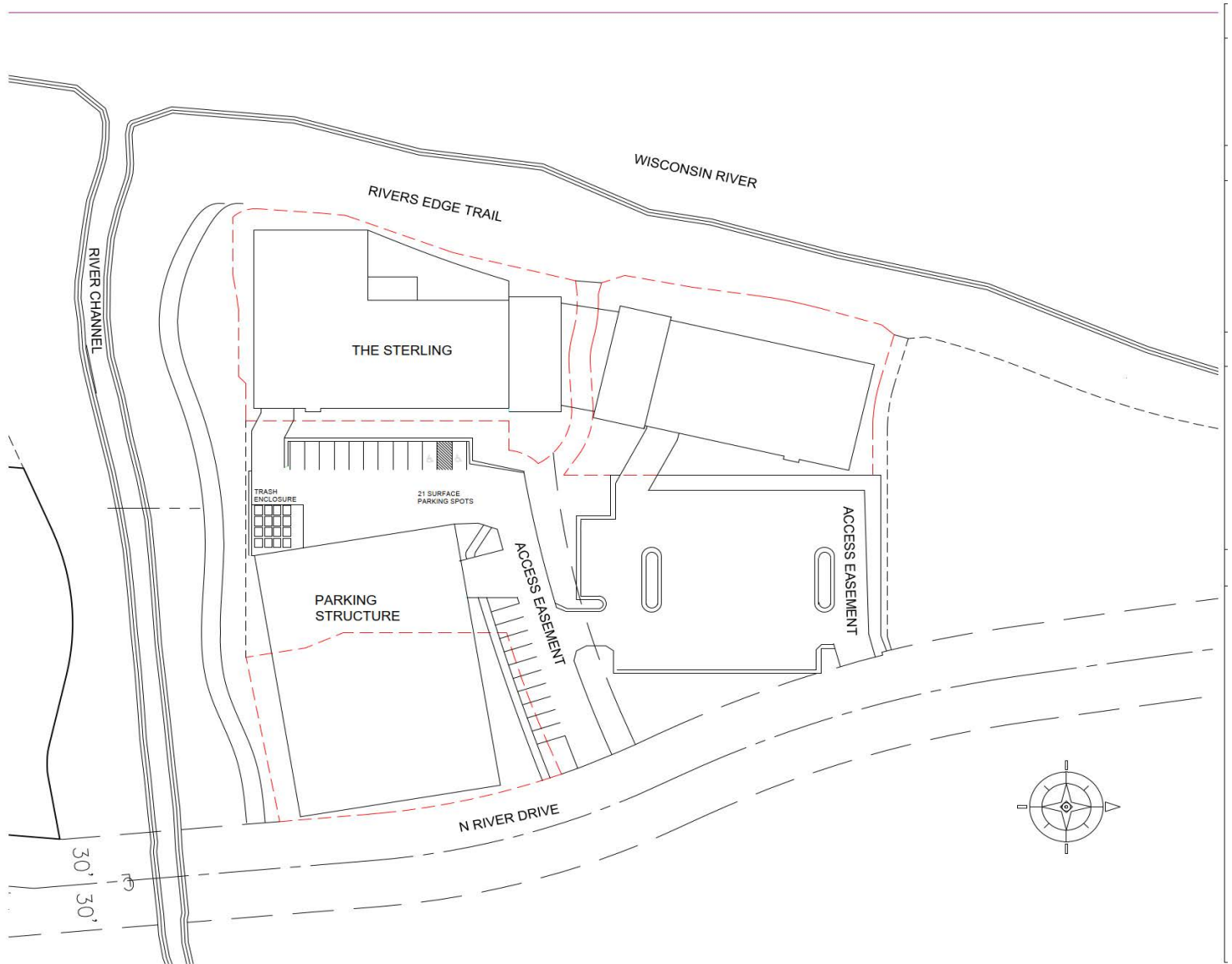
Summary: SCS Wausau is a proposed mixed-use development featuring the newly designed, 7-story Sterling building providing 200 market rate apartments of varying sizes and floor plans. Offerings include studios, studio suites, 1-and-2 bedrooms, and penthouse suites. All apartment units have been handpicked from extensive area demographic research and local knowledge of the Wausau rental market. In addition to living space, the project will feature 2 ground-level commercial retail spaces. Ground-level, street, and ramp parking options are available.

Amenities: The Sterling features a community center, conference room, yoga room, fitness room, storage options, tenant patio and grilling area, and a rooftop terrace for gathering.

Parking: Due to high groundwater table and environmental factors, the proposed site design provides 44 interior parking spaces plus an external parking ramp that holds 280 parking spaces for tenants. 21 exterior lot spaces will be open to the general public to create additional options for those looking to spend time in the Riverlife community.

Vision: The walkability of the area was a key consideration for this project and at the heart of the design layout. The opportunity to move through the city and along the river without vehicles is a special feature not every city can offer. Not only will the addition of market rate housing boost the commercial activity for the Riverlife District and the city, but it will also provide a place where residents can live, work, play, and build lasting memories in the Wausau community right here on its thriving urban waterfront.

Site Plan



Multi-Family Information	
2 Bedrooms	18 Units
1 Bedrooms	36 Units
Studio Suites	70 Units
Studios	72 Units
Penthouse Suites	4 Units

Parking	
Combined Interior Parking	324
Surface Lot	21
Total Parking	345
Parking Per Unit	1.73

Retail Information	
Retail Space #1	870 Sq Ft
Retail Space #2	2229 Sq Ft


SCS Wausau – Site Statistics	
Total Units	200
Acres	2.06
Density (Units Per Acre)	97.09



SCS

S.C. SWIDERSKI LLC

- 7 Story Multi Family Building
- 200 Total Multi Family Units
- Studio, Studio Suite, 1 Bed, 2 Bed, & Penthouse Unit Variations
- 5 Story Parking Structure
- 2 Retail Spaces (870 & 2229 sqft)
- Bike Parking



Public Open Space

Multi Family Building

44 Ground Floor Parking Spaces

Public Open Space

21 Exterior Lot Parking Spaces

Parking Structure

280 Interior Parking Spaces



SCS
WAUSAU

Tenant Amenities:

- Rooftop Terrace
- Ground Level Patio/Grilling Area
- Electric Car Charging Stations
- Fitness Center
- Yoga Studio
- Community Rooms
- Conference Room

Exterior Renderings



Exterior view of the Sterling



Walkthrough and future retail

Interior Renderings



1-Bedroom Apartment

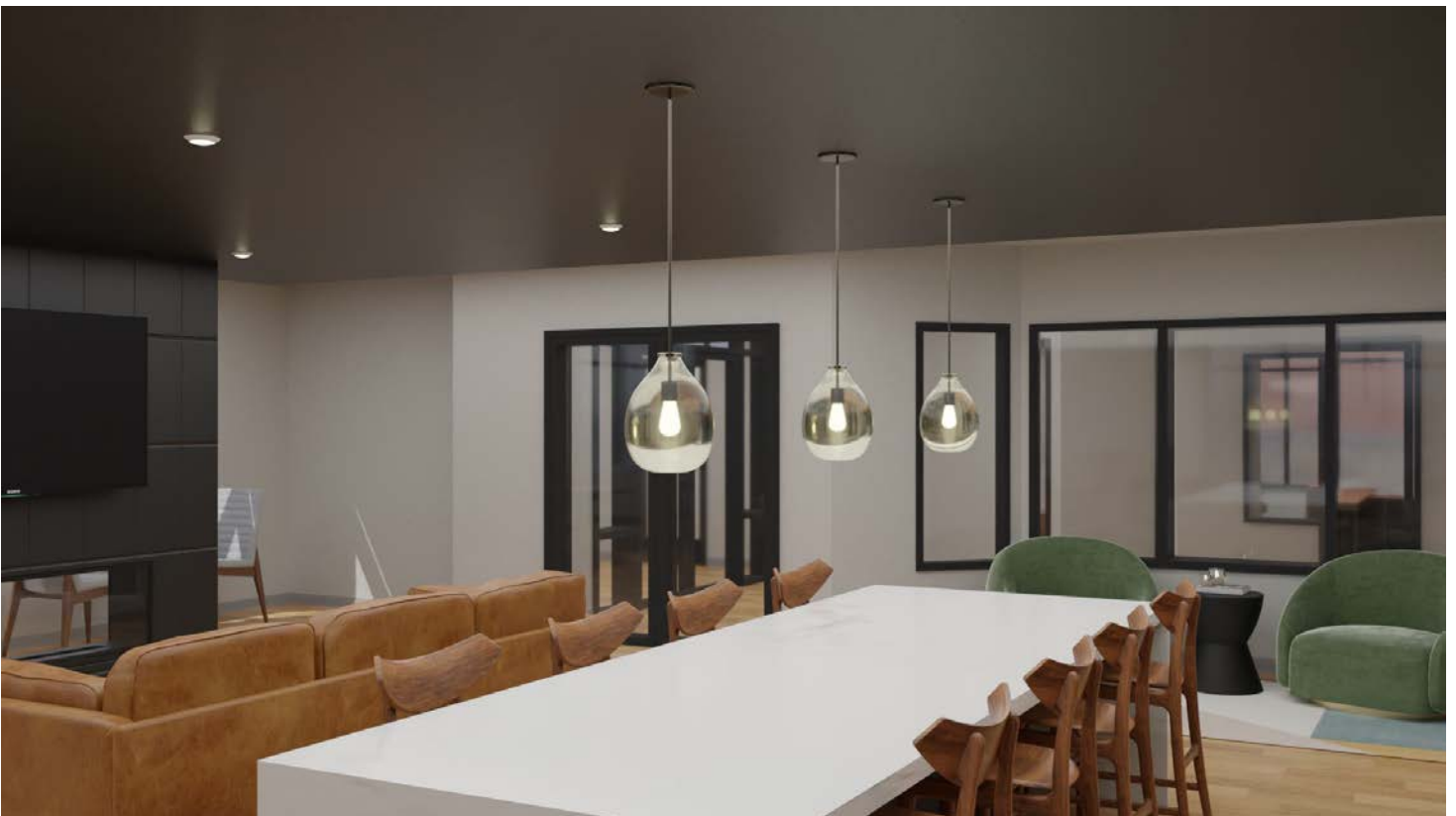


1-Bedroom Apartment

Interior Renderings



Community Room



Parking



Parking structure and aerial view



MEMORANDUM

TO: Randy Fifrick – Economic Development Manager
 FROM: Keith Dahl - Ehlers
 DATE: March 27, 2023
 SUBJECT: S.C. Swiderski Tax Increment Financing Request and Recommendation

The City received a financial assistance request from S.C. Swiderski, LLC (the “Developer”) to construct a mixed-use apartment building on approximately 2 acres of land located at 1200 North River Drive. The Developer requested a Municipal Revenue Obligation (MRO) Note in the principal amount of \$7,245,780 to construct a 200-unit apartment and 3,099 square feet of commercial space (the “Project”). The Project would consist of studio, 1, 2-bedroom units with two commercial tenant spaces. Construction is proposed to start in 2024 with an anticipated development cost slightly over \$51.8 million or \$259,151 per unit.

This memo has been prepared by Ehlers, at the request of the City, in conjunction with a review of the Project, specifically the budget and pro forma based on general industry standards for construction, land acquisition, and project costs; as well as to ensure that all development costs, rental revenues, and expenditures have been appropriately accounted for and considered. General industry standards for purposes of this memo were determined by review of similar projects within Minnesota and Wisconsin over the last two years.

Based on our review, the requested assistance is more than what is necessary for the project to become financially feasible. **We’ve concluded an MRO Note in the principal amount of \$5,490,000 repaid over an anticipated term of 16 years is supported for the Project.** Note: the total amount of tax increment paid over 16 years would be \$9,277,000. The tables below provide a synopsis of the sources and uses for the Project with the supported amount of public assistance.

SOURCES			
	Amount	Pct.	Per Unit
First Mortgage	36,294,490	70.0%	181,472
MRO Note	5,490,000	10.6%	27,450
Equity	10,045,662	19.4%	50,229
TOTAL SOURCES	51,830,152	100%	259,151

USES			
	Amount	Pct.	Per Unit
Acquisition Costs	400,000	0.8%	2,000
Construction Costs	44,222,480	85.3%	221,112
Professional Services	3,257,441	6.3%	16,287
Financing Costs	1,450,231	2.8%	7,251
Developer Fee	2,500,000	4.8%	12,500
TOTAL USES	51,830,152	100%	259,151

Pro Forma Analysis:

1. **Financing** – The Developer intends to finance the Project with a first mortgage that is approximately 70% of total development costs. Based on current underwriting conditions and lender sizing constraints, the Developer appears to be maximizing its first mortgage debt. The remaining balance of the total development costs would be covered by equity and a privately financed MRO Mortgage. The proposed financing meets our expectations for a project of its nature.
2. **Total Development Costs (TDC)** – The TDC is approximately \$51.8 million or \$259,151 per unit. Under current market conditions, similar projects have generally ranged between \$270,000 and \$350,000 per unit. There appear to be two reasons why the TDC of the Project is lower than what we've typically seen. 1) Due to the high-water table, the Project does not have underground parking. Instead, there is one-level of podium parking with a structured parking ramp attached to the apartment. This reduces the overall cost of construction. 2) Since the beginning of the year, we've started to see price softening within the construction industry due to the monetary policy being implement by the Federal government. The TDC per unit is reasonable under current market conditions.
3. **Acquisition Costs** – The acquisition cost is \$400,000, or \$2,000 per unit. Similar developments have ranged between \$7,500 to \$15,000 per unit. It appears the land acquisition cost is below the typical range since the land is not being appraised on an income approach or highest and best. The lower acquisition cost benefits the overall financial feasibility of the Project and reduces the TDC.
4. **Developer Fee** – The proposed developer fee was \$2,900,461 or 5.6% of TDC. For developments requesting City assistance, we'd expect to see a developer fee between 3% to 5%. We reduced the developer fee to slightly below 5% of TDC or \$2,500,000 for analysis purposes in determining the supportable amount of public assistance.
5. **Residential Rents** – Proposed market rate rents range between \$1,275 per month for the smallest studio unit to \$3,000 per month for a penthouse unit. On a per square foot basis, market rate rents range between \$1.86 to \$3.90, averaging \$2.47. Based on review of a CoStar multi-family market report for Wausau and the surrounding area, the proposed rents are higher than the comparable properties we reviewed. On an average per square foot basis, other market rate apartments built within the last two years ranged between \$1.64 and \$2.12. However, the rents proposed by the Developer for underwriting purposes are projected in 2026 dollars to account for construction beginning in 2024 and leasing to start in 2026.
6. **Commercial Rent** – The commercial rents will be structured as triple net leases, meaning the tenant is responsible for paying their respective expenses of the property including property taxes, insurance, and maintenance. The commercial rent that will be collected by the Developer will be \$20.00 per square foot for the smaller commercial space and \$16.15 per square foot for the larger commercial space. The proposed triple net rents appear to be reasonable under current market conditions, but may be slightly below what could be supported in 2026. Other retail spaces built within the last two years in Wausau have ranged in triple net lease rates between \$15.00 and \$25.00 per square foot.

7. **Operating Expenses** – The operating expenses on a per unit basis before management fees, property taxes, and replacement reserves are \$2,846, which is well below the typical market range of \$3,500 to \$4,500 per unit per year. However, reviewing the total operating expense ratio – operating expenses divided by effective gross income (EGI) – its approximately 37%. Generally, we see the total operating expense ratio range between 30% – 40%. The operating expenses do not appear to be out of line.

Available Tax Increment:

The Project is located within the City’s Tax Increment District (TID) #12. In consultation with the City Assessor, it is estimated the market value of the Project will be \$29,387,375 (\$145,000 per residential unit and \$125 per commercial square foot). Based on the estimated market value, it is projected the Project will generate over \$767,730 of annual tax increment. Based upon, 90% of tax increment being available to the Developer in years 1 – 5, 75% of tax increment being available to the Developer in years 6 – 16, and a financing rate of 6.00%, the Project could support an MRO Mortgage in the maximum principal amount of \$5,490,000 over a 16-year term. In total, public assistance to the Project would be \$9,277,000.

This would leave 10% of the annually collected tax increment available to the City in years 1 – 5, 25% in years 6 – 16 and 100% in the final 4 years of the TID. In total, the future value sum collected by the City over 20 years is estimated to be approximately \$5,530,000. Attached for reference is a cashflow projection.

Projected Return on Investment:

As part of this analysis, we want to ensure that any public assistance in the project does not result in a return on investment greater than what is typical within the industry. Return on investment (ROI) is a performance measure used to evaluate development projects. There are a few common metrics used; however, the typical industry standard is to achieve a 10% average annual cash-on-cash (COC) though this may range between 9 – 11%.

Average annual COC calculates annual net cash flow against the initial equity investment without consideration of market fluctuations on a future sale value. The calculation is simply net cash flow (after debt service) divided by the total amount of equity invested. Based on current estimates over 16-years, the Developer would achieve a 9.7% average annual COC return.

Recommendation:

Based on our review of the Developer’s pro forma and under current market conditions, the Project may not reasonably be expected to occur solely through private investment within the near future. The cost associated with development of the Project is only feasible, in part, through public financial assistance from the City. We conclude an MRO Note in the principal amount of \$5,490,000 is supported for this project. In total the public assistance to the Project would be \$9,277,000.

Please contact Keith Dahl at 651-697-8500 with any questions.

PURCHASE AND DEVELOPMENT AGREEMENT
(Riverlife – S. C. Swiderski)

THIS PURCHASE AND DEVELOPMENT AGREEMENT (Riverlife – S.C. Swiderski) (this “Agreement”) is made as of [_____], 2023 (the “Effective Date”), by and among the CITY OF WAUSAU, a Wisconsin municipal corporation (the “City”), S. C. SWIDERSKI, LLC, a Wisconsin limited liability company (“SCS”) and SCS WAUSAU, LLC, a Wisconsin limited liability company (“Owner”) (SCS and Owner are referred to herein, collectively, as “Developer”).

RECITALS

WHEREAS, the City is the owner of certain real property in the City of Wausau, County of Marathon, State of Wisconsin, consisting of approximately 2.11 acres and being generally depicted and identified as “Lot 6”, “Lot 7”, “Lot 8” and a portion of “Outlot 4” on Exhibit A attached hereto (the “Property”); and

WHEREAS, the Property is in an area governed by the Riverfront Declaration (defined below); and

WHEREAS, the City has, pursuant to the authority granted in Wisconsin Statutes, Section 66.1105, created the City of Wausau Tax Increment District Twelve (the “TID”) and adopted a Project Plan for the TID (as amended from time to time, the “TID Plan”) to finance certain costs to induce development within or around the TID; and

WHEREAS, in order to achieve the objectives of the TID Plan and to make the land within the TID available for development by private enterprises for and in accordance with the uses specified in the TID Plan, the City has determined to provide assistance through grants from the TID and other actions, as hereinafter set forth, to permit development to proceed; and

WHEREAS, Developer has proposed a development, as hereinafter described, within the TID and located on the Property; and

WHEREAS, in connection with such development, Developer desires to purchase the Property as determined in accordance with the terms and conditions of this Agreement; and

WHEREAS, Developer’s ability to develop the Property requires certain financial incentives from the City as set forth herein; and

WHEREAS, the City has determined that the proposed development by Developer (i) will promote and carry out the development objectives of the City, (ii) furthers the purposes of the TID Plan, and (iii) would not occur at the Property without the assistance of the City.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, the parties agree as follows:

1. Definitions. As used in this Agreement, the following terms shall have the following meanings:

- a. “Agreement” is defined in the introductory paragraph to this Agreement.
- b. “Annual Tax Increment” means, for any given year, the annual gross tax increment revenues (over the base year tax liability) paid and actually received by the City which is generated by property tax payments on the Property for any such year plus amounts received by the City for any required PILOT Payment hereunder attributable to such year. In the event of a negative number, the Annual Tax Increment for such year will be deemed to be Zero Dollars (\$0.00). The base year for such tax increment revenues calculation shall be the year of Closing, and the parties agree that the base year value of the Property and the base year tax liability shall both be deemed to be Zero Dollars (\$0.00) for the purposes of calculating Annual Tax Increment.
- c. “Buildings” means (i) the seven-story mixed-use commercial/apartment building consisting of at least 200 total residential units and two (2) ground-floor commercial spaces of approximately 870 square feet and 2,229 square feet respectively; (ii) the separate parking structure with at least 280 interior parking spaces on 5 levels; (iii) at least 21 outdoor surface parking spaces (for use by the general public); and (iv) ancillary improvements in connection with the foregoing, to be constructed on the Property in accordance with the Plans and in substantial conformity with the Proposal and as generally depicted on the site plan attached hereto as Exhibit B. In the event of a conflict between the Proposal and this Agreement (including the attached site plan), this Agreement shall control
- d. “City” is defined in the introductory paragraph of this Agreement.
- e. “Closing” means the execution of the Deed and sale and conveyance of the Property to Owner in exchange for the Purchase Price, as contemplated by and subject to the terms and conditions of this Agreement.
- f. “Closing Date” means the date that Closing occurs, which shall be a date mutually agreed to by the City and Developer but in no event shall the date be later than the Closing Deadline.
- g. “Closing Deadline” means the date that is thirty (30) days after the termination (or earlier waiver by Developer) of the Due Diligence Period, but in no event later than December 29, 2023.
- h. “Deed” means a special warranty deed of the Property from the City to Owner.
- i. “Default” is defined in Section 6 below.
- j. “Developer” is defined in the introductory paragraph to this Agreement.

- k. “Due Diligence Period” means the time period commencing on the Effective Date and terminating on November 30, 2023 (but in any event no later than the day of Closing) or such earlier date that Developer waives the remainder of the Due Diligence Period.
- l. “Effective Date” is defined in the introductory paragraph of this Agreement.
- m. “Memorandum” means a short form memorandum of this Agreement recorded in the real estate records against the Property. The parties agree that the form of memorandum attached hereto as Exhibit C is acceptable to both parties.
- n. “Minimum Assessed Value” means Twenty-Nine Million, Three Hundred Eighty-Seven Thousand, Three Hundred Seventy-Five and 0/100 Dollars (\$29,387,375.00).
- o. “Minimum Construction Cost” means at least Fifty-Two Million Dollars (\$52,000,000.00).
- p. “Plans” means final detailed plans and specifications for the Project in form and substance acceptable to the City, which shall include, without limitation, the following: all improvements now located or to be located on the Property (including the Buildings), the footprint of all improvements and the square footage of all improvements, all easements, pathways, exterior boundary lines, walkways, parking and circulation areas, adjoining public streets and alleys, utilities, exits and entrances, all signage, sidewalks, landscaping, all materials to be used in construction, all interior and exterior finishes, building sections, description of room and space sizes, plan arrangement of rooms and functional spaces, exterior elevations, the stacking of floors and all construction elements, a narrative description of all structural systems, mechanical systems, electrical systems and any specialty systems. The Plans shall also include a detailed landscaping plan and a detailed landscape maintenance plan.
- q. “Project” means the construction of the Buildings and the additional redevelopment of the Property for the operation of the Buildings, and construction and installation of all other improvements as may be required in order to comply with applicable zoning and building laws, rules, regulations, codes and ordinances and in order to develop and operate the Property in substantial conformity with the Plans and the Proposal, including, but not limited to, any realignment of the storm sewer system on the Property as determined by the City in its reasonable discretion.
- r. “Project Commencement” means the occurrence of all of the following: (i) Closing has occurred; (ii) all building permits and other permits for the commencement of construction of the Project have been obtained; (iii) the Third-Party Loan has closed; and (iv) mobilization and commencement of construction of the Project at the Property has occurred (as reasonably determined by the City).
- s. “Project Commencement Deadline” means June 1, 2024.
- t. “Project Completion” means the occurrence of all of the following: (i) a certificate of occupancy is issued by the appropriate governmental authorities for Project, as

applicable; and (ii) the Project architect has issued a certificate stating that the Project has been substantially completed in accordance with the Plans.

- u. “Project Completion Deadline” means March 1, 2027.
- v. “Project Cost Breakdown” means a current cost breakdown of construction and non-construction cost items (i.e., a line-item budget), clearly identifying development, engineering, construction, furnishing, equipping, financing, contingency and all other direct and indirect costs of development, construction and installation of the Project in accordance with the Plans for the Project. The Project Cost Breakdown shall also include the Developer’s proposed source of funds for each line-item and shall specify which line items Developer proposes be used when calculating whether the Minimum Construction Cost requirement herein is satisfied.
- w. “Property” is defined in the Recitals above.
- x. “Proposal” is Developer's project proposal for the Property, dated July 21, 2022, as supplemented by Developer's TIF Application submitted on August 26, 2022, and last revised/supplemented on December 1, 2022.
- y. “Purchase Price” means Four Hundred Thousand Dollars (\$400,000.00).
- z. “Riverfront Declaration” means that certain Declaration of Covenants, Conditions, Restrictions and Easements for Wausau East Riverfront made by the City on August 26, 2020, and recorded in the Office of the Register of Deeds for Marathon County, Wisconsin, as Document Number 1814469, as amended to date and as may be further amended from time to time, including, without limitation, any amendment(s) relating to the creation of the lot(s) consisting of the Property.
- aa. “Tax Increment Grant” means a grant to Developer based on a percentage of the Annual Tax Increment up to a cumulative maximum amount of Nine Million Two Hundred Seventy-Seven Thousand Dollars (\$9,277,000.00), as described in more detail in Section 3 below. For informational purposes only, and without modifying the terms herein, an anticipated schedule of Tax Increment Grant payments based on the timeline and information available as of the Effective Date is attached hereto as Exhibit D.
- bb. “Tax Increment Percentage” means (i) ninety percent (90%) for the first five (5) scheduled installments of the Tax Increment Grant (installments starting the first (1st) calendar year following Project Completion), and (ii) seventy-five percent (75%) thereafter.
- cc. “Third-Party Lender” means the lender(s) of the Third-Party Loan.
- dd. “Third-Party Loan” means the loan(s) from the Third-Party Lender(s) for the purpose of financing the construction costs of the Project and permanent take-out financing, if any, of such construction financing, in an amount consistent with the City-approved Project Cost Breakdown.

- ee. “TID” is defined in the Recitals above.
- ff. “TID Plan” is defined in the Recitals above.

2. Commitments of Developer. Developer agrees and covenants with the City as follows:

a. *Purchase of the Property.*

i. Subject to the terms and conditions of this Agreement, Developer agrees to purchase the Property in its “AS-IS” condition for the Purchase Price on the Closing Date. The transfer of the Property shall be subject to all matters of record, including, without limitation, the Riverfront Declaration, other than monetary liens. Developer agrees to execute the Memorandum, and that the Memorandum shall be recorded immediately after the Deed and prior to any mortgage including any mortgage to the Third-Party Lender. All title insurance fees, transfer fees, title company closing fees, and recording fees for the purchase shall be at Developer's sole cost and expense. The City and Developer hereby agree that the transfer of the Property to the Developer hereunder is exempt from the Wisconsin Real Estate Transfer Fee pursuant to Wis. Stats. § 77.25(2) and the Wisconsin Real Estate Transfer Receipt filed in conjunction with the recording of the Deed will reflect that fact. Developer agrees that it shall not receive a proration for real estate taxes for the year of Closing.

ii. DEVELOPER ACKNOWLEDGES AND AGREES THAT DEVELOPER HAS HAD AND/OR WILL HAVE SUFFICIENT OPPORTUNITY TO INSPECT THE PROPERTY PRIOR TO CLOSING AND THAT THE CITY IS CONVEYING AND DEVELOPER IS ACCEPTING THE PROPERTY ON AN “AS-IS WITH ALL FAULTS” BASIS AND THAT DEVELOPER IS RELYING SOLELY ON ITS INDEPENDENT INVESTIGATION AND NOT ON ANY REPRESENTATIONS OR WARRANTIES OF ANY KIND WHATSOEVER, EXPRESS OR IMPLIED, FROM THE CITY OR ITS AGENTS AS TO ANY MATTERS CONCERNING THE PROPERTY, EXCEPT FOR TITLE. AS A PART OF ITS AGREEMENT TO ACCEPT THE PROPERTY IN ITS “AS IS” CONDITION, DEVELOPER, FOR ITSELF AND ITS SUCCESSORS, ASSIGNS, AGENTS, EMPLOYEES, CONTRACTORS AND INVITEES, HEREBY WAIVES, DISCHARGES AND RELEASES THE CITY FROM ANY AND ALL DEMANDS, CLAIMS, LEGAL OR ADMINISTRATIVE PROCEEDINGS, LOSSES, LIABILITIES, DAMAGES, PENALTIES, FINES, LIENS, JUDGMENTS, COSTS OR EXPENSES WHATSOEVER, WHETHER DIRECT OR INDIRECT, KNOWN OR UNKNOWN, FORESEEN OR UNFORESEEN, THAT MAY ARISE ON ACCOUNT OF OR IN ANY WAY BE CONNECTED WITH OR RELATED TO THE PHYSICAL, GEOLOGICAL OR ENVIRONMENTAL CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, ANY PAST OR PRESENT CONDITION OF OR ACTION ON OR ABOUT THE PROPERTY (INCLUDING, WITHOUT LIMITATION, THE PRESENCE OF HAZARDOUS OR TOXIC MATERIAL AT, UNDER OR IN THE GENERAL VICINITY OF

THE PROPERTY) OR THE CURRENT OR PREVIOUS VIOLATION OF ENVIRONMENTAL LAWS AT THE PROPERTY, IF ANY; provided, however, that the above release of the City shall not apply to any claims against the City related to fraud, intentional misrepresentation, and the enforcement of this Agreement

iii. As noted above, Developer is taking the Property in its current condition, without any express or implied warranties by the City as to its physical condition. Accordingly, during the Due Diligence Period, Developer shall have the right to complete, at Developer's sole cost, all due diligence activities with respect to the Property and feasibility analysis of the Project desired by Developer (including, without limitation, a title search, environmental review or land survey), provided that Developer complies with the terms of this Agreement. Developer shall have the right to terminate this Agreement, for any reason or no reason, during the Due Diligence Period by providing written notice to the City. It shall be Developer's responsibility to determine the condition of the Property during the Due Diligence Period; provided, however, that the City agrees to provide Developer, within ten (10) business days of Developer's request, with any documentation relating to the Property's condition that is in the City's possession and reasonable control but without any representation or warranty that such documentation is complete or accurate. Further, it shall be Developer's responsibility to determine the state of title of the Property, including any recorded covenants or restrictions, during the Due Diligence Period through a title search and other due diligence; provided, however, that the City agrees to provide Developer, within ten (10) business days of Developer's request, with any title documentation relating to the Property that is in the City's possession and reasonable control but without any representation or warranty that such documentation is complete or accurate.

iv. Prior to the Closing Date, in advance of any entry onto the Property, Developer shall provide the City with evidence that Buyer (and any agents or contractors performing work on the Property) has in force such insurance policies and coverage in compliance with the City's requirements and other agreements as set forth on Exhibit E attached hereto (the terms, conditions and agreements set forth on such exhibit are hereby incorporated herein by this reference). When completing its due diligence activities, Developer shall not have any right to conduct any soil, soil gas, or groundwater testing or sampling or any drilling, boring or other intrusive, invasive or destructive due diligence testing of the Property ("Invasive Testing") without the prior written consent of the City, which shall not be unreasonably withheld. If Developer desires to conduct any Invasive Testing, Developer shall request such consent in writing (via email to the parties discussed below) with a detailed proposed plan of investigation, and the City shall respond within five (5) business days of receiving such request either by approving or disapproving such request, and the City's failure to timely respond shall be deemed a disapproval of Developer's request. Developer and the City agree to cooperate in good faith in the scheduling, rescheduling and implementation of any approved Invasive Testing to allow the City, at the City's option, to arrange for its consultants

to observe such Invasive Testing. With respect to consents by the City in this subsection relating to Invasive Testing, such consent shall be determined by the then-current Directors (or their designees) of the City's Department of Community Development and the City's Department of Public Works, after consultation with other appropriate City staff and departments. Unless otherwise directed by the City, Developer should send such Invasive Testing requests and information via e-mail to such department directors (currently Liz.Brodek@ci.wausau.wi.us and Eric.Lindman@ci.wausau.wi.us, respectively), with a copy to the City's Environmental Engineer (currently kevin.fabel@ci.wausau.wi.us). Without limiting the other obligations of Developer in this Agreement, (A) Developer shall hold harmless, indemnify and defend the City, and its employees, officers, volunteers, and elected and appointed officials, from and against any and all claims, liability and losses, and expenses related thereto (including reasonable attorneys' fees), which the City incurs arising or asserted to arise out of, any activity (act, omission, fault or negligence) of Developer, or any of Developer's agents or contractors, conducted on the Property prior to Closing (provided, however, without limitation, that in no event shall Developer be responsible for indemnification or otherwise for any claims, liability, losses or otherwise which arise or are alleged to have arisen from the negligence or willful misconduct of the City, its employees or agents), and Developer shall be responsible to require and confirm that such agent or contractor has contractually agreed to indemnify the City and its employees, officers, volunteers, and elected and appointed officials for any such activity, and (B) in the event Developer exercises its right to terminate this Agreement during the Due Diligence Period or otherwise elects not to or fails to purchase the Property from the City, Developer shall, at its sole cost and expense, promptly restore any physical damage or alteration of the physical condition of the Property that results from any Invasive Testing or other due diligence activities conducted by or on behalf of Developer. The obligations of Developer in this subsection shall survive termination of this Agreement.

b. *Project.* The Developer, at its cost and expense, agrees to construct, install, furnish, equip and maintain the Project pursuant to the terms and conditions set forth herein. Except as provided for herein, Developer shall pay all costs and expenses associated with construction and installation of the Project. Developer will cause the Project to be constructed in a good and workmanlike manner and substantially in accordance with the Plans for the Project. Project Commencement shall occur not later than the Project Commencement Deadline, and Developer will continue construction of the Project diligently and shall achieve Project Completion no later than the Project Completion Deadline subject to Force Majeure as defined in Section 8 of this Agreement.

c. *Construction Spend.* Developer shall, no later than the Project Completion Deadline, spend at least the Minimum Construction Cost in hard construction costs at the Property in connection with the Project and consistent with the approved Project Cost Breakdown. Without limitation, the following shall not be included when calculating whether such construction spend requirement has been met: (i) construction costs which are inconsistent with the approved Project Cost Breakdown (as may be amended and approved as set forth herein), or (ii) Developer's expenses from purchasing the Property

(including the Purchase Price) even if included in the Project Cost Breakdown, or (iii) furnishings, decorations or other personal property installed at the Property even if included in the Project Cost Breakdown, or (iv) any soft construction costs (including architectural, engineering, and legal fees), even if included in the Project Cost Breakdown, or (v) any costs which are not permitted to be included as project costs under Wisconsin Statutes Section 66.1105, even if include in the Project Cost Breakdown. In connection with submission and review of the Project Cost Breakdown, Developer and the City shall document which line items will and which line items will not be included when determining whether the Minimum Construction Cost was achieved.

d. *Compliance with Zoning and Building Code.* Without limiting Developer's general obligation herein to comply with all laws, Developer agrees that the Project will be constructed in conformance and compliance with all applicable federal, state, local and other laws, rules, regulations and ordinances, including, without limitation, all zoning and land division laws, rules, regulations and ordinances and all building codes and ordinances of the City, including those relating to parking. Developer understands and acknowledges that, notwithstanding anything to the contrary in the Proposal (if applicable), the Riverfront Declaration requires that at least eighty (80) of the parking spaces in the surface parking lot adjacent to the property remain unreserved parking for the public and, thus, such parking places may not be used to calculate parking minimums for the Project or otherwise be reserved for the Project. The final plans shall be consistent with the requirements, if applicable, of the Riverfront Declaration.

e. *Compliance with DNR Requirements.* Without limiting Developer's general obligation herein to comply with all laws, Developer agrees to comply with and to be solely responsible for (at Developer's cost) completion of any Wisconsin Department of Natural Resources requirements pertaining to any preexisting environmental conditions at the Property, including, without limitation, any historic contamination in the soil. Compliance with such requirements shall be included in the Plans and the costs therefor shall be included in the Project Cost Breakdown.

f. *Return of Property.*

i. If Developer fails to achieve Project Commencement or prior to the Project Commencement Deadline, in addition to any other remedies available to the City pursuant to this Agreement or applicable law, the City, at its option as exercised in its sole discretion, may by written notice to Developer require Developer to achieve Project Commencement or if not so achieved, transfer the Property to the City pursuant to a special warranty deed within ten (10) days following Developer's receipt of such notice from the City and the City shall reimburse the Purchase Price to Developer. The City shall provide such notice to Developer to transfer the Property within sixty (60) days after the Project Commencement Deadline or the City shall be deemed to have waived its right to do so.

ii. If Developer does not achieve Project Completion on or prior to the Project Completion Deadline, or if the Project is not constructed in substantial

compliance, as determined by the City in its reasonable discretion, with the Plans or the consents, approvals or permits issued by any governmental authority with respect to the construction of the Project, the City, at its option as exercised in its sole discretion, may by written notice to Developer require Developer to substantially complete or bring the Project into compliance therewith within thirty (30) days or if not substantially completed or brought into compliance, to transfer the Property to the City pursuant to a special warranty deed within thirty (30) days following Developer's receipt of such notice from the City. Upon the transfer of the Property to the City pursuant to the foregoing sentence, the City shall reimburse the Purchase Price to Developer and shall pay Developer an amount for the value of any improvements constructed on the Property as of the date of the notice to Developer, as determined by a third-party independent appraisal by an appraiser chosen by the City in its reasonable discretion. The City shall provide such notice to Developer to transfer the Property within sixty (60) days after the Project Completion Deadline or the City shall be deemed to have waived its right to do so.

iii. The City's right to the return of the Property included in this Section 2 shall be explicitly stated in the Memorandum.

g. *Minimum Assessed Value; Payment-in-Lieu of Taxes.*

i. Developer guarantees that, commencing in tax year 2027 and continuing through the full calendar year of the last year of the TID, the Project will result in an equalized value for the Property of not less than the Minimum Assessed Value, as determined by the City assessor (or other appropriate agency pursuant to applicable law) in his/her sole and absolute discretion. In the event that the equalized value for the Property in any such year is less than the Minimum Assessed Value or in the event the Property, or any part of it, becomes exempt or partially exempt from general property taxes during the life of the TID, Developer agrees to make to the City a payment-in-lieu-of taxes payment (a "PILOT Payment") equal to the difference between (A) the amount of taxes which would have been levied on the Property for said year by the City and other taxing jurisdictions if the Property had an equalized value for real estate tax purposes equal to the Minimum Assessed Value and the Property was not exempt or partially exempt from general property taxes and (B) the actual amount of taxes levied on the Property for said year by the City and all other taxing jurisdictions. The PILOT Payment shall be due and payable in full to the City on January 31 immediately following such tax year; provided, however, that Developer may elect to pay the PILOT Payment in two equal installments by providing written notice to the City no later than January 15, with the first installment due no later than January 31 and the second installment due no later than July 31. The obligations of Developer to pay the PILOT Payment shall: (1) be referenced in the Memorandum; (2) be a lien on the Property and run with the land; and (3) bind all owners in title to the Property and their successors and/or assigns.

ii. Developer understands and agrees that the Minimum Assessed Value requirement above shall not in any way bind the City assessor (or other

applicable agency) in his/her assessment and appraisal of the Property and that the City assessor will arrive at an equalized value of the Property based solely on his/her application of all applicable property tax laws, rules, rates, regulations and ordinances in effect from time to time. Nothing in this Agreement shall impair any statutory rights of the City and other taxing authorities with respect to the assessment, levy, priority, collection and/or enforcement of real estate and personal property taxes. The City makes no representation that if the Minimum Development Cost is spent that the Minimum Assessed Value will be met.

h. *Commercial Space and Parking Lot.* Developer will provide 280 interior parking spaces for the exclusive use of its tenants in a separate parking structure included within the Buildings and will also provide 21 exterior parking spaces for use by the general public (including Developer's tenants), free of charge on the Property on the site identified in the Project site plan

i. *Possible Easements.* Developer acknowledges and agrees that, during the City's normal review and approval process for the Plans, the City may require that Developer grant: (i) certain utility easements to the City over, across and under the Property; and (ii) certain public access easements to the general public over and across the Property, all as determined by the City in its reasonable discretion. Exhibit F attached hereto shows the possible areas of the Property that may be burdened by the easements described in the foregoing sentence; provided, however, that the City reserves the right to locate any such easements as it determines in its reasonable discretion.

3. Commitments of the City.

a. *Sale of the Property.* Subject to the terms and conditions of this Agreement, the City agrees to sell to Developer the Property for the Purchase Price on the Closing Date. The City shall convey the Property to Developer by the Deed, subject to all matters of record other than monetary liens, unless the City agrees in writing, in the City's discretion, to clear any matters of record or attach a list of permitted encumbrances based on a title search by Developer's title company provided to the City by Developer. The City's sole obligation shall be to deliver the Deed to Developer at Closing; provided, however, that the City agrees to cooperate with Developer's and Developer's title company's reasonable requests to execute additional closing documentation reasonably requested by Developer and provided to the City for review prior to the Closing Date, but only if such documentation does not subject the City, in the City's reasonable determination, to any additional obligations or liabilities. Notwithstanding the foregoing, the City agrees to execute and deliver to the Developer's title company on or prior to the Closing, any of the following, in form and substance reasonably acceptable to the City: (i) a customary and standard form of gap indemnity to permit the provision of a gap endorsement with respect to the title commitment issued by Developer's title company at Closing; (ii) a customary and standard form of construction work and tenants affidavit to facilitate the removal of certain so-called "standard" exceptions to title on the commitment issued by Developer's title company, other than any "standard survey exceptions"; and (iii) a customary form of broker's lien affidavit certifying that the no person is entitled a commission or other fee as a result of a brokerage or similar relationship with the City. Any transfer taxes, recording

fees, title insurance fees, due diligence expenses and other closing costs in connection with such conveyance shall be at Developer's expense. Developer understands and agrees that the City's conveyance is limited to the City's right, title, and interest in and to the Property. Should Developer desire to obtain title insurance or a survey in connection with this conveyance, such items shall be at Developer's sole cost and expense. The City agrees to use commercially reasonable efforts to close in escrow with Developer's title company; provided that all fees charged by the title company for closing the transaction shall be at Developer's expense.

b. *Tax Increment Grant.* Subject to the terms and conditions of this Agreement, the City agrees to provide the Tax Increment Grant to Owner, without interest. The Tax Increment Grant shall be made in up to sixteen (16) annual installments on or before November 1 of each year based the applicable Tax Increment Percentage of the Annual Tax Increment up to the cumulative maximum amount of the grant; provided, however, that the amount of the Tax Increment Grant in each year is further limited to the amount of the Annual Tax Increment actually appropriated for use as the Tax Increment Grant by the City Council for such year. The first annual payment of the Tax Increment Grant shall be made in the first (1st) calendar year following Project Completion, which Developer understands may be based on a partial valuation of the Project. In the event that Developer fails to meet all conditions precedent for an installment of the Tax Increment Grant for a given year, such installment shall be forfeited for such year. The City makes no representation or covenant, express or implied, that any non-zero Annual Tax Increment amount will be generated and/or appropriated in any given year or that, in the aggregate, all such installments will be sufficient to total the Tax Increment Grant set forth above. Any Annual Tax Increment which is not appropriated and allocated toward the Tax Increment Grant may be used by the City for any legally permitted purpose, in its sole discretion. In no event shall any installments of the Tax Increment Grant be made after the termination of the TID. The City reserves the right to accelerate payments of the Tax Increment Grant in its sole and absolute discretion. Notwithstanding anything to the contrary in this subsection or in this Agreement, in the event the City determines, in its discretion, that the Tax Increment Grant may not be paid in full prior to the end of the TID's statutorily-permitted expenditure period, the City shall have the option to issue the Developer a taxable tax increment revenue bond evidencing the City's obligation to pay the then-remaining balance of the Tax Increment Grant. Such revenue bond shall be payable solely from Annual Tax Increment and shall be subject to the terms and conditions of this Agreement, including, without limitation, that all payments under the bond shall be subject to and conditioned upon future annual appropriation of Annual Tax Increment by the City Council to payment of the bond and that no further bond payments shall be due after the termination of the TID.

c. *Lot Creation.* Prior to the Closing Deadline, the City shall, at its sole expense, cause the land constituting the Property to be legally-separate and distinct lot from the parent parcel to allow for the transfer at Closing, whether by certified survey map or other lawful land division. The City shall use commercially reasonable efforts to coordinate such land division with Developer and Developer's title company.

4. Conditions Precedent to the City's Obligations.

a. In addition to all other conditions and requirements set forth in this Agreement, all of the obligations of the City under this Agreement are conditioned upon the satisfaction of each and every one of the following conditions:

i. Developer shall provide the City with (A) evidence that the persons signing this Agreement on behalf of Developer are authorized to so sign this Agreement and to bind Developer to the terms and conditions of this Agreement, (B) a certified copy of the organizational documents for each entity constituting Developer, (C) a certificate of status issued by the Wisconsin Department of Financial Institutions or the applicable jurisdiction for each entity constituting Developer, and (D) resolutions or consents of the board of directors, partners or members, as the case may be, for each entity constituting Developer approving this Agreement and the transactions which are the subject of this Agreement. Developer shall provide this documentation on or before Forty-Five (45) days after the Effective Date, but in no event later than Closing.

ii. No uncured default, or event which with the giving of notice or lapse of time or both would be a default, shall exist under this Agreement. Developer shall not be in default (beyond any applicable period of grace) of any of its obligations under any other agreement or instrument with respect to the Project to which Developer is a party or an obligor. All of Developer's representations and warranties in this Agreement, including, without limitation, those in Section 5 below, shall remain true and correct.

iii. An amendment to the TID Plan consistent with this Agreement shall have been adopted by all necessary parties.

b. In addition to all other conditions and requirements set forth in this Agreement, the obligation of the City under this Agreement to sell the Property to Developer is conditioned upon the satisfaction of each and every one of the following conditions:

i. No uncured default, or event which with the giving of notice or lapse of time or both would be a default, shall exist under this Agreement. Developer shall not be in default (beyond any applicable period of grace) of any of its obligations under any other agreement or instrument with respect to the Project to which Developer is a party or an obligor. All of Developer's representations and warranties in this Agreement, including, without limitation, those in Section 5 below, shall remain true and correct.

ii. Developer, at its cost, shall provide the Project Cost Breakdown to the City, which must be acceptable in all respects to the City, provided that such acceptance may not be unreasonably conditioned, withheld or delayed.

iii. Developer shall provide the Plans to the City. The Plans must be acceptable in all respects to the City, provided that such acceptance may not be unreasonably conditioned, withheld or delayed.

iv. Developer shall provide the City with a detailed completion schedule for the Project which must be acceptable to the City, provided that such acceptance may not be unreasonably conditioned, withheld or delayed. Such schedule shall specify the timing of all material aspects of the Project. Any revisions to such completion schedule shall be subject to the City's review and approval. The parties acknowledge and agree that due to the nature of the construction industry, certain unavoidable delays may arise, from time-to-time, which may result in incidental changes to the completion schedule. In such event, the parties agree to cooperate in good faith to adjust the completion schedule to account for said delays and not to declare a default for such incidental changes.

v. Developer shall submit an executed copy of the construction contract or design-building agreement for the Project to the City. Such construction contract or design-building agreement must be reasonably acceptable to the City, provided that such acceptance shall not be unreasonably conditioned, withheld, or delayed. Among other requirements, Developer agrees, and agrees to cause its general contractor to agree, to use local subcontractors and tradespersons whenever reasonably practical.

vi. Developer shall execute and deliver any and all other documents reasonably required by the City effect the transactions contemplated by this Agreement.

vii. Developer shall provide financial information of the Developer to the City, which information shall be in form and content acceptable to the City, including, without limitation, evidence that the Developer has available funds sufficient to complete the Project.

viii. Developer shall provide evidence that the Third-Party Loan has closed and is available for disbursement for construction costs, or will be closed simultaneously with the sale of the Property at Closing.

ix. Developer shall provide evidence that the Memorandum will be recorded, at Developer's expense, immediately after the Deed and prior to any mortgages.

x. Developer shall have executed and delivered such other closing documentation reasonably requested by the City or Developer's title company, if any.

c. In addition to all other conditions and requirements set forth in this Agreement, the obligation of the City under this Agreement to provide each disbursement of the Tax Increment Grant is conditioned upon the satisfaction of each and every one of the following conditions:

i. No uncured default, or event which with the giving of notice or lapse of time or both would be a default, shall exist under this Agreement. Developer shall not be in default (beyond any applicable period of grace) of any of its obligations

under any other agreement or instrument with respect to the Project to which Developer is a party or an obligor. All of Developer's representations and warranties in this Agreement, including, without limitation, those in Section 5 below, shall remain true and correct.

ii. Project Completion and lien-free and fully-paid construction shall have occurred on or prior to the Project Completion Deadline, and Developer shall provide the City with such documentation as the City may reasonably require to evidence the same.

iii. Developer shall provide the City with written evidence of Developer's expenditures with respect to the construction spend requirement above, together with such other documentation as the City may reasonably require, such as lien waivers for such work.

iv. Developer shall provide the City with evidence that the Memorandum was either recorded before any mortgages, leases or any other assignment of the Property, or that such pre-existing mortgagee, lessee and/or assignee has agreed in writing to the terms and conditions of this Agreement.

All submissions given to the City to satisfy the conditions contained in this Section 4 must be satisfactory in form and content to the City, in its reasonable discretion.

5. Additional Representations, Warranties and Covenants of Developer. Developer represents and warrants to the City and covenants with the City as follows:

a. No Default, or event which with the giving of notice or lapse of time or both would be a Default, exists under this Agreement, and Developer is not in default (beyond any applicable period of grace) of any of its obligations under any other agreement or instrument entered into in connection with the Project.

b. All copies of documents, contracts and agreements which Developer has furnished and will furnish to the City are true and correct in all material respects.

c. Developer will pay for, or cause to be paid for, all work performed and materials furnished for the Project.

d. No statement of fact by Developer contained in this Agreement and no statement of fact furnished or to be furnished by Developer to the City pursuant to this Agreement contains or will contain any untrue statement of a material fact or omits or will omit to state a material fact necessary in order to make the statements herein or therein contained not misleading at the time when made.

e. Each entity constituting Developer is a limited liability company duly formed and validly existing and has the power and all necessary licenses, permits and franchises to own its assets and properties and to carry on its business. Developer is duly licensed or qualified to do business and in good standing in the State of Wisconsin and all other jurisdictions in

which failure to do so would have a material adverse effect on its business or financial condition.

f. The execution, delivery and performance of this Agreement have been duly authorized by all necessary action of Developer and constitute the valid and binding obligations of Developer enforceable in accordance with their terms (assuming due authorization, execution and delivery of this Agreement by City), subject only to applicable bankruptcy, insolvency, reorganization, moratorium, general principles of equity, and other similar laws of general application affecting the enforceability of creditors' rights generally.

g. The execution, delivery, and performance of Developer's obligations pursuant to this Agreement will not violate or conflict with Developer's organizational documents or any indenture, instrument or agreement by which Developer is bound, nor will the execution, delivery, or performance of Developer's obligations pursuant to this Agreement violate or conflict with any law applicable to Developer or the Project.

h. There is no litigation or proceeding pending or, to the best of Developer's knowledge, threatened against or affecting Developer or the Project that would adversely affect the Project or Developer or the enforceability of this Agreement, the ability of Developer to complete the Project or the ability of Developer to perform its obligations under this Agreement.

i. The Project Cost Breakdown to be provided to the City accurately reflects all Project costs that will be incurred in the development, completion, construction, furnishing and equipping of the Project, and the City is entitled to rely on the Project Cost Breakdown. Developer knows of no previously undisclosed circumstances presently existing or likely to occur which would or could be expected to result in a material variation or deviation from the Project Cost Breakdown.

j. Except as otherwise set forth herein, Developer will not, without the City's prior written consent, which consent may be withheld in the City's reasonable discretion, materially change the scope of the Project or the uses of the Project. Except as otherwise set forth herein or unless otherwise agreed in writing by the City, the construction, development and operation of the Property and the Project shall be in substantial conformity with the Proposal.

k. Developer shall not materially alter the Plans approved by the City without the prior written consent of the City, which consent may be withheld in the City's reasonable discretion.

l. Developer Covenants that construction of the Project shall proceed and be completed substantially in accordance with the construction schedule approved by the City.

m. Developer will conform and comply with, and will cause the Project to be in conformance and compliance with all applicable federal, state, local and other laws, rules, regulations and ordinances, including, without limitation, all zoning and land division laws,

rules, regulations and ordinances, all building codes and ordinances of the City, all environmental laws, rules, regulations and ordinances.

n. Developer covenants that it will perform and observe the covenants contained in, and the Project will conform and comply with, the covenants, restrictions, documents or instruments governing the Property.

o. Developer shall have in effect at all times, all permits, approvals and licenses as may be required by any governmental authority or non-governmental entity in connection with the development, construction, management and operation of the Project.

p. From time to time at the request of the City, Developer shall provide financial information relating to the Project to the City, which information shall be in form and content reasonably acceptable to the City.

q. Except for a mortgage for the Third-Party Loan in an amount consistent with the City-Approved Project Cost Breakdown, Developer shall not sell, mortgage, assign, transfer, lease or convey all or any portion of the Property or the Buildings prior to Project Completion unless it first obtains the prior written consent of the City, which consent may be withheld in the City's reasonable discretion.

r. Developer agrees to pay timely all generally applicable property taxes assessed and levied in connection with the Property under applicable property tax laws, rules, rates, regulations and ordinances in effect from time to time (including taxes and assessments due the year of Closing, if any); provided, however, that Developer shall have the right to lawfully dispute in good faith the property taxes or assessment for the Property so long as Developer otherwise complies with this Agreement, including, without limitation, payment by Developer of any required PILOT Payment; provided further that, except for good faith protests in cases of material inaccuracies, if Developer protests the assessment of the Property, then no payments of the Tax Increment Grant shall be due during the pendency of such appeal, and the City may reduce the total maximum principal amount of the Tax Increment Grant by the City's reasonable costs (including reasonable attorneys' fees) spent in connection with such appeal. Developer understands that a lower property tax liability will likely lower its Tax Increment Grant payments, and if any grant installments were previously made based on a higher property tax liability, Developer shall promptly reimburse the City for any overpayments of the Tax Increment Grant if the property taxes are later lowered. Nothing in this Agreement shall impair any statutory rights of the City and other taxing authorities with respect to the assessment, levy, priority, collection and/or enforcement of real estate and personal property taxes.

s. Developer understands and agrees that its use of the Property shall be subject to the terms and conditions of all recorded documentation, including, without limitation, the Riverfront Declaration.

The representations and warranties contained herein shall be true and correct at all times as required by this Agreement. Except for the express representations and warranties contained in this Agreement, neither Developer nor any other person or entity has made or makes any other

express or implied representation or warranty, either written or oral, on behalf of Developer, all such other express or implied representations or warranties being hereby expressly disclaimed. Developer shall comply with all covenants contained herein at all times during the term of this Agreement.

6. Defaults and Remedies.

a. *Default by Developer.* The occurrence of any one or more of the following events shall constitute a default (“Default”) hereunder:

i. Developer shall fail to pay any amounts due from it under this Agreement within ten (10) days after written notice of nonpayment from the City to Developer; or

ii. Any representation or warranty made by Developer in this Agreement, or any document or financial statement delivered by Developer pursuant to this Agreement, shall prove to have been false in any material respect as of the time when made or given (or, alternatively, as of the date specified for such representation or warranty, if other than when made or given); or

iii. Developer shall breach or fail to perform timely or observe timely any of its covenants or obligations (other than payment obligations, which is addressed in subparagraph i above, and the specific defaults listed in subparagraphs iv through x below) under this Agreement, and such failure shall continue for thirty (30) days following written notice thereof from the City to Developer (or such longer period of time as is necessary to cure the default as long as Developer has commenced the cure of the default within the 30-day period, is diligently pursuing the cure of the default; or

iv. Construction of the Project shall be abandoned for more than sixty (60) consecutive days, or if Project Completion is not achieved on or before the Project Completion Deadline, or if any portion of the Project shall be damaged by fire or other casualty and not promptly repaired, rebuilt or replaced; or

v. Developer shall: (A) become insolvent or generally not pay, or be unable to pay, or admit in writing its/his inability to pay, its debts as they mature; or (B) make a general assignment for the benefit of creditors or to an agent authorized to liquidate any substantial amount of its assets; or (C) become the subject of an “order for relief” within the meaning of the United States Bankruptcy Code, or file a petition in bankruptcy, for reorganization or to effect a plan or other arrangement with creditors; or (D) have a petition or application filed against it in bankruptcy or any similar proceeding, or have such a proceeding commenced against it/him, and such petition, application or proceeding shall remain undismissed for a period of ninety (90) days or Developer shall file an answer to such a petition or application, admitting the material allegations thereof; or (E) apply to a court for the appointment of a receiver or custodian for any of its assets or properties, or have a receiver or custodian appointed for any of its/his assets or

properties, with or without consent, and such receiver shall not be discharged within ninety (90) days after its/his appointment; or (F) adopt a plan of complete liquidation of its assets; or

vi. If Developer shall dissolve or shall cease to exist; or

vii. A default shall occur and remain beyond any applicable notice and cure periods on any other indebtedness of or loan to Developer, or a default shall occur and remain beyond any applicable notice and cure periods under any mortgage or other lien or encumbrance affecting the Property or the Project.

b. *City Remedies.* In the event of Default by Developer, the City, may take any one or more of the following actions:

i. The City may suspend their performance under this Agreement until it receives assurances from Developer, deemed adequate by the City, that Developer will cure its default and continue its performance under this Agreement.

ii. The City may take any action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of the Developer under this Agreement, including securing an injunction to prevent harm.

iii. Upon the occurrence of any Default, any amounts due to the City shall accrue interest at the rate of one percent (1%) per month.

c. *Default by City; Developer Remedies.* In the event the City is in default hereunder, Developer shall be entitled to take any action allowed by applicable law by virtue of said default provided that Developer first gives the City written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than thirty (30) days in which the default may be cured by the City. In the event of a default by the City that remains uncured, Developer may seek any remedy available to Developer under the terms of this Agreement or take any other action, including legal or administrative action, in law or equity, which may appear necessary or desirable to enforce performance and observance of any obligation, agreement or covenant of the City under this Agreement, including securing an injunction to prevent harm.

d. *Indemnification.* Subject to the limitation described herein and except for any misrepresentation or any misconduct of any of the indemnified parties, Developer shall indemnify, save harmless and defend the City and its respective employees, officers, volunteers, and elected and appointed officials, from and against any and all liability, suits, actions, claims, demands, losses, costs, damages and expenses of every kind and description, including reasonable attorney costs and fees, for claims of any kind including liability and expenses in connection with the loss of life, personal injury or damage to property, or any of them brought (i) because of any Default or (ii) because of any injuries or damages received or sustained by any persons or property on account of or arising out of the construction and/or operations of the Project and the Property to the extent caused

by the negligence or willful misconduct on Developer's part or on the part of its agents, contractors, subcontractors, invitees or employees, at any time. This Section 6.d shall survive termination of this Agreement.

7. Termination. Except for the terms which expressly survive termination and provided no Default exists, this Agreement shall terminate upon the latest to occur of (i) Project Completion, (ii) termination of the TID, and Developer's payment in full of all required PILOT Payments.

8. Force Majeure. For the purposes of any provisions of the Agreement, a party shall not be considered in breach or default of its obligations in the event of delay in the performance of such obligations to the extent due to a Force Majeure event. As used herein, "Force Majeure" means any event that (i) renders it impossible for the affected party to perform its obligations under this Agreement, (ii) is beyond the reasonable control of the affected party, (iii) is not caused by the intentional misconduct or recklessness of the affected party, and (iv) cannot be avoided by the exercise of due diligence by the affected party, including the expenditure of a commercially reasonable sum of money. Subject to the satisfaction of the conditions set forth in clauses (i) through (iv) of the foregoing definition, Force Majeure shall include, without limitation: (A) strikes or other labor conflicts that are not motivated by the breach of any other contract on the part of the affected party, strikes or other labor disputes that cause the delay of any major equipment supplied by a third party, a lockout, industrial dispute or disturbance; (B) civil disturbance, an act of a public enemy, war (whether or not declared), a riot, blockage, insurrections, terrorism, uprisings, sabotage and commercial embargoes against the United States of America (or against any other country if it impacts the delivery of any major equipment supplied by a third party); (C) an epidemic or pandemic; (D) natural phenomena such as hurricane, tornado, landslide, lightning, windstorm, earthquake, explosion, storm, flood; (E) fires, (F) inability to obtain or a delay in obtaining easements, rights-of-way or permits (provided such delay or inability was not caused by the party claiming Force Majeure); (G) acts, failures to act or orders of any kind of any governmental authority acting in its regulatory or judicial capacity (provided that the party claiming Force Majeure did not create or contribute to such act, failure or act or order); (H) the inability of any of the parties hereto, despite having exercised its commercially reasonable efforts, to obtain in a diligent and proper manner any permits necessary for such party's compliance with its obligations under this Agreement; (I) transport accidents, whether they be maritime, rail, land or air; (J) equipment failure or equipment damage (provided such failure or damage was not caused by the intentional misconduct or recklessness of the party claiming Force Majeure); and (K) a material change in law or any other cause, whether enumerated herein or otherwise, not within the control of the party claiming Force Majeure, which precludes that party from carrying out, in whole or in part, its obligations under this Agreement. Force Majeure with respect to a party shall not include any of the following events: (1) financial difficulties of such party; (2) changes in market conditions affecting such party; or (3) delay in the compliance by any contractor or subcontractor of such party, except where such delay under (1), (2) or (3) is caused by circumstances which would otherwise constitute Force Majeure under this Agreement if such party were the affected person.

9. Miscellaneous.

a. Assignment. Developer shall not have the right to assign this Agreement to any other party without the prior written consent of the City prior to Project Completion, which

consent may be withheld in the City's reasonable discretion. Following the Project Completion, Developer shall have the right to assign this Agreement to any other party without the prior written consent of the City provided that the assignee has accepted all rights duties and obligations of the Developer under this Agreement. The provisions of this Agreement shall inure to the benefit of and be binding upon the successors and assigns of the parties and shall run with the land.

b. Recording. Recording of this Agreement is prohibited except for the recording of the Memorandum.

c. Notices. All notices hereunder must be in writing and must be sent by either (i) United States registered or certified mail (postage prepaid), or (ii) by an independent overnight courier service, addressed to the addresses specified below:

Notices to Developer:

S. C. Swiderski, LLC
401 Ranger Street
Mosinee, WI 54455
Attn: Ms. Kortni Wolf

with a copy to:
Ruder Ware, L.L.S.C.
500 North First Street, Suite 8000
Wausau, WI 54403
Attn: Steven P. Lipowski Notices to

the City:

City of Wausau
407 Grant Street
Wausau, WI 54403
Attn: City Clerk

with a copy to:
City of Wausau
407 Grant Street
Wausau, WI 54403
Attn: City Attorney

Notices given by mail are deemed delivered within (3) three business days after the party sending the notice deposits the notice in the United States Post Office. Notices delivered by courier are deemed delivered on the next business day after the party delivering the notice timely deposits the Notice with the courier for overnight (next day) delivery.

d. No Personal Liability. Under no circumstances shall any alderperson, council member, officer, official, director, attorney, employee or agent of the City have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.

e. Waiver; Amendment. No waiver, amendment, or variation in the terms of this Agreement shall be valid unless in writing and signed by the City and Developer, and then only to the extent specifically set forth in writing. Nothing contained in this Agreement is intended to or has the effect of releasing Developer from compliance with all applicable laws, rules, regulations and ordinances in addition to compliance with all terms, conditions and covenants contained in this Agreement.

- f. Entire Agreement. This Agreement and the documents executed pursuant to this Agreement contain the entire understanding of the parties with respect to the subject matter hereof. There are no restrictions, promises, warranties, covenants or undertakings other than those expressly set forth in this Agreement and the documents executed in connection with this Agreement. This Agreement and the documents executed in connection herewith supersede all prior negotiations, agreements and undertakings between the parties with respect to the subject matter hereof.
- g. No Third-Party Beneficiaries. This Agreement is intended solely for the benefit of Developer and the City, and no third party (other than successors and permitted assigns) shall have any rights or interest in any provision of this Agreement, or as a result of any action or inaction of the City in connection therewith. Without limiting the foregoing, no approvals given pursuant to this Agreement by Developer or the City, or any person acting on behalf of any of them, shall be available for use by any contractor or other person in any dispute relating to construction of the Project.
- h. Severability. If any covenant, condition, provision, term or agreement of this Agreement is, to any extent, held invalid or unenforceable, the remaining portion thereof and all other covenants, conditions, provisions, terms, and agreements of this Agreement will not be affected by such holding, and will remain valid and in force to the fullest extent by law.
- i. Governing Law. This Agreement is governed by, and must be interpreted under, the internal laws of the State of Wisconsin. Any suit arising or relating to this Agreement must be brought in Marathon County, Wisconsin.
- j. Time is of the Essence. Time is of the essence with respect to this performance of every provision of this Agreement in which time of performance is a factor.
- k. Relationship of Parties. This Agreement does not create the relationship of principal and agent, or of partnership, joint venture, or of any association or relationship between the City and Developer.
- l. Captions and Interpretation. The captions of the articles and sections of this Agreement are to assist the parties in reading this Agreement and are not a part of the terms of this Agreement. Whenever required by the context of this Agreement, the singular includes the plural and the plural includes the singular.
- m. Counterparts/Electronic Signature. This Agreement may be executed in several counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one instrument representing the agreement among the parties. Facsimile signatures and PDF email signatures shall constitute originals for all purposes.
10. Joint and Several Obligations. If Developer consists of more than one entity, each such entity shall be jointly and severally liable for the payment and performance of all obligations of

Developer under this Agreement and the City may bring suit against each such entity, jointly or severally, or against any one or more of them.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Effective Date first printed above.

DEVELOPER:

S. C. SWIDERSKI, LLC,
a Wisconsin limited liability company

By: _____
Name: _____
Title: _____

SCS WAUSAU, LLC,
a Wisconsin limited liability company

By: _____
Name: _____
Title: _____

THE CITY

CITY OF WAUSAU

By: _____
Katie Rosenberg, Mayor

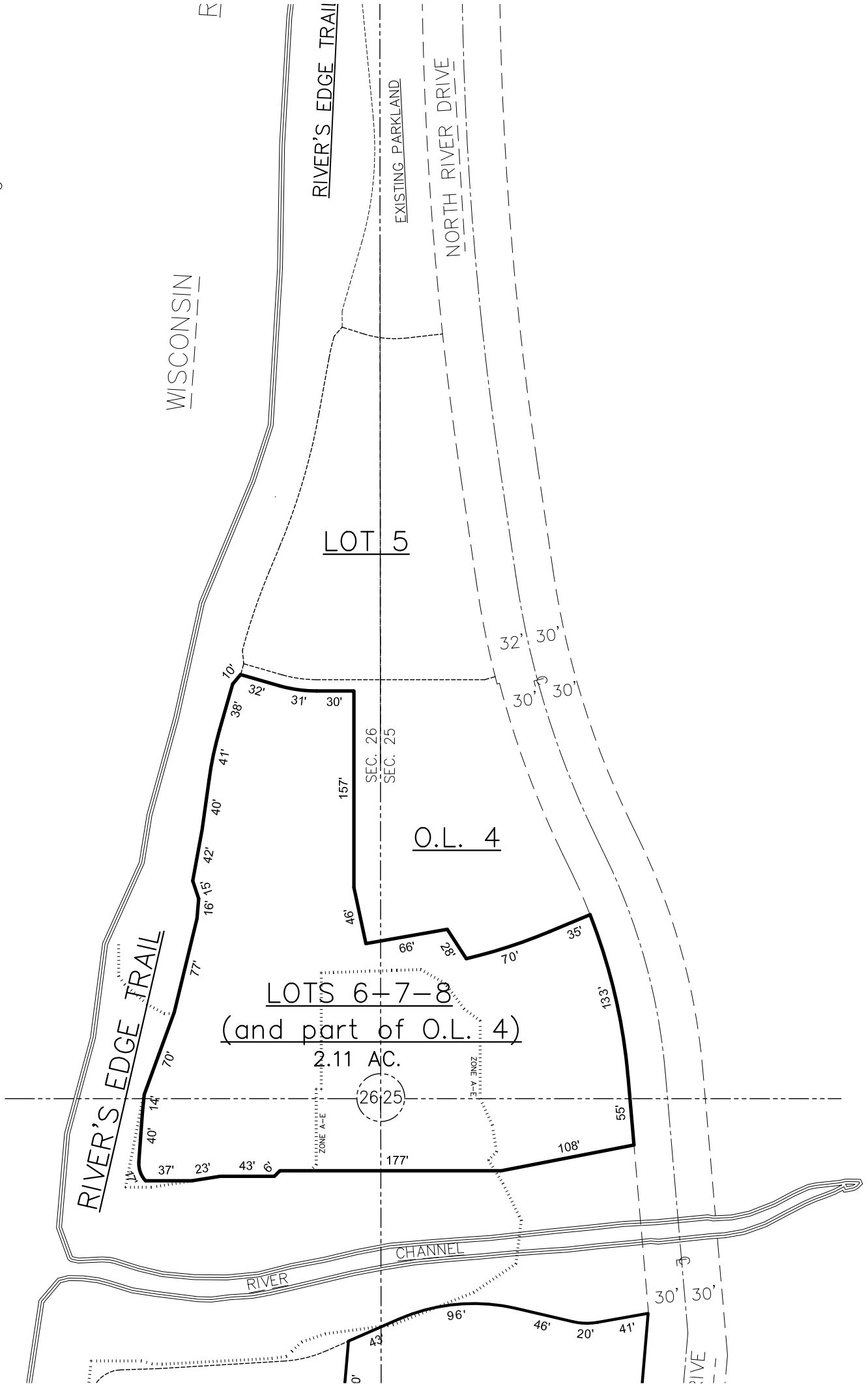
Attest: _____
Kaitlyn Bernarde, Clerk

EXHIBIT A

DEPICTION OF THE PROPERTY

RIVERFRONT NORTH

PART OF SECTIONS 25 AND 26, TOWNSHIP 29 NORTH, RANGE 7 EAST, CITY OF WAUSAU,
MARATHON COUNTY, WISCONSIN.



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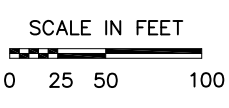
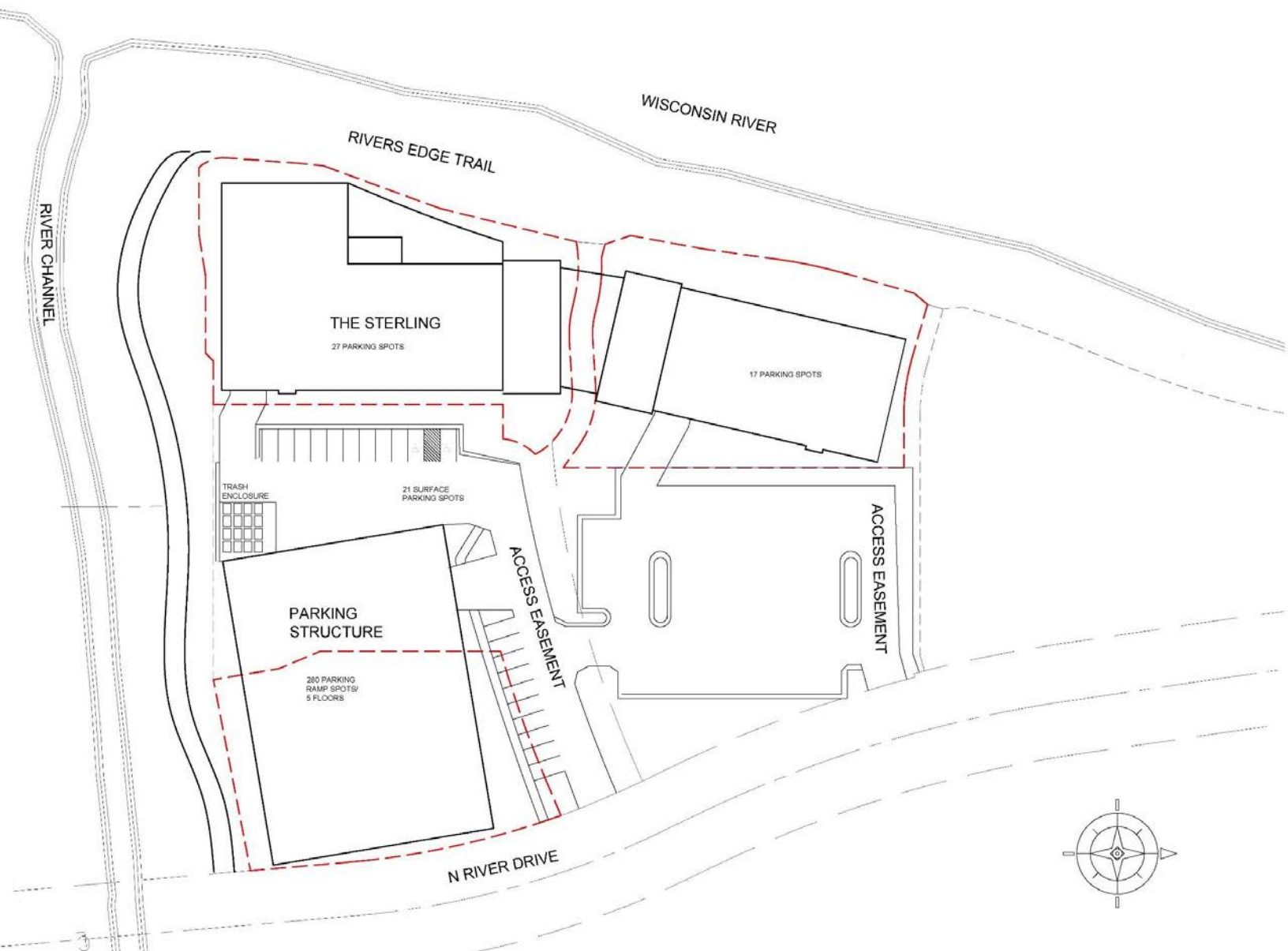


EXHIBIT B
PROJECT SITE PLAN

Proposed Site Plan



Multi-Family Information	
2 Bedrooms	18 Units
1 Bedrooms	36 Units
Studio Suites	70 Units
Studios	72 Units
Penthouse Suites	4 Units

Parking	
Combined Interior Parking	324
Surface Lot	21
Total Parking	345
Parking Per Unit	1.73

Retail Information	
Retail Space #1	870 Sq Ft
Retail Space #2	2229 Sq Ft

SCS Wausau – Site Statistics	
Total Units	200
Acres	2.06
Density (Units Per Acre)	97.09

EXHIBIT C

FORM OF RECORDABLE SHORT FORM MEMORANDUM

**MEMORANDUM OF
DEVELOPMENT AGREEMENT
(Riverlife – S. C. Swiderski)**

Document Number	Document Name
-----------------	---------------

THIS MEMORANDUM OF DEVELOPMENT AGREEMENT (this “Memorandum”) is made and entered into as of the ____ day of _____, 202__ **[NTD: TO BE DATED AND RECORDED THE DATE OF THE TRANSFER OF THE PROPERTY FROM THE CITY TO OWNER]**, by and between the CITY OF WAUSAU, a Wisconsin municipal corporation located at 407 Grant Street, Wausau, WI 54403 (the “City”), on the one hand, and S. C. SWIDERSKI, LLC, a Wisconsin limited liability company (“SCS”) and SCS WAUSAU, LLC, a Wisconsin limited liability company, both with offices located at 401 Ranger Street, Mosinee, WI 54455, (“Owner” and, together with SCS, the “Developer”), on the other hand (the City and Developer are referred to herein, collectively, as the “Parties”).

WHEREAS, the Parties entered into a certain Purchase and Development Agreement (Riverlife – S.C. Swiderski) dated as of [REDACTED], 2023 (as may be amended from time to time, the “Development Agreement”) with respect to certain property described on Exhibit A attached hereto (the “Property”); and

WHEREAS, on even date herewith, the Owner, an affiliate of SCS, has purchased from the City the Property pursuant to the terms of the Development Agreement; and

WHEREAS, the Parties desire to place this Memorandum of record in the real estate records for Marathon County, Wisconsin to provide notice to third parties of the Development Agreement.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Development Agreement.

a. Notice is hereby given that the Parties have entered into the Development Agreement affecting the Property. Until termination of the Development Agreement, the Development Agreement runs with the Property and is binding upon, benefits and burdens the Property, Developer and any subsequent owner and/or mortgagee of all or any portion of the Property and each of their successors an assigns. The Development Agreement imposes certain obligations, liabilities and restrictions on the owners and/or mortgagees of all or any portion of the Property.

Recording Area
Name and Return Address
Anne L. Jacobson, Esq. City of Wausau, City Attorney 407 Grant Street Wausau, WI 54403

See Exhibit A attached
Parcel Identification Number (PIN)

This is not homestead property.

b. The term of the Development Agreement commenced as of the effective date of the Development Agreement and terminates as provided therein.

c. The Development Agreement contains certain rights of the City to require the Developer to transfer the Property back to the City if certain conditions are not satisfied, as set forth in the Development Agreement.

d. The Development Agreement contains certain rights of the City to receive a payment in lieu of taxes in the event the Property, or any part of it, becomes exempt or partially exempt from general property taxes during the term of the Development Agreement, as set forth in the Development Agreement.

2. Miscellaneous.

a. The terms, conditions and other provisions of the Development Agreement are set forth in the Development Agreement, express reference to which is made for greater particularity as to the terms, conditions and provisions thereof. A copy of the Development Agreement is available upon request from the City at the offices of the City Clerk.

b. This Memorandum is not a complete summary of the Development Agreement. Provisions in this Memorandum shall not be used to interpret the provisions of the Development Agreement. In the event of conflict between this Memorandum and the unrecorded Development Agreement, the unrecorded Development Agreement shall control.

c. This Memorandum may be executed in several counterparts, each of which shall be deemed an original but all of which counterparts collectively shall constitute one instrument representing the agreement among the Parties.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have executed this Memorandum as of the date first set forth above.

DEVELOPER:

S. C. SWIDERSKI, LLC,
a Wisconsin limited liability company

By: [EXHIBIT - NOT FOR SIGNATURE]

Name: _____

Title: _____

STATE OF WISCONSIN)
) ss.
COUNTY OF _____)

Personally came before me this _____ day of _____, 20____, _____, to me known to be the person who executed the foregoing instrument and to me known to be the _____ of S. C. Swiderski, LLC, a Wisconsin limited liability company, and acknowledged that s/he executed the foregoing instrument as such authorized representative of said entity and with its authority.

Print Name: _____
Notary Public, State of Wisconsin
My commission: _____

EXHIBIT A

LEGAL DESCRIPTION OF THE PROPERTY

[To be added]

PIN(s): []

EXHIBIT D

ANTICIPATED TAX INCREMENT GRANT PAYMENT SCHEDULE

*****FOR INFORMATIONAL PURPOSES ONLY*****

City of Wausau

TID 12 (S.C. Swiderski)

Cash Flow Projection

Year	Projected Revenues			Expenditures			Balances		Year
	Tax Increments	Other Revenue	Total Revenues	Annual Increment	Percent Available	Total Expenditures	Annual	Cumulative	
				Tax Increment Grant 9,277,000 Dated Date: TBD					
2026	199,522		199,522	179,570	90%	179,570	19,952	19,952	2026
2027	767,730		767,730	690,957	90%	690,957	76,773	96,725	2027
2028	767,730		767,730	690,957	90%	690,957	76,773	173,498	2028
2029	767,730		767,730	690,957	90%	690,957	76,773	250,271	2029
2030	767,730		767,730	690,957	90%	690,957	76,773	327,044	2030
2031	767,730		767,730	575,797	75%	575,797	191,932	518,977	2031
2032	767,730		767,730	575,797	75%	575,797	191,932	710,909	2032
2033	767,730		767,730	575,797	75%	575,797	191,932	902,841	2033
2034	767,730		767,730	575,797	75%	575,797	191,932	1,094,774	2034
2035	767,730		767,730	575,797	75%	575,797	191,932	1,286,706	2035
2036	767,730		767,730	575,797	75%	575,797	191,932	1,478,639	2036
2037	767,730		767,730	575,797	75%	575,797	191,932	1,670,571	2037
2038	767,730		767,730	575,797	75%	575,797	191,932	1,862,503	2038
2039	767,730		767,730	575,797	75%	575,797	191,932	2,054,436	2039
2040	767,730		767,730	575,797	75%	575,797	191,932	2,246,368	2040
2041	767,730		767,730	575,797	75%	575,797	191,932	2,438,301	2041
2042	767,730		767,730	0	0%	0	767,730	3,206,030	2042
2043	767,730		767,730	0	0%	0	767,730	3,973,760	2043
2044	767,730		767,730	0	0%	0	767,730	4,741,490	2044
2045	767,730		767,730	0	0%	0	767,730	5,509,219	2045
Total	14,786,386	0	14,786,386	9,277,167		9,277,167	5,509,219		Total

EXHIBIT E

CITY'S INSURANCE REQUIREMENTS

The Developer/Contractor shall not commence work until proof of insurance required has been provided in writing to the applicable department.

Developer/Contractor shall procure and maintain, during the term of this Contract, and for such length of time as is specified, if any, in the agreement or listed below, whichever is longer, insurance coverage in the following amounts and types:

- (a) Professional Liability – if project includes the use of engineers, architects, or other professionals, the below coverage and limits apply:
 - (1) Limits
 - (i.) \$1,000,000 each claim
 - (ii.) \$1,000,000 annual aggregate
 - (2) Must continue coverage for 2 years after final acceptance of service/job/work.

- (b) Commercial General Liability Coverage at least as broad as Insurance Services Office Commercial General Liability Form CG 00 01, including coverage for Products Liability, Completed Operations, Contractual Liability, and Explosion, Collapse, Underground coverage with the following minimum limits and coverage:
 - (i.) \$1,000,000 each Occurrence limit
 - (ii.) \$1,000,000 Personal and Advertising Injury limit
 - (iii.) \$2,000,000 general aggregate (other than Products-Completed Operations) per project
 - (iv.) \$2,000,000 Products-Completed Operations aggregate
 - (v.) \$50,000 Fire Damage limit – any one fire
 - (vi.) \$5,000 Medical Expense limit – any one person
 - (vii.) Products-Completed Operations coverage must be carried for two years after final acceptance of work.

- (c) Automobile Liability Coverage at least as broad as Insurance Services Office Business Automobile Form, with minimum limits of \$1,000,000 combined single limit per accident for Bodily Injury and Property Damage, provided on a Symbol #1 – “Any Auto” basis.

- (d) Worker’s Compensation and Employer’s Liability if required by Wisconsin State Statute or any Worker’s Compensation Statutes of a different state. Must carry coverage for Statutory Worker’s Compensation and an Employer’s Liability with limits of:
 - (i.) \$100,000 Each Accident,
 - (ii.) \$500,000 Disease-Policy Limit
 - (iii.) \$100,000 Disease-Each Employee
 - (iv.) Employer’s Liability limits must be sufficient to meet umbrella liability insurance requirements.

- (e) Umbrella Liability Coverage at least as broad as the underlying Commercial General Liability, Automobile Liability, and Employer’s Liability, with a minimum limit of \$2,000,000 each occurrence and \$2,000,000 aggregate, and a maximum self-insured retention of \$25,000. The umbrella must be primary and non-contributory to any insurance or self-insurance carried by City. Products – Completed Operations coverage must be carried for a minimum of three years after acceptance of completed work.

- (f) Installation Floater/Developer’s Equipment or Property – The contractor is responsible for loss and coverage for these exposures. City will not assume responsibility for loss, including loss of use, for damage to property, materials, tools, equipment, and items of a similar nature which are being either used in the work being performed by the contractor or its subcontractors or are to be built, installed, or erected by the contractor or its subcontractors. This includes but is not limited to property owned,

leased, rented, borrowed, or otherwise in the care, custody or control of the contractor or sub-contractor of any tier.

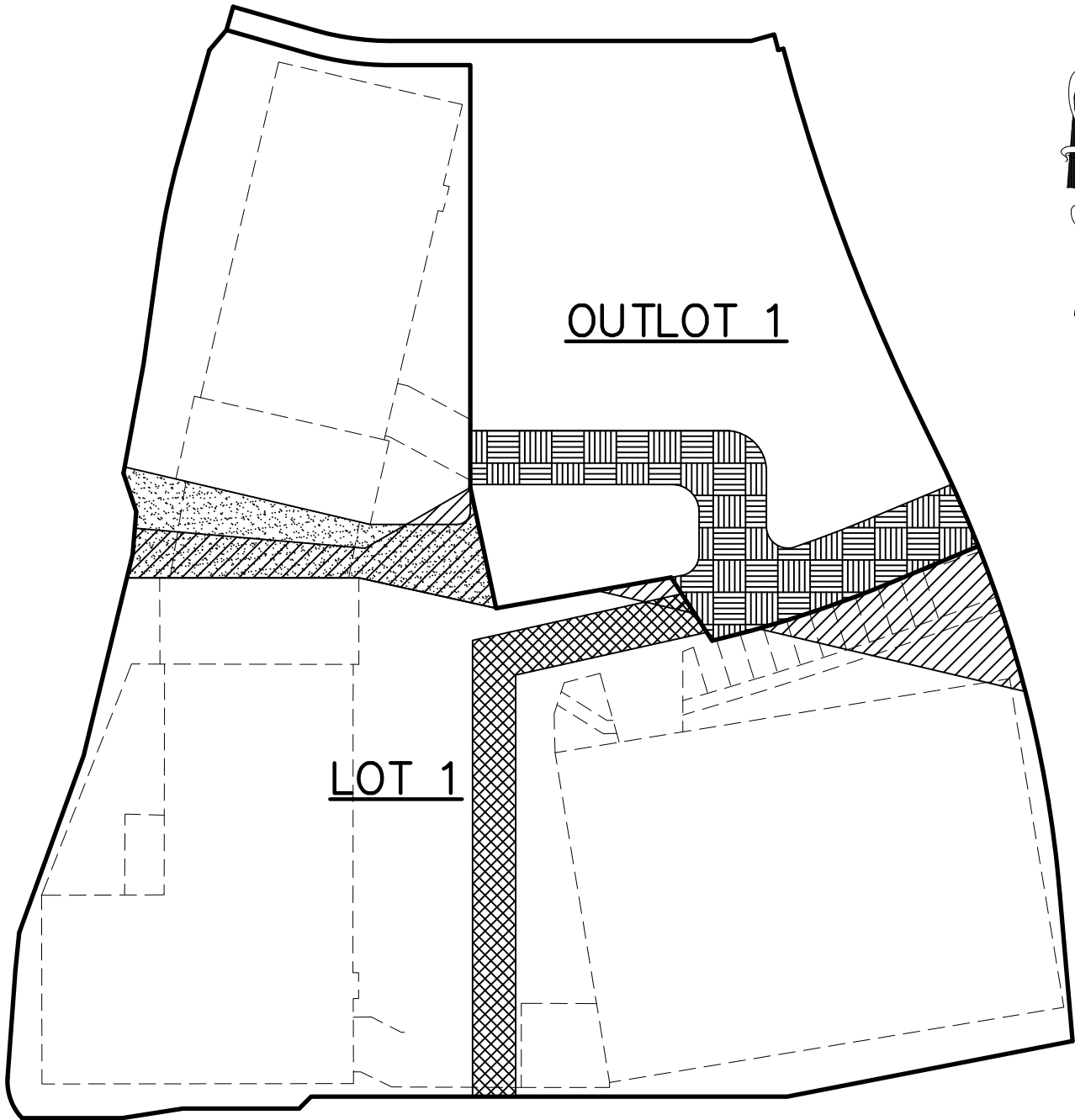
(f) Applicable Requirements and Provisions for Liability Insurance of Developers/Sub-Contractors

- (i.) Primary and Non-contributory requirement - All insurance must be primary and non-contributory to any insurance or self-insurance carried by City.
- (ii.) Acceptability of Insurers - Insurance is to be placed with insurers who have an A.M. Best rating of no less than A- and a Financial Size Category rating of no less than Class VII, and who are authorized as an admitted insurance company in the State of Wisconsin.
- (iii.) Additional Insured Requirements - The following must be named as additional insureds on all liability policies: City of Wausau, and its officers, council members, agents, employees and authorized volunteers. On the Commercial General Liability Policy, the additional insured coverage must be ISO form CG 20 10 07 04 and also include Products – Completed Operations additional insured coverage per ISO form CG 20 37 07 04 or their equivalents for a minimum of 2 years after acceptance of work. This does not apply to Worker’s Compensation policies or Professional Liability policy.
- (iv.) Waivers of Subrogation – All developer and subcontractor liability, workers compensation, and property policies, as required herein, must be endorsed with a waiver of subrogation in favor of the City of Wausau, its officers, elected or appointed officials, agents, employees, and authorized volunteers.
- (v.) Deductibles and Self-Insured Retentions - Any deductible or self-insured retention in the developer’s policy must be declared to the City of Wausau and satisfied by the contractor.
- (vi.) Evidence of Insurance - Prior to execution of the Agreement, the Developer shall file with the City a certificate of insurance (Acord Form or equivalent for all coverages) signed by the insurer’s representative evidencing the coverage required by this Contract. In addition, form CG 20 10 07 04 for ongoing work exposure and form CG 20 37 07 04 for products-completed operations exposure must also be provided or its equivalent on the Commercial General Liability coverage.
- (vii.) Limits and Coverage – The insurance requirements under this Agreement shall be the greater of the minimum limits and coverage specified herein, or (2) the broader coverage and maximum limits of coverage of any insurance policy or proceeds available to the Named Insured. It is agreed that these insurance requirements shall not in any way act to reduce coverage that is broader or that includes higher limits. No representation is made that the minimum insurance requirements stated hereinabove are sufficient to cover the obligations of Developer under this Agreement.
- (VIII.) Cancellation/Non-Renewal – No policy of insurance required to be maintained hereunder shall be cancelled, non-renewed, or voided without 30 days’ prior written notice to the City of Wausau, except where cancellation is due to the non-payment of premiums, in which event, 10 days’ prior written notice shall be provided.

EXHIBIT F

POSSIBLE EASEMENTS

PROPOSED EASEMENTS MAP



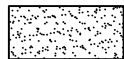
LEGEND



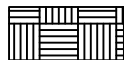
PROPOSED SANITARY SEWER AND WATERMAIN EASEMENT



PROPOSED STORM SEWER EASEMENT



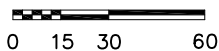
PROPOSED PUBLIC ACCESS EASEMENT



PROPOSED SCS ACCESS EASEMENT



SCALE IN FEET



[EXHIBIT G]

[SUPPLEMENT TO PROPOSAL]

Applicant Information

Legal Name

S.C. Swiderski, LLC

D/B/A

Mailing Address

401 Ranger St.

Address Line 2

Mosinee

WI

54455

Primary Contact Number

715-693-9522

Cell Phone Number

###-###-####

Email

jmillier@scswiderski.com

Attorney

Legal Entity (check one)

- Individual(s)
- Joint Tenants
- Tenants in Common
- Corporation
- LLC

- Partnership
- Other

If not a Wisconsin corporation/partnership/ LLC, state where organized

Select one... ▼

Will a new entity be created for ownership?

- Yes
- No

Principals of existing or proposed corporation/partnership/LLC and extent of ownership interests:

Name	Address	Title	Ownership Percentage		
Sheila Swiderski	401 Ranger St. Mosine	Owner	50	%	<input type="button" value="Remove"/>
Shane Swiderski	401 Ranger St. Mosine	Owner	50	%	<input type="button" value="Remove"/>
					<input type="button" value="Add"/>

Investors and extent of ownership interests:

Name	Address	Title	Ownership Percentage		
				%	<input type="button" value="Remove"/>
					<input type="button" value="Add"/>

Applicant and all principals and investors, please provide a residence list for the past 20 years. This listing will be used to further complete the background and reference check investigation process in other municipalities/states as applicable.

Municipal reference list provided

Is any owner, member, stockholder, partner, officer, or director of any previously identified entities, or any member of the immediate family of any such person, an employee of the City of Wausau? (check one)

- Yes

No

Have any of the applicants (including the principals of the corporation / partnership / LLC and any investors in the project) ever been charged or convicted of a misdemeanor or felony?

Yes

No

All applicants (including the principals of the corporation / partnership / LLC and any investors in the project) shall have a credit, criminal and financial investigations completed as follows at the expense of the applicants:

- Criminal Background Check through the Department of Justice. Report will be run by Wausau Police Department.
- Wisconsin Court System Circuit Court Access Search (<https://wcca.wicourts.gov/index.xsl>).
- Credit Bureau Report, using at least one of the available providers, shall be obtained (personal/business).
- Any other sources deemed necessary by all the parties involved in the application approval process.

Previous

Next

Project/Property Information Project Narrative

Overall Project Summary and Objectives (feel free to upload a document for your answer):

See Attached

Project Summary Document

Drag and drop file here or

Parcel Address(es):

Lots 6, 7, 8, and outlot 4 of 1200 N. River Dr. Wausau, WI

Proposed Parcel/Land Area: (in Acres)

2.06

Proposed Building Area: (in Square Feet)

Number of Dwelling Units:

200

Number of Stories

7

Number of Parking Spaces

345

Current and Proposed Uses:

Currently vacant lots. Proposed Use: 200 apartment units, 2 retail spaces, and 280 stall parking garage, garbage receptacle area

Description of End Users:

S.C. Swiderski apartments are targeted toward market rate renters covering several income levels

Current Assessed Value:

\$

Current Property Taxes:

\$

Describe any zoning changes that will be needed:

Identify any other approvals, permits or licenses needed (ie. Liquor License, Health Department. etc.):

Describe briefly what the project will do for the property and/or neighborhood:

Project Timeline

Final Plan/Specification Preparation

Bidding and Contracting

Firm Financing Approval

Construction/Rehabilitation

Landscaping/Site Work

Occupancy/Lease Up

Development Team

Developer

Architect

Surveyor

Contractor

Others

Describe Development Team expertise and experience in developing similar projects:

S.C. Swiderski has a 30 year history of developing apartments throughout the state of Wisconsin. The company currently has over 2,200 units that are managed by S.C. Swiderski Property Management and S.C. Swiderski Maintenance teams.

Other current Development Team projects in development:

Chetek, Eau Claire, Madison, Marshfield, Merrill, Mosinee, Nekoosa, New London, Plover, Sturgeon Bay, Tomahawk, Weston

Past Development Team projects for references:

Community Name	Contact Person	Contact Phone Number	
Urban West Wausau	Jacqui McElroy	715-693-9522	+ Remove
Westwood Estates Wausau	Jacqui McElroy	715-693-9522	+ Remove
Village Estates Kronenwetter	Jacqui McElroy	715-693-9522	+ Remove
			+ Add

Provide a list of References for suppliers and trade groups you have worked on past projects with. Please note, these references will be checked to verify for past performance:

Supplier	Contact Person	Contact Phone Number	
Wisconsin Building Supply	Mark Norris	715-344-0100	+ Remove
Builders First Source	Mike Niggeman	715-340-8453	+ Remove
			+ Add

Describe the financial ability of the applicant to complete the project:

S.C. Swiderski will be the developer and sole owner of the project. The company has fostered a strong, long-standing relationship with local and national lenders as indicated in the provided references. The company has demonstrated over the last 30 years the ability to fund similar projects. Financial statements and other documents presenting the financial condition of the company can be provided upon selection.

Number of full-time jobs to be created in the City of Wausau by the proposed project:

7

Average estimated annual salary for full-time jobs to be created by the proposed project

\$ 37000.00

Number of part-time jobs to be created in the City of Wausau by the proposed project:

Average estimated annual salary for part-time jobs to be created by the proposed project

\$	
----	--

If existing business, number of current full-time employees located in the City of Wausau:

\$	3.00
----	------

If existing business, number of current part-time employees located in the City of Wausau:

\$	4.00
----	------

Will you or have you completed a market study related to the project?

- Yes
- No

Will you or have you obtained an appraisal on the proposed property acquisition?

- Yes
- No

Previous

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Project Budget/Financial Information

Describe why the project cannot occur "but for" City participation:

This project would not be feasible but for financial assistance in the amount of 15% of the project value. Additional expenses due to site constraints such as a high water table level, brownfield environmental closure, and minimal lot sizes adversely affect the project's proforma. In addition to these factors, construction costs have increased in greater proportion than the market rent rates.

Identify the sources and uses of funds for the project. Typical sources include equity, lender financing, mezzanine financing, government financing, other anticipated types of public assistance, and any other types or methods of financing.

Use of Funds	Amount (\$)	% of total uses		
Land Aquisition <input type="checkbox"/>	\$ 400000.00	0.89	%	<input type="button" value="Remove"/>
Contingency <input type="checkbox"/>	\$ 2150000.00	4.78	%	<input type="button" value="Remove"/>
Building Construction/Renovation <input type="checkbox"/>	\$ 20994800.00	46.66	%	<input type="button" value="Remove"/>
Building Construction/Renovation <input type="checkbox"/>	\$ 10000000.00	22.22	%	<input type="button" value="Remove"/>
Soft Cost/Fees: Title/Recording/Transfer <input type="checkbox"/>	\$ 1118000.00	2.48	%	<input type="button" value="Remove"/>
Soft Cost/Fees: Developer Fee <input type="checkbox"/>	\$ 1000000.00	2.22	%	<input type="button" value="Remove"/>
Soft Cost/Fees: Architect/Engineer <input type="checkbox"/>	\$ 1204000.00	2.68	%	<input type="button" value="Remove"/>
Soft Cost/Fees: Project Management <input type="checkbox"/>	\$ 5400000.00	12.00	%	<input type="button" value="Remove"/>
Soft Cost/Fees: Other <input type="checkbox"/>	\$ 533200.00	1.18	%	<input type="button" value="Remove"/>
Site Clearance: Infrastructure <input type="checkbox"/>	\$ 2200000.00	4.89	%	<input type="button" value="Remove"/>
				<input type="button" value="Add"/>

Total Uses of Funds Amount

\$ 45,000,000.00

Sources

Equity Type	Describe Other	Amount (\$)	% of total sources	
Developer Equity ▼	15%	\$ 6750000.00	50.00 %	Remove
Other TIF Assistance ▼	15%	\$ 6750000.00	50.00 %	Remove
				Add

Total Sources of Funds Amount

\$ 13,500,000.00

Loan Information

Describe Loan	Amount	Terms: (Years and Interest Rate)	Contact Information	
Conventional 70%	\$ 36000000.00	30 year/ 5.5%		Remove
				Add

Previous

Next

Projection Revenue

This project involves:

- Rental Property
- Sales Property

Rental Revenue Projections

	Year (1, 2, 3+)	Year (1, 2, 3+)	Year (1, 2, 3+)	Add
Income rent per SF (or avg.)	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Commercial Rent	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Commercial Expense Recoveries	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Residential Rent	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Other	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Gross Potential Income (Sum of Income Sources)	\$ 0.00	\$ 0.00	\$ 0.00	
Commercial Vacancy	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Residential Vacancy	\$ <input type="text"/>	\$ <input type="text"/>	\$ <input type="text"/>	
Effective Gross Income (EGI)	\$ 3662820.00	\$ <input type="text"/>	\$ <input type="text"/>	
	Remove	Remove	Remove	

Maintenance & Repairs	\$ 256984.56	\$	\$
Real Estate Taxes	\$ 660817.44	\$	\$
Insurance	\$ 93615.80	\$	\$
Management Fee	\$ 209258.86	\$	\$
Professional Fees	\$ 36712.08	\$	\$
Other Expenses	\$ 233121.71	\$	\$
Total Expenses	\$ 1490510.45	\$	\$
Net Operating Income: NOI (EGI - Total Expenses)	\$ 2175715.00	\$	\$
Capital Expenses	\$	\$	\$
Debt Services	\$ 2652858.00	\$	\$
Net Cash Flow (NOI - Capital Expense and Debt Services)	\$ 277133.40	\$	\$
	Remove	Remove	Remove

Previous

Next

Filing Requirements

You must provide all the following items with your signed application for it to be considered complete:

1. Fee: A nonrefundable fee of \$1,000 made payable to the City of Wausau.
2. Site Maps: Provide a map that shows the location of the site and a map that focuses on the project and its immediate surroundings.

Site Maps

Drag and drop files here or

3. Project Renderings: Provide preliminary architectural drawings, plans, and renderings for the project.

Project Renderings

Drag and drop files here or

4. Projections: Provide cash flow projections for the project.

Cash Flow Projections

Drag and drop files here or

5. Statements: Profit and loss statements for the past three (3) years (if applicable) – this may be shared in a closed session if necessary and requested.

Profit and Loss Statements

Drag and drop files here or

Declarations

The City requests answers to the following for any applicant, investor, developer, officer or affiliate of an entity or LLC with an ownership or share of 20 percent or greater in the proposed project:

Involved in a previous or pending lawsuit or legal proceeding?

- Yes
 No

Additional Consideration

Please Answer the Following:

Will you sign a community workforce agreement with the local Building Trades Council?

- Yes
- No

Will you agree to source all sub-contractors from within a 100-mile radius of City of Wausau?

- Yes
- No

Will you agree to not protest to the Board of Review, except in cases of material inaccuracies, your real estate assessment for the subject properties?

- Yes
- No

Will you complete the design assistance process of the Wisconsin Focus on Energy Program, which offers incentives and consultations on energy efficiency?

- Yes
- No

Will you consider using Property Assessed Clean Energy (PACE) funding which can provide financing support for construction which meets energy efficiency or alternative energy standards?

- Yes
- No

Will you provide corporate tax filing verification information for job creation reporting purposes, if requested?

- Yes
- No

Will you authorize the City to check references, run a credit report and verify criminal and financial backgrounds

- Yes
- No

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Next

Involved in a previous or pending bankruptcy or insolvency proceeding?

- Yes
- No

Charged with a crime, paid or otherwise complied with civil penalties, or been the subject of a criminal or civil investigation?

- Yes
- No

Have any outstanding tax liens currently or previously?

- Yes
- No

Have any projects with a construction delay of six months or greater?

- Yes
- No

Please attach a detailed explanation of any YES responses.

Drag and drop files here or

To: Economic Development & Finance Committees
From: Liz Brodek, Development Director
Date: April 11, 2023
Re: Proposed Purchase of 103, 105, 111 Winton Street
and that portion of 402-406 Winton Street
lying west of the railroad tracks



The City has the opportunity to buy land commonly referred to as the “County Materials Property” located at 103, 105, 111 Winton Street and that portion of 402-406 Winton Street lying west of the railroad tracks. The proposed purchase price for these four parcels is a total of \$1.225 million. The purchase would require a budget modification, and be paid out of TID 3, if the TID 3 amendment allowing the property acquisition passes. (The offer to purchase is being taken through simultaneously and in conjunction with the TID 3 plan amendment.) The purchase is a strategic acquisition for the City, which currently owns several acres directly to the south of these four parcels. This purchase would accommodate a road extension (N River Drive), future redevelopment, and, with the transfer of a railroad crossing as part of the purchase, an extension of the River Edge trail with access to Gilbert Park.

The new owner of the County Materials property, Mid-City Precision, contacted the City to inquire about any City interest in purchasing four of the seven parcels included in the sale. Mid-City has no interest in retaining the parcels, has no non-industrial use for them, and is excited to be a part of building a trail extension and connection along the river.

As of the writing of this memo on April 6, 2023, the appraisal price of the property is unknown. We expect to receive this information on Monday, April 10, 2023.

No environmental evaluations have been performed on the land. All parcels the City may acquire are currently vacant.

Staff considers this property an advantageous acquisition for the City for several reasons. It is riverfront real estate that allows the extension of River Drive and associated redevelopment opportunities. (Recall that in February 2022, the City approved the purchase of Divepoint for \$300,000 for similar reasons.) It allows the extension and connection of riverfront trail without the need to work with a private property owner to obtain an easement, which also maintains public access to the riverfront. On the seller’s side, it’s advantageous to them as it frees up that capital to allow for reinvestment and improvement in the three parcels and building it will retain.

Staff recommends the City modify the budget and approve the purchase of parcels including 103, 105, 111 Winton Street and portion of 402-406 Winton Street lying west of the railroad tracks.

WB-15 COMMERCIAL OFFER TO PURCHASE

1 LICENSEE DRAFTING THIS OFFER ON _____ [DATE] IS (AGENT OF BUYER)
2 (AGENT OF SELLER/LISTING FIRM) (AGENT OF BUYER AND SELLER) **STRIKE THOSE NOT APPLICABLE**

3 The Buyer, City of Wausau
4 offers to purchase the Property known as 103, 105, 111 Winton Street and that portion of
5 402-406 Winton Street lying west of the railroad tracks
6 _____ [e.g., Street Address, Parcel Number(s), legal description, or insert additional description, if any, at lines 620-
7 650, or attach as an addendum per line 676] in the City of Wausau, County
8 of Marathon Wisconsin, on the following terms:

9 **PURCHASE PRICE** The purchase price is One million two hundred twenty-five thousand and
10 no/100 Dollars (\$ 1,225,000.00).

11 **INCLUDED IN PURCHASE PRICE** Included in purchase price is the Property, all Fixtures on the Property as of the date
12 stated on line 1 of this Offer (unless excluded at lines 20-23), and the following additional items: _____
13 None
14 _____
15 _____

16 All personal property included in purchase price will be transferred by bill of sale or _____
17 **NOTE: The terms of this Offer, not the listing contract or marketing materials, determine what items are included**
18 **or not included.**

19 **NOT INCLUDED IN PURCHASE PRICE** Not included in purchase price is Seller's personal property (unless included at
20 lines 12-15) and the following: N/A
21 _____
22 _____
23 _____

24 **CAUTION: Identify trade fixtures owned by tenant, if applicable, and Fixtures that are on the Property (see lines 26-**
25 **34) to be excluded by Seller or that are rented and will continue to be owned by the lessor.**

26 "Fixture" is an item of property which is physically attached to or so closely associated with land or improvements so as to
27 be treated as part of the real estate, including, without limitation, physically attached items not easily removable without
28 damage to the premises, items specifically adapted to the premises and items customarily treated as fixtures, including, but
29 not limited to, all: garden bulbs; plants; shrubs and trees; screen and storm doors and windows; electric lighting fixtures;
30 window shades; curtain and traverse rods; blinds and shutters; central heating and cooling units and attached equipment;
31 water heaters and treatment systems; sump pumps; attached or fitted floor coverings; awnings; attached antennas; garage
32 door openers and remote controls; installed security systems; central vacuum systems and accessories; in-ground sprinkler
33 systems and component parts; built-in appliances; ceiling fans; fences; storage buildings on permanent foundations and
34 docks/piers on permanent foundations. A Fixture does not include trade fixtures owned by tenants of the Property.

35 **CAUTION: Exclude Fixtures not owned by Seller such as rented fixtures. See lines 20-23.**

36 **BINDING ACCEPTANCE** This Offer is binding upon both Parties only if a copy of the accepted Offer is delivered to Buyer
37 on or before April 14, 2023. Seller may keep the Property
38 on the market and accept secondary offers after binding acceptance of this Offer.

39 **CAUTION: This Offer may be withdrawn prior to delivery of the accepted Offer.**

40 **ACCEPTANCE** Acceptance occurs when all Buyers and Sellers have signed one copy of the Offer, or separate but identical
41 copies of the Offer.

42 **CAUTION: Deadlines in the Offer are commonly calculated from acceptance. Consider whether short term**
43 **deadlines running from acceptance provide adequate time for both binding acceptance and performance.**

44 **CLOSING** This transaction is to be closed on or before May 15, 2023
45 _____

46 _____ at the place selected by ~~Seller~~ Buyer
47 unless otherwise agreed by the Parties in writing. If the date for closing falls on Saturday, Sunday, or a federal or a state
48 holiday, the closing date shall be the next Business Day.

49 **CAUTION: To reduce the risk of wire transfer fraud, any wiring instructions received should be independently**
50 **verified by phone or in person with the title company, financial institution, or entity directing the transfer. The real**
51 **estate licensees in this transaction are not responsible for the transmission or forwarding of any wiring or money**
52 **transfer instructions.**

52 **EARNEST MONEY**

53 ■ EARNEST MONEY of \$ N/A accompanies this Offer.

54 If Offer was drafted by a licensee, receipt of the earnest money accompanying this Offer is acknowledged.

55 ■ EARNEST MONEY of \$ _____ will be mailed, or commercially, electronically
56 or personally delivered within _____ days ("5" if left blank) after acceptance.

57 All earnest money shall be delivered to and held by (listing Firm) (drafting Firm) (other identified as
58 _____) **STRIKE THOSE NOT APPLICABLE**

59 (listing Firm if none chosen; if no listing Firm, then drafting Firm; if no Firm then Seller).

60 **CAUTION: If a Firm does not hold earnest money, an escrow agreement should be drafted by the Parties or an**
61 **attorney as lines 64-84 do not apply. If someone other than Buyer pays earnest money, consider a special**
62 **disbursement agreement.**

63 ■ **THE BALANCE OF PURCHASE PRICE** will be paid in cash or equivalent at closing unless otherwise agreed in writing.
64 ■ **DISBURSEMENT IF EARNEST MONEY HELD BY A FIRM:** If negotiations do not result in an accepted offer and the
65 earnest money is held by a Firm, the earnest money shall be promptly disbursed (after clearance from payer's depository
66 institution if earnest money is paid by check) to the person(s) who paid the earnest money. At closing, earnest money shall
67 be disbursed according to the closing statement. If this Offer does not close, the earnest money shall be disbursed according
68 to a written disbursement agreement signed by all Parties to this Offer. If said disbursement agreement has not been
69 delivered to the Firm holding the earnest money within 60 days after the date set for closing, that Firm may disburse the
70 earnest money: (1) as directed by an attorney who has reviewed the transaction and does not represent Buyer or Seller;
71 (2) into a court hearing a lawsuit involving the earnest money and all Parties to this Offer; (3) as directed by court order; (4)
72 upon authorization granted within this Offer; or (5) any other disbursement required or allowed by law. The Firm may retain
73 legal services to direct disbursement per (1) or to file an interpleader action per (2) and the Firm may deduct from the
74 earnest money any costs and reasonable attorneys' fees, not to exceed \$250, prior to disbursement.

75 ■ **LEGAL RIGHTS/ACTION:** The Firm's disbursement of earnest money does not determine the legal rights of the Parties
76 in relation to this Offer. Buyer's or Seller's legal right to earnest money cannot be determined by the Firm holding the earnest
77 money. At least 30 days prior to disbursement per (1), (4) or (5) above, where the Firm has knowledge that either Party
78 disagrees with the disbursement, the Firm shall send Buyer and Seller written notice of the intent to disburse by certified
79 mail. If Buyer or Seller disagrees with the Firm's proposed disbursement, a lawsuit may be filed to obtain a court order
80 regarding disbursement. Small Claims Court has jurisdiction over all earnest money disputes arising out of the sale of
81 residential property with one-to-four dwelling units. Buyer and Seller should consider consulting attorneys regarding their
82 legal rights under this Offer in case of a dispute. Both Parties agree to hold the Firm harmless from any liability for good
83 faith disbursement of earnest money in accordance with this Offer or applicable Department of Safety and Professional
84 Services regulations concerning earnest money. See Wis. Admin. Code Ch. REEB 18.

85 **TIME IS OF THE ESSENCE** "Time is of the Essence" as to: ~~(1) earnest money payment(s);~~ (2) binding acceptance; (3)
86 occupancy; (4) date of closing; (5) contingency Deadlines **STRIKE AS APPLICABLE** and all other dates and Deadlines in
87 this Offer except: N/A

88 _____ . If "Time is of the Essence" applies to a date or Deadline,
89 failure to perform by the exact date or Deadline is a breach of contract. If "Time is of the Essence" does not apply to a date
90 or Deadline, then performance within a reasonable time of the date or Deadline is allowed before a breach occurs.

91 **PROPERTY CONDITION REPRESENTATIONS** Seller represents to Buyer that as of the date of acceptance ~~Seller has~~
92 ~~no notice or knowledge of Conditions Affecting the Property or Transaction (lines 104-173) other than those identified in~~
93 ~~Seller's disclosure report dated _____ and a Real Estate Condition Report, if applicable, dated~~
94 ~~_____, which was/were received by Buyer prior to Buyer signing this Offer and which is/are made a part of this~~
95 ~~offer by reference **COMPLETE DATES OR STRIKE AS APPLICABLE** and _____~~
96 _____
97 _____

98 **INSERT CONDITIONS NOT ALREADY INCLUDED IN THE DISCLOSURE OR CONDITION REPORT(S).**

99 **CAUTION: If the Property includes 1-4 dwelling units, a Real Estate Condition Report containing the disclosures**
100 **provided in Wis. Stat. § 709.03 may be required. Excluded from this requirement are sales of property that has**
101 **never been inhabited, sales exempt from the real estate transfer fee, and sales by certain court-appointed**
102 **fiduciaries, for example, personal representatives, who have never occupied the Property. Buyer may have**
103 **rescission rights per Wis. Stat. § 709.05.**

104 "Conditions Affecting the Property or Transaction" are defined to include:

- 105 a. Defects in the structure or structural components on the Property, e.g. roof, foundation (including cracks, seepage, and
106 bulges), basement or other walls.
- 107 b. Defects in mechanical systems, e.g. HVAC (including the air filters and humidifiers), electrical, plumbing, septic, wells,
108 fire safety, security or lighting.
- 109 c. Defects in a well on the Property or in a well that serves the Property, including unsafe well water, a joint well serving
110 the Property or any Defect related to a joint well serving the Property.
- 111 d. Water quality issues caused by unsafe concentrations of or unsafe conditions relating to lead.
- 112 e. Defects in septic system or other private sanitary disposal system on or serving the Property or any out-of-service
113 septic system serving the Property not closed or abandoned according to applicable regulations.
- 114 f. Underground or aboveground storage tanks presently or previously on the Property for storage of flammable or
115 combustible liquids, including but not limited to gasoline and heating oil, or any Defects in such tanks presently or previously
116 on the Property; LP tanks on the Property or any defects in such LP tanks.
- 117 g. Defect or contamination caused by unsafe concentrations of, or unsafe conditions relating to, lead in paint, lead in soil,

- 118 presence of asbestos or asbestos-containing materials, radon, radium in water supplies, mold, pesticides or other potentially
119 hazardous or toxic substances on the Property.
- 120 h. Manufacture of or spillage of methamphetamine (meth) or other hazardous or toxic substances on the Property.
- 121 i. Zoning or building code violations, any land division involving the Property for which required state or local permits had
122 not been obtained, nonconforming structures or uses, conservation easements.
- 123 j. Special purpose district, such as a drainage district, lake district, sanitary district or sewer district, that has the authority
124 to impose assessments against the real property located within the district.
- 125 k. Proposed, planned or commenced construction of public improvements which may result in special assessments or
126 otherwise materially affect the Property or the present use of the Property.
- 127 l. Federal, state or local regulations requiring repairs, alterations or corrections of an existing condition, such as orders to
128 correct building code violations.
- 129 m. Flooding, standing water, drainage problems or other water problems on or affecting the Property.
- 130 n. Material damage from fire, wind, floods, earthquake, expansive soils, erosion or landslides.
- 131 o. Nearby airports, freeways, railroads or landfills, or significant odor, noise, water intrusion or other irritants emanating
132 from neighboring property.
- 133 p. Current or previous termite, powder post beetle, or carpenter ant infestations or Defects caused by animal, reptile, or
134 insect infestations.
- 135 q. Property or portion of the Property in a floodplain, wetland or shoreland zoning area under local, state or federal
136 regulations.
- 137 r. Property is subject to a mitigation plan required under administrative rules of the Department of Natural Resources
138 related to county shoreland zoning ordinances, which obligates the owner of the Property to establish or maintain certain
139 measures related to shoreland conditions and which is enforceable by the county.
- 140 s. Nonowners having rights to use part of the Property, other than public rights-of-way, including, but not limited to, private
141 rights-of-way and private easements, other than recorded utility easements; lack of legal access or access restrictions;
142 restrictive covenants and deed restrictions; shared fences, walls, wells, driveways, signage or other shared usages; or
143 leased parking.
- 144 t. Boundary or lot line disputes, encroachments, or encumbrances affecting the Property.
- 145 u. High voltage electric (100 KV or greater) or steel natural gas transmission lines located on but not directly serving the
146 Property.
- 147 v. Structure on the Property designated as a historic building, all or any part of the Property located in a historic district, or
148 burial sites or archeological artifacts on the Property.
- 149 w. All or part of the land has been assessed as agricultural land, the owner has been assessed a use-value conversion
150 charge or the payment of a use-value conversion charge has been deferred.
- 151 x. All or part of the Property is subject to, enrolled in or in violation of a certified farmland preservation zoning district or a
152 farmland preservation agreement, or a Forest Crop, Managed Forest Law (see disclosure requirements in Wis. Stat. §
153 710.12), Conservation Reserve or a comparable program.
- 154 y. A pier is attached to the Property that is not in compliance with state or local pier regulations, a written agreement
155 affecting riparian rights related to the Property; or the bed of the abutting navigable waterway is owned by a hydroelectric
156 operator.
- 157 z. A dam is totally or partially located on the Property; or an ownership interest in a dam not located on the Property will
158 be transferred with the Property because the dam is owned collectively by a homeowners' association, lake district, or
159 similar group of which the Property owner is a member.
- 160 aa. Government investigation or private assessment/audit of environmental matters conducted.
- 161 bb. Presence of or a Defect caused by unsafe concentrations of, unsafe conditions relating to, or the storage of hazardous
162 or toxic substances on neighboring properties.
- 163 cc. Owner's receipt of notice of property tax increases, other than normal annual increases, or notice or knowledge of a
164 pending property reassessment, remodeling that may increase the property's assessed value, or pending special
165 assessments.
- 166 dd. Agreements that bind subsequent owners of the property, such as a lease agreement or an extension of credit from
167 an electric cooperative.
- 168 ee. Remodeling, replacements, or repairs affecting the Property's structure or mechanical systems that were done or
169 additions to the Property that were made during the owner's period of ownership without the required permits.
- 170 ff. Rented items located on the Property or items affixed to or closely associated with the Property.
- 171 gg. Owner is a foreign person as defined in the Foreign Investment in Real Property Tax Act in 26 IRC § 1445(f).
- 172 hh. Other Defects affecting the Property, including, without limitation, drainage easement or grading problems; or excessive
173 sliding, settling, earth movement or upheavals.

174 **PROPOSED USE CONTINGENCIES:** This Offer is contingent upon Buyer obtaining, at Buyer's expense, the reports or
175 documentation required by any optional provisions checked on lines 185-197 below. The optional provisions checked on
176 lines 185-197 shall be deemed satisfied unless Buyer, within _____ days ("30" if left blank) after acceptance, delivers: (1)
177 written notice to Seller specifying those optional provisions checked below that cannot be satisfied and (2) written evidence
178 substantiating why each specific provision referred to in Buyer's notice cannot be satisfied. Upon delivery of Buyer's notice,
179 this Offer shall be null and void. Seller agrees to cooperate with Buyer as necessary to satisfy the contingency provisions
180 checked at lines 185-197.

181 **Proposed Use:** Buyer is purchasing the Property for the purpose of: redevelopment

182 _____
183 _____ [Insert proposed use and type and
184 size of building, if applicable; e.g. restaurant/tavern with capacity of 350 and 3 second floor dwelling units].

185 **ZONING:** Verification of zoning and that the Property's zoning allows Buyer's proposed use described at lines
186 181-183.

187 **EASEMENTS AND RESTRICTIONS:** Copies of all public and private easements, covenants and restrictions
188 affecting the Property and a written determination by a qualified independent third party that none of these prohibit or
189 significantly delay or increase the costs of the proposed use or development identified at lines 181-183.

190 **APPROVALS:** All applicable governmental permits, approvals and licenses, as necessary and appropriate, or
191 the final discretionary action by the granting authority prior to the issuance of such permits, approvals and licenses, for
192 the following items related to Buyer's proposed use: _____

193 _____ or delivering written notice
194 to Seller if the item(s) cannot be obtained or can only be obtained subject to conditions which significantly increase the
195 cost of Buyer's proposed use described at lines 181-183.

196 **ACCESS TO PROPERTY:** Written verification that there is legal vehicular access to the Property from public
197 roads.

198 **LAND USE APPROVAL/PERMITS:** This Offer is contingent upon (Buyer)(Seller) ("Buyer" if neither
199 stricken) obtaining the following, including all costs: a **CHECK ALL THAT APPLY:** rezoning; conditional use permit;
200 variance; other _____ for the Property for its proposed use described at lines 181-183.
201 Seller agrees to cooperate with Buyer as necessary to satisfy this contingency. Buyer shall deliver, within _____ days of
202 acceptance, written notice to Seller if any item cannot be obtained, in which case this Offer shall be null and void.

203 **MAP OF THE PROPERTY:** This Offer is contingent upon (Buyer obtaining) (Seller providing) ("Seller
204 providing" if neither is stricken) a _____ survey
205 (ALTA/NSPS Land Title Survey if survey type is not specified) dated subsequent to the date of acceptance of this Offer and
206 prepared by a registered land surveyor, within _____ days ("30" if left blank) after acceptance, at (Buyer's)
207 (Seller's) ("Seller's" if neither is stricken) expense. The map shall show minimum of _____ acres,
208 maximum of _____ acres, the legal description of the Property, the Property's boundaries and dimensions, visible
209 encroachments upon the Property, the location of improvements, if any, and: _____

210 _____
211 **STRIKE AND COMPLETE AS APPLICABLE** Additional map features which may be added include, but are not limited to:
212 staking of all corners of the Property; identifying dedicated and apparent streets; lot dimensions; total acreage or square
213 footage; utility installations; easements or rights-of-way. Such survey shall be in satisfactory form and accompanied by any
214 required surveyor's certificate sufficient to enable Buyer to obtain removal of the standard survey exception(s) on the title
215 policy.

216 **CAUTION: Consider the cost and the need for map features before selecting them. Also consider the time required**
217 **to obtain the map when setting the deadline.**

218 This contingency shall be deemed satisfied unless Buyer, within 5 days after the deadline for delivery of said map, delivers
219 to Seller a copy of the map and a written notice which identifies: (1) a significant encroachment; (2) information materially
220 inconsistent with prior representations; (3) failure to meet requirements stated within this contingency; or (4) the existence
221 of conditions that would prohibit the Buyer's intended use of the Property described at lines 181-183. Upon delivery of
222 Buyer's notice, this Offer shall be null and void. Once the deadline for delivery has passed, if Seller was responsible to
223 provide the map and failed to timely deliver the map to Buyer, Buyer may terminate this Offer if Buyer delivers a written
224 notice of termination to Seller prior to Buyer's Actual Receipt of said map from Seller.

225 **DOCUMENT REVIEW CONTINGENCY:** This Offer is contingent upon Seller delivering the following documents to
226 Buyer within 10 days ("30" if left blank) after acceptance: **CHECK THOSE THAT APPLY; STRIKE AS APPROPRIATE**

227 Documents evidencing the sale of the Property has been properly authorized, if Seller is a business entity.

228 A complete inventory of all furniture, fixtures, equipment and other personal property included in this transaction which
229 is consistent with representations made prior to and in this Offer.

230 Uniform Commercial Code lien search as to the personal property included in the purchase price, showing the Property
231 to be free and clear of all liens, other than liens to be released prior to or at closing.

232 Rent roll.

233 Other _____

234 _____

235 Additional items which may be added include, but are not limited to: building, construction or component warranties,
236 previous environmental site assessments, surveys, title commitments and policies, maintenance agreements, other
237 contracts relating to the Property, existing permits and licenses, recent financial operating statements, current and future
238 rental agreements, notices of termination and non-renewal, and assessment notices.

239 All documents Seller delivers to Buyer shall be true, accurate, current and complete. Buyer shall keep all such documents
240 confidential and disclose them to third parties only to the extent necessary to implement other provisions of this Offer. Buyer
241 shall return all documents (originals and any reproductions) to Seller if this Offer is terminated.

242 ■ **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within 30 days ("5" if left
243 blank) after the deadline for delivery of the documents, delivers to Seller a written notice indicating this contingency has not
244 been satisfied. Such notice shall identify which document(s) have not been timely delivered or do not meet the standard set
245 forth for the document(s). Upon delivery of such notice, this Offer shall be null and void.

246 **[N/A] ENVIRONMENTAL EVALUATION CONTINGENCY:** This Offer is contingent upon a qualified independent
247 environmental consultant of Buyer's choice conducting an Environmental Site Assessment of the Property (see lines 274-
248 291), at (Buyer's) (Seller's) expense **[STRIKE ONE]** ("Buyer's" if neither is stricken), which discloses no Defects.

249 **NOTE: "Defect"** as defined on lines 523-525 means a condition that would have a significant adverse effect on the
250 value of the Property; that would significantly impair the health or safety of future occupants of the Property; or
251 that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life
252 of the premises.

253 For the purpose of this contingency, a Defect is defined to also include a material violation of environmental laws, a material
254 contingent liability affecting the Property arising under any environmental laws, the presence of an underground storage
255 tank(s) or material levels of hazardous substances either on the Property or presenting a significant risk of contaminating
256 the Property due to future migration from other properties. Defects do not include conditions the nature and extent of which
257 Buyer had actual knowledge or written notice before signing the Offer.

258 ■ **CONTINGENCY SATISFACTION:** This contingency shall be deemed satisfied unless Buyer, within _____ days ("30" if
259 left blank) after acceptance, delivers to Seller a copy of the Environmental Site Assessment report and a written notice
260 listing the Defect(s) identified in the Environmental Site Assessment report to which Buyer objects (Notice of Defects).

261 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

262 ■ **RIGHT TO CURE:** Seller (shall) (shall not) **[STRIKE ONE]** ("shall" if neither is stricken) have a right to cure the Defects.

263 If Seller has the right to cure, Seller may satisfy this contingency by:

- 264 (1) delivering written notice to Buyer within _____ ("10" if left blank) days after Buyer's delivery of the Notice of
265 Defects stating Seller's election to cure Defects;
266 (2) curing the Defects in a good and workmanlike manner; and
267 (3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

268 This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written Environmental Site
269 Assessment report and:

270 (1) Seller does not have a right to cure; or

271 (2) Seller has a right to cure but:

272 (a) Seller delivers written notice that Seller will not cure; or

273 (b) Seller does not timely deliver the written notice of election to cure.

274 ■ **ENVIRONMENTAL SITE ASSESSMENT:** An "Environmental Site Assessment" (also known as a "Phase I Site Assessment")
275 may include, but is not limited to: (1) an inspection of the Property; (2) a review of the ownership and use history of the
276 Property, including a search of title records showing private ownership of the Property for a period of 80 years prior to the
277 visual inspection; (3) a review of historic and recent aerial photographs of the Property, if available; (4) a review of
278 environmental licenses, permits or orders issued with respect to the Property (5) an evaluation of results of any
279 environmental sampling and analysis that has been conducted on the Property; and (6) a review to determine if the Property
280 is listed in any of the written compilations of sites or facilities considered to pose a threat to human health or the environment
281 including the National Priorities List, the Department of Nature Resources' (DNR) Registry of Waste Disposal Sites, the
282 DNR's Contaminated Lands Environmental Action Network, and the DNR's Remediation and Redevelopment (RR) Sites
283 Map including the Geographical Information System (GIS) Registry and related resources. Any Environmental Site
284 Assessment performed under this Offer shall comply with generally recognized industry standards (e.g. current American
285 Society of Testing and Materials "Standard Practice for Environmental Site Assessments"), and state and federal guidelines,
286 as applicable.

287 **CAUTION: Unless otherwise agreed an Environmental Site Assessment does not include subsurface testing of the**
288 **soil or groundwater or other testing of the Property for environmental pollution. If further investigation is required,**
289 **Insert provisions for a Phase II Site Assessment (collection and analysis of samples), Phase III Environmental Site**
290 **Assessment (evaluation of remediation alternatives) or other site evaluation at lines 620-650 or attach as an**
291 **addendum per line 676.**

292 **[INSPECTIONS AND TESTING]** Buyer may only conduct inspections or tests if specific contingencies are included as a
293 part of this Offer. An "inspection" is defined as an observation of the Property, which does not include an appraisal or testing
294 of the Property, other than testing for leaking carbon monoxide, or testing for leaking LP gas or natural gas used as a fuel
295 source, which are hereby authorized. A "test" is defined as the taking of samples of materials such as soils, water, air or

296 building materials from the Property for laboratory or other analysis of these materials. Seller agrees to allow Buyer's
297 inspectors, testers and appraisers reasonable access to the Property upon advance notice, if necessary, to satisfy the
298 contingencies in this Offer. Buyer or licensees or both may be present at all inspections and testing. Except as otherwise
299 provided, Seller's authorization for inspections does not authorize Buyer to conduct testing of the Property.

300 **NOTE: Any contingency authorizing testing should specify the areas of the Property to be tested, the purpose of**
301 **the test, (e.g., to determine if environmental contamination is present), any limitations on Buyer's testing and any**
302 **other material terms of the contingency.**

303 Buyer agrees to promptly restore the Property to its original condition after Buyer's inspections and testing are completed
304 unless otherwise agreed to with Seller. Buyer agrees to promptly provide copies of all inspection and testing reports to
305 Seller. Seller acknowledges that certain inspections or tests may detect environmental pollution which may be required to
306 be reported to the Wisconsin Department of Natural Resources.

307 **N/A INSPECTION CONTINGENCY:** This contingency only authorizes inspections, not testing (see lines 292-306).

308 (1) This Offer is contingent upon a qualified independent inspector(s) conducting an inspection(s) of the Property which
309 discloses no Defects.

310 (2) This Offer is further contingent upon a qualified independent inspector or independent qualified third party performing
311 an inspection of _____

312 _____
313 (list any Property feature(s) to be separately inspected, e.g., dumpsite, etc.) which discloses no Defects.

314 (3) Buyer may have follow-up inspections recommended in a written report resulting from an authorized inspection,
315 provided they occur prior to the Deadline specified at line 320. Each inspection shall be performed by a qualified
316 independent inspector or independent qualified third party.

317 Buyer shall order the inspection(s) and be responsible for all costs of inspection(s).

318 **CAUTION: Buyer should provide sufficient time for the primary inspection and/or any specialized inspection(s), as**
319 **well as any follow-up inspection(s).**

320 This contingency shall be deemed satisfied unless Buyer, within _____ days ("20" if left blank) after acceptance, delivers
321 to Seller a copy of the inspection report(s) dated after the date on line 1 of this Offer and a written notice listing the Defect(s)
322 identified in the inspection report(s) to which Buyer objects (Notice of Defects).

323 **CAUTION: A proposed amendment is not a Notice of Defects and will not satisfy this notice requirement.**

324 For the purpose of this contingency, Defects do not include conditions the nature and extent of which Buyer had actual
325 knowledge or written notice before signing the Offer.

326 **NOTE: "Defect" as defined on lines 523-525 means a condition that would have a significant adverse effect on the**
327 **value of the Property; that would significantly impair the health or safety of future occupants of the Property; or**
328 **that if not repaired, removed or replaced would significantly shorten or adversely affect the expected normal life**
329 **of the premises.**

330 **RIGHT TO CURE:** Seller (shall)(shall not) **STRIKE ONE** ("shall" if neither is stricken) have a right to cure the Defects.

331 If Seller has the right to cure, Seller may satisfy this contingency by:

332 (1) delivering written notice to Buyer within 10 days of Buyer's delivery of the Notice of Defects stating Seller's election to
333 cure Defects;

334 (2) curing the Defects in a good and workmanlike manner; and

335 (3) delivering to Buyer a written report detailing the work done no later than three days prior to closing.

336 This Offer shall be null and void if Buyer makes timely delivery of the Notice of Defects and written inspection report(s) and:

337 (1) Seller does not have a right to cure; or

338 (2) Seller has a right to cure but:

339 (a) Seller delivers written notice that Seller will not cure; or

340 (b) Seller does not timely deliver the written notice of election to cure.

341 **IF LINE 342 IS NOT MARKED OR IS MARKED N/A LINES 392-403 APPLY.**

342 **FINANCING COMMITMENT CONTINGENCY:** This Offer is contingent upon Buyer being able to obtain ~~written~~
343 ~~TID financing approval~~ [loan type or specific lender, if any] first mortgage loan commitment as described

344 below, within _____ days after acceptance of this Offer. The financing selected shall be in an amount of not less than \$
345 _____ for a term of not less than _____ years, amortized over not less than _____ years. ~~Initial~~

346 ~~monthly payments of principal and interest shall not exceed \$ xxxxxxxxxxxxxxxxx~~ Buyer acknowledges that lender's
347 required monthly payments may also include 1/12th of the estimated net annual real estate taxes, hazard insurance

348 premiums, and private mortgage insurance premiums. The mortgage shall not include a prepayment premium. Buyer agrees
349 to pay discount points in an amount not to exceed _____ % ("0" if left blank) of the loan. If Buyer is using multiple loan

350 sources or obtaining a construction loan or land contract financing, describe at lines 620-650 or in an addendum attached
351 per line 676. Buyer agrees to pay all customary loan and closing costs, wire fees, and loan origination fees, to promptly

352 apply for a mortgage loan, and to provide evidence of application promptly upon request of Seller. Seller agrees to allow
353 lender's appraiser access to the Property.

354 **LOAN AMOUNT ADJUSTMENT:** If the purchase price under this Offer is modified, any financed amount, unless otherwise
355 provided, shall be adjusted to the same percentage of the purchase price as in this contingency and the monthly payments

356 shall be adjusted as necessary to maintain the term and amortization stated above.

357 **CHECK AND COMPLETE APPLICABLE FINANCING PROVISION AT LINE 358 or 359.**

358 **FIXED RATE FINANCING:** The annual rate of interest shall not exceed _____%.

359 **ADJUSTABLE RATE FINANCING:** The initial interest rate shall not exceed _____%. The initial interest rate
360 shall be fixed for _____ months, at which time the interest rate may be increased not more than _____% ("2" if
361 left blank) at the first adjustment and by not more than _____% ("1" if left blank) at each subsequent adjustment.
362 The maximum interest rate during the mortgage term shall not exceed the initial interest rate plus _____% ("6" if
363 left blank). Monthly payments of principal and interest may be adjusted to reflect interest changes.

364 **NOTE:** If purchase is conditioned on Buyer obtaining financing for operations or development consider adding a
365 contingency for that purpose.

366 ■ **SATISFACTION OF FINANCING COMMITMENT CONTINGENCY:** If Buyer qualifies for the loan described in this Offer
367 or another loan acceptable to Buyer, Buyer agrees to deliver to Seller a copy of a written loan commitment.
368 This contingency shall be satisfied if, after Buyer's review, Buyer delivers to Seller a copy of a written loan commitment
369 (even if subject to conditions) that is:

- 370 (1) signed by Buyer; or
- 371 (2) accompanied by Buyer's written direction for delivery.

372 Delivery of a loan commitment by Buyer's lender or delivery accompanied by a notice of unacceptability shall not satisfy
373 this contingency.

374 **CAUTION:** The delivered loan commitment may contain conditions Buyer must yet satisfy to obligate the lender to
375 provide the loan. Buyer understands delivery of a loan commitment removes the Financing Commitment
376 Contingency from the Offer and shifts the risk to Buyer if the loan is not funded.

377 ■ **SELLER TERMINATION RIGHTS:** If Buyer does not deliver a loan commitment on or before the Deadline on line 344.
378 Seller may terminate this Offer if Seller delivers a written notice of termination to Buyer prior to Seller's Actual Receipt of
379 written loan commitment from Buyer.

380 ■ **FINANCING COMMITMENT UNAVAILABILITY:** If a financing commitment is not available on the terms stated in this
381 Offer (and Buyer has not already delivered an acceptable loan commitment for other financing to Seller), Buyer shall
382 promptly deliver written notice to Seller of same including copies of lender(s)' rejection letter(s) or other evidence of
383 unavailability.

384 **SELLER FINANCING:** Seller shall have 10 days after the earlier of:

- 385 (1) Buyer delivery of written notice of evidence of unavailability as noted in lines 380-383; or
- 386 (2) the Deadline for delivery of the loan commitment set on line 344

387 to deliver to Buyer written notice of Seller's decision to finance this transaction with a note and mortgage under the same
388 terms set forth in this Offer, and this Offer shall remain in full force and effect, with the time for closing extended accordingly.
389 If Seller's notice is not timely given, the option for Seller to provide financing shall be considered waived. Buyer agrees to
390 cooperate with and authorizes Seller to obtain any credit information reasonably appropriate to determine Buyer's credit
391 worthiness for Seller financing.

392 **IF THIS OFFER IS NOT CONTINGENT ON FINANCING COMMITMENT** Within _____ days ("7" if left blank) after
393 acceptance, Buyer shall deliver to Seller either:

- 394 (1) reasonable written verification from a financial institution or third party in control of Buyer's funds that Buyer has, at
395 the time of verification, sufficient funds to close; or
- 396 (2) _____

397 _____ [Specify documentation Buyer agrees to deliver to Seller].

398 If such written verification or documentation is not delivered, Seller has the right to terminate this Offer by delivering written
399 notice to Buyer prior to Seller's Actual Receipt of a copy of Buyer's written verification. Buyer may or may not obtain
400 mortgage financing but does not need the protection of a financing commitment contingency. Seller agrees to allow Buyer's
401 appraiser access to the Property for purposes of an appraisal. Buyer understands and agrees that this Offer is not subject
402 to the appraisal meeting any particular value, unless this Offer is subject to an appraisal contingency, nor does the right of
403 access for an appraisal constitute a financing commitment contingency.

404 **APPRAISAL CONTINGENCY:** This Offer is contingent upon Buyer or Buyer's lender having the Property appraised
405 at Buyer's expense by a Wisconsin licensed or certified independent appraiser who issues an appraisal report dated
406 subsequent to the date stated on line 1 of this Offer, indicating an appraised value for the Property equal to or greater than
407 the agreed upon purchase price.

408 This contingency shall be deemed satisfied unless Buyer, within 30 days after acceptance, delivers to Seller a copy
409 of the appraisal report indicating an appraised value less than the agreed upon purchase price, and a written notice objecting
410 to the appraised value.

411 ■ **RIGHT TO CURE:** Seller (shall) (shall not) **STRIKE ONE** ("shall" if neither is stricken) have the right to cure.

412 If Seller has the right to cure, Seller may satisfy this contingency by delivering written notice to Buyer adjusting the purchase
413 price to the value shown on the appraisal report within _____ days ("5" if left blank) after Buyer's delivery of the appraisal
414 report and the notice objecting to the appraised value. Seller and Buyer agree to promptly execute an amendment initiated
415 by either Party after delivery of Seller's notice, solely to reflect the adjusted purchase price.

416 This Offer shall be null and void if Buyer makes timely delivery of the notice objecting to appraised value and the written
417 appraisal report and:

418 (1) Seller does not have the right to cure; or

419 (2) Seller has the right to cure but:

420 (a) Seller delivers written notice that Seller will not adjust the purchase price; or

421 (b) Seller does not timely deliver the written notice adjusting the purchase price to the value shown on the appraisal
422 report.

423 **SECONDARY OFFER:** This Offer is secondary to a prior accepted offer. This Offer shall become primary upon
424 delivery of written notice to Buyer that this Offer is primary. Unless otherwise provided, Seller is not obligated to give Buyer
425 notice prior to any Deadline, nor is any particular secondary buyer given the right to be made primary ahead of other
426 secondary buyers. Buyer may declare this Offer null and void by delivering written notice of withdrawal to Seller prior to
427 delivery of Seller's notice that this Offer is primary. Buyer may not deliver notice of withdrawal earlier than _____ days ("7"
428 if left blank) after acceptance of this Offer. All other Offer Deadlines that run from acceptance shall run from the time this
429 Offer becomes primary.

430 **CLOSING PRORATIONS** The following items, if applicable, shall be prorated at closing, based upon date of closing values:
431 real estate taxes, rents, prepaid insurance (if assumed), private and municipal charges, property owners or homeowners
432 association assessments, fuel and _____

433 _____
434 **CAUTION: Provide basis for utility charges, fuel or other prorations if date of closing value will not be used.**

435 Any income, taxes or expenses shall accrue to Seller, and be prorated at closing, through the day prior to closing.

436 Real estate taxes shall be prorated at closing based on **CHECK BOX FOR APPLICABLE PRORATION FORMULA:**

437 The net general real estate taxes for the preceding year, or the current year if available (Net general real estate
438 taxes are defined as general property taxes after state tax credits and lottery credits are deducted). NOTE: THIS CHOICE
439 APPLIES IF NO BOX IS CHECKED.

440 Current assessment times current mill rate (current means as of the date of closing).

441 Sale price, multiplied by the municipality area-wide percent of fair market value used by the assessor in the prior
442 year, or current year if known, multiplied by current mill rate (current means as of the date of closing).

443 _____
444 **CAUTION: Buyer is informed that the actual real estate taxes for the year of closing and subsequent years may be**
445 **substantially different than the amount used for proration especially in transactions involving new construction,**
446 **extensive rehabilitation, remodeling or area-wide re-assessment. Buyer is encouraged to contact the local**
447 **assessor regarding possible tax changes.**

448 Buyer and Seller agree to re-prorate the real estate taxes, through the day prior to closing based upon the taxes on
449 the actual tax bill for the year of closing, with Buyer and Seller each owing his or her pro-rata share. Buyer shall, within 5
450 days of receipt, forward a copy of the bill to the forwarding address Seller agrees to provide at closing. The Parties shall
451 re-prorate within 30 days of Buyer's receipt of the actual tax bill. Buyer and Seller agree this is a post-closing obligation
452 and is the responsibility of the Parties to complete, not the responsibility of the real estate Firms in this transaction.

453 **TITLE EVIDENCE**

454 **CONVEYANCE OF TITLE:** Upon payment of the purchase price, Seller shall convey the Property by warranty deed
455 (trustee's deed if Seller is a trust, personal representative's deed if Seller is an estate or other conveyance as
456 provided herein) free and clear of all liens and encumbrances, except: municipal and zoning ordinances and agreements
457 entered under them, recorded easements for the distribution of utility and municipal services, recorded building and use
458 restrictions and covenants, present uses of the Property in violation of the foregoing disclosed in Seller's disclosure report,
459 and Real Estate Condition Report, if applicable, and in this Offer, general taxes levied in the year of closing and
460 _____

461 _____
462 _____ (insert other allowable exceptions from title, if any) that constitutes
463 merchantable title for purposes of this transaction. Seller, at Seller's cost, shall complete and execute the documents
464 necessary to record the conveyance and pay the Wisconsin Real Estate Transfer Fee.

465 **WARNING: Municipal and zoning ordinances, recorded building and use restrictions, covenants and easements**
466 **may prohibit certain improvements or uses and therefore should be reviewed, particularly if Buyer contemplates**
467 **making improvements to Property or a use other than the current use.**

468 **TITLE EVIDENCE:** Seller shall give evidence of title in the form of an owner's policy of title insurance in the amount of
469 the purchase price on a current ALTA form issued by an insurer licensed to write title insurance in Wisconsin. Seller shall
470 pay all costs of providing title evidence to Buyer. Buyer shall pay the costs of providing the title evidence required by Buyer's
471 lender and recording the deed or other conveyance.

472 **GAP ENDORSEMENT:** Seller shall provide a "gap" endorsement or equivalent gap coverage at (Seller's)(Buyer's)
473 **STRIKE ONE** ("Seller's" if neither stricken) cost to provide coverage for any liens or encumbrances first filed or recorded
474 after the commitment date of the title insurance commitment and before the deed is recorded, subject to the title insurance
475 policy conditions, exclusions and exceptions, provided the title company will issue the coverage. If a gap endorsement or

476 equivalent gap coverage is not available, Buyer may give written notice that title is not acceptable for closing (see lines 482-477 489).

478 ■ **DELIVERY OF MERCHANTABLE TITLE:** The required title insurance commitment shall be delivered to Buyer's attorney
479 or Buyer not more than _____ days ("15" if left blank) after acceptance showing title to the Property as of a date
480 no more than 15 days before delivery of such title evidence to be merchantable per lines 454-464, subject only to liens
481 which will be paid out of the proceeds of closing and standard title insurance requirements and exceptions.

482 ■ **TITLE NOT ACCEPTABLE FOR CLOSING:** If title is not acceptable for closing, Buyer shall notify Seller in writing of
483 objections to title within _____ days ("15" if left blank) after delivery of the title commitment to Buyer or Buyer's attorney. In
484 such event, Seller shall have _____ days ("15" if left blank) from Buyer's delivery of the notice stating title objections, to
485 deliver notice to Buyer stating Seller's election to remove the objections by the time set for closing. If Seller is unable to
486 remove said objections, Buyer shall have five days from receipt of notice thereof, to deliver written notice waiving the
487 objections, and the time for closing shall be extended accordingly. If Buyer does not waive the objections, this Offer shall
488 be null and void. Providing title evidence acceptable for closing does not extinguish Seller's obligations to give merchantable
489 title to Buyer.

490 ■ **SPECIAL ASSESSMENTS/OTHER EXPENSES:** Special assessments, if any, levied or for work actually commenced
491 prior to the date stated on line 1 of this Offer shall be paid by Seller no later than closing. All other special assessments
492 shall be paid by Buyer. "Levied" means the local municipal governing body has adopted and published a final resolution
493 describing the planned improvements and the assessment of benefits.

494 **CAUTION:** Consider a special agreement if area assessments, property owners association assessments, special
495 charges for current services under Wis. Stat. § 66.0627 or other expenses are contemplated. "Other expenses" are
496 one-time charges or ongoing use fees for public improvements (other than those resulting in special assessments)
497 relating to curb, gutter, street, sidewalk, municipal water, sanitary and storm water and storm sewer (including all
498 sewer mains and hook-up/connection and interceptor charges), parks, street lighting and street trees, and impact
499 fees for other public facilities, as defined in Wis. Stat. § 66.0617(1)(f).

500 ~~**LEASED PROPERTY** If Property is currently leased and lease(s) extend beyond closing, Seller shall assign Seller's rights~~
501 ~~under said lease(s) and transfer all security deposits and prepaid rents thereunder to Buyer at closing. The terms of the~~
502 ~~(written) (oral) **STRIKE ONE** lease(s), if any, are _____~~

503 _____
504 _____ Insert additional terms, if any, at lines 620-650 or attach as an addendum per line 676.

505 ~~**ESTOPPEL LETTERS:** Seller shall deliver to Buyer no later than _____ days ("7" if left blank) before closing, estoppel~~
506 ~~letters dated within _____ days ("15" if left blank) before closing, from each non-residential tenant, confirming the lease term,~~
507 ~~rent installment amounts, amount of security deposit, and disclosing any defaults, claims or litigation with regard to the lease~~
508 ~~or tenancy.~~

509 **DEFINITIONS**

510 ■ **ACTUAL RECEIPT:** "Actual Receipt" means that a Party, not the Party's recipient for delivery, if any, has the document
511 or written notice physically in the Party's possession, regardless of the method of delivery. If the document or written notice
512 is electronically delivered, Actual Receipt shall occur when the Party opens the electronic transmission.

513 ■ **BUSINESS DAY:** "Business Day" means a calendar day other than Saturday, Sunday, any legal public holiday under
514 Wisconsin or Federal law, and any other day designated by the President such that the postal service does not receive
515 registered mail or make regular deliveries on that day.

516 ■ **DEADLINES:** "Deadlines" expressed as a number of "days" from an event, such as acceptance, are calculated by
517 excluding the day the event occurred and by counting subsequent calendar days. The Deadline expires at Midnight on the
518 last day. Additionally, Deadlines expressed as a specific number of Business Days are calculated in the same manner
519 except that only Business Days are counted while other days are excluded. Deadlines expressed as a specific number of
520 "hours" from the occurrence of an event, such as receipt of a notice, are calculated from the exact time of the event, and by
521 counting 24 hours per calendar day. Deadlines expressed as a specific day of the calendar year or as the day of a specific
522 event, such as closing, expire at Midnight of that day. "Midnight" is defined as 11:59 p.m. Central Time.

523 ■ **DEFECT:** "Defect" means a condition that would have a significant adverse effect on the value of the Property; that would
524 significantly impair the health or safety of future occupants of the Property; or that if not repaired, removed or replaced would
525 significantly shorten or adversely affect the expected normal life of the premises.

526 ■ **FIRM:** "Firm" means a licensed sole proprietor broker or a licensed broker business entity.

527 ■ **PARTY:** "Party" means the Buyer or the Seller; "Parties" refers to both Buyer and Seller.

528 ■ **PROPERTY:** Unless otherwise stated, "Property" means the real estate described at lines 4-8.

529 **INCLUSION OF OPTIONAL PROVISIONS** Terms of this Offer that are preceded by an OPEN BOX () are part of
530 this Offer ONLY if the box is marked such as with an "X". They are not part of this offer if marked "N/A" or are left blank.

531 **PROPERTY DIMENSIONS AND SURVEYS** Buyer acknowledges that any land, building or room dimensions, or total
532 acreage or building square footage figures, provided to Buyer by Seller or by a broker, may be approximate because of
533 rounding, formulas used or other reasons, unless verified by survey or other means.

534 **CAUTION:** Buyer should verify total square footage formula, total square footage/acreage figures, and land,
535 building or room dimensions, if material.

536 **DISTRIBUTION OF INFORMATION** Buyer and Seller authorize the agents of Buyer and Seller to: (i) distribute copies of
537 the Offer to Buyer's lender, appraisers, title insurance companies and any other settlement service providers for the
538 transaction as defined by the Real Estate Settlement Procedures Act (RESPA); (ii) report sales and financing concession
539 data to multiple listing service sold databases; (iii) provide active listing, pending sale, closed sale and financing concession
540 information and data, and related information regarding seller contributions, incentives or assistance, and third party gifts,
541 to appraisers researching comparable sales, market conditions and listings, upon inquiry; and (iv) distribute copies of this
542 Offer to the seller, or seller's agent, of another property that Seller intends on purchasing.

543 **MAINTENANCE** Seller shall maintain the Property and all personal property included in the purchase price until the earlier
544 of closing or Buyer's occupancy, in materially the same condition it was in as of the date on line 1 of this Offer, except for
545 ordinary wear and tear and changes agreed upon by Parties.

546 **PROPERTY DAMAGE BETWEEN ACCEPTANCE AND CLOSING** If, prior to closing, the Property is damaged in an
547 amount not more than five percent of the purchase price, other than normal wear and tear, Seller shall promptly notify Buyer
548 in writing, and will be obligated to restore the Property to materially the same condition it was in as of the date on line 1 of
549 this Offer. Seller shall provide Buyer with copies of all required permits and lien waivers for the lienable repairs no later than
550 closing. If the amount of damage exceeds five percent of the purchase price, Seller shall promptly notify Buyer in writing of
551 the damage and this Offer may be terminated at option of Buyer. Should Buyer elect to carry out this Offer despite such
552 damage, Buyer shall be entitled to the insurance proceeds, if any, relating to the damage to the Property, plus a credit
553 towards the purchase price equal to the amount of Seller's deductible on such policy, if any. However, if this sale is financed
554 by a land contract or a mortgage to Seller, any insurance proceeds shall be held in trust for the sole purpose of restoring
555 the Property.

556 ~~**BUYER'S PRE-CLOSING WALK-THROUGH** Within three days prior to closing, at a reasonable time pre-approved by
557 Seller or Seller's agent, Buyer shall have the right to walk through the Property to determine that there has been no
558 significant change in the condition of the Property, except for ordinary wear and tear and changes agreed upon by Parties,
559 and that any Defects Seller has agreed to cure have been repaired in the manner agreed to by the Parties.~~

560 **OCCUPANCY** Occupancy of the entire Property shall be given to Buyer at time of closing unless otherwise provided in
561 this Offer at lines 620-650 or in an addendum attached per line 676. At time of Buyer's occupancy, Property shall be in
562 broom swept condition and free of all debris, refuse, and personal property except for personal property belonging to current
563 tenants, or sold to Buyer or left with Buyer's consent. Occupancy shall be given subject to tenant's rights, if any.

564 **DEFAULT** Seller and Buyer each have the legal duty to use good faith and due diligence in completing the terms and
565 conditions of this Offer. A material failure to perform any obligation under this Offer is a default that may subject the defaulting
566 party to liability for damages or other legal remedies.

567 If Buyer defaults, Seller may:

- 568 (1) sue for specific performance and request the earnest money as partial payment of the purchase price; or
569 (2) terminate the Offer and have the option to: (a) request the earnest money as liquidated damages; or (b) sue for actual
570 damages.

571 If Seller defaults, Buyer may:

- 572 (1) sue for specific performance; or
573 (2) terminate the Offer and request the return of the earnest money, sue for actual damages, or both.

574 In addition, the Parties may seek any other remedies available in law or equity. The Parties understand that the availability
575 of any judicial remedy will depend upon the circumstances of the situation and the discretion of the courts. If either Party
576 defaults, the Parties may renegotiate the Offer or seek nonjudicial dispute resolution instead of the remedies outlined above.
577 By agreeing to binding arbitration, the Parties may lose the right to litigate in a court of law those disputes covered by the
578 arbitration agreement.

579 **NOTE: IF ACCEPTED, THIS OFFER CAN CREATE A LEGALLY ENFORCEABLE CONTRACT. BOTH PARTIES
580 SHOULD READ THIS DOCUMENT CAREFULLY. THE FIRM AND ITS AGENTS MAY PROVIDE A GENERAL
581 EXPLANATION OF THE PROVISIONS OF THE OFFER BUT ARE PROHIBITED BY LAW FROM GIVING ADVICE OR
582 OPINIONS CONCERNING YOUR LEGAL RIGHTS UNDER THIS OFFER OR HOW TITLE SHOULD BE TAKEN AT
583 CLOSING. AN ATTORNEY SHOULD BE CONSULTED IF LEGAL ADVICE IS NEEDED.**

584 **ENTIRE CONTRACT** This Offer, including any amendments to it, contains the entire agreement of the Buyer and Seller
585 regarding the transaction. All prior negotiations and discussions have been merged into this Offer. This agreement binds
586 and inures to the benefit of the Parties to this Offer and their successors in interest.

587 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons
588 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at <http://www.doc.wi.gov>
589 or by telephone at (608) 240-5830.

590 **FOREIGN INVESTMENT IN REAL PROPERTY TAX ACT (FIRPTA)** Section 1445 of the Internal Revenue Code (IRC)
591 provides that a transferee (Buyer) of a United States real property interest must pay or withhold as a tax up to 15% of the
592 total "Amount Realized" in the sale if the transferor (Seller) is a "Foreign Person" and no exception from FIRPTA withholding
593 applies. A "Foreign Person" is a nonresident alien individual, foreign corporation, foreign partnership, foreign trust, or foreign

594 estate. The "Amount Realized" is the sum of the cash paid, the fair market value of other property transferred, and the
595 amount of any liability assumed by Buyer.

596 **CAUTION: Under this law if Seller is a Foreign Person, and Buyer does not pay or withhold the tax amount, Buyer**
597 **may be held directly liable by the U.S. Internal Revenue Service for the unpaid tax and a tax lien may be placed**
598 **upon the Property.**

599 Seller hereby represents that Seller is a non-Foreign Person, unless (1) Seller represents Seller is a Foreign Person in a
600 condition report incorporated in this Offer per lines 93-95, or (2) no later than 10 days after acceptance, Seller delivers
601 notice to Buyer that Seller is a Foreign Person, in which cases the provisions on lines 607-609 apply.

602 **IF SELLER IS A NON-FOREIGN PERSON.** Seller shall, no later than closing, execute and deliver to Buyer, or a qualified
603 substitute (attorney or title company as stated in IRC § 1445), a sworn certification under penalties of perjury of Seller's
604 non-foreign status in accordance with IRC § 1445. If Seller fails to timely deliver certification of Seller's non-foreign status,
605 Buyer shall: (1) withhold the amount required to be withheld pursuant to IRC § 1445; or, (2) declare Seller in default of this
606 Offer and proceed under lines 571-578.

607 **IF SELLER IS A FOREIGN PERSON.** If Seller has represented that Seller is a Foreign Person, Buyer shall withhold the
608 amount required to be withheld pursuant to IRC § 1445 at closing unless the Parties have amended this Offer regarding
609 amounts to be withheld, any withholding exemption to be applied, or other resolution of this provision.

610 **COMPLIANCE WITH FIRPTA.** Buyer and Seller shall complete, execute, and deliver, on or before closing, any instrument,
611 affidavit, or statement needed to comply with FIRPTA, including withholding forms. If withholding is required under IRC §
612 1445, and the net proceeds due Seller are not sufficient to satisfy the withholding required in this transaction, Seller shall
613 deliver to Buyer, at closing, the additional funds necessary to satisfy the applicable withholding requirement. Seller also
614 shall pay to Buyer an amount not to exceed \$1,000 for actual costs associated with the filing and administration of forms,
615 affidavits, and certificates necessary for FIRPTA withholding and any withholding agent fees.

616 **Any representations made by Seller with respect to FIRPTA shall survive the closing and delivery of the deed.**
617 Firms, Agents, and Title Companies are not responsible for determining FIRPTA status or whether any FIRPTA exemption
618 applies. The Parties are advised to consult with their respective independent legal counsel and tax advisors regarding
619 FIRPTA.

620 **ADDITIONAL PROVISIONS/CONTINGENCIES**

621 Contingent upon Council approval and also upon TID 3 amendment approval through
622 Council and Joint Review Board.

623 _____
624 Upon binding acceptance, but before closing, if necessary, Seller to construct
625 graded gravel trail as indicated on map incorporated herein.
626 _____
627 _____
628 _____
629 _____
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631 _____
632 _____
633 _____
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636 _____
637 _____
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639 _____
640 _____
641 _____
642 _____
643 _____
644 _____
645 _____
646 _____
647 _____
648 _____
649 _____
650 _____

651 **TAX DEFERRED EXCHANGE** If this Property is purchased or sold to accomplish an IRC § 1031 Tax Deferred exchange
652 of like-kind property, both Parties agree to cooperate with any documentation necessary to complete the exchange. The
653 exchangor shall hold the cooperating party harmless from any and all claims, costs or liabilities that may be incurred as a
654 result of the exchange.

655 **DELIVERY OF DOCUMENTS AND WRITTEN NOTICES** Unless otherwise stated in this Offer, delivery of documents and
656 written notices to a Party shall be effective only when accomplished by one of the authorized methods specified at lines
657 658-673.

658 (1) **Personal**: giving the document or written notice personally to the Party, or the Party's recipient for delivery if named at
659 660 or 661.

660 Name of Seller's recipient for delivery, if any: _____

661 Name of Buyer's recipient for delivery, if any: _____

662 (2) **Fax**: fax transmission of the document or written notice to the following number:

663 Seller: (_____) Buyer: (_____)

664 (3) **Commercial**: depositing the document or written notice, fees prepaid or charged to an account, with a
665 commercial delivery service, addressed either to the Party, or to the Party's recipient for delivery, for delivery to the Party's
666 address at line 669 or 670.

667 (4) **U.S. Mail**: depositing the document or written notice, postage prepaid, in the U.S. Mail, addressed either to the
668 Party, or to the Party's recipient for delivery, for delivery to the Party's address.

669 Address for Seller: P.O. Box 2194, Wausau, WI 54402-2194

670 Address for Buyer: 407 Grant Street, Wausau, WI 54403

671 (5) **Email**: electronically transmitting the document or written notice to the email address.

672 Email Address for Seller: denzin@midcityprecisionllc.com

673 Email Address for Buyer: anne.jacobson@ci.wausau.wi.us

674 **PERSONAL DELIVERY/ACTUAL RECEIPT** Personal delivery to, or Actual Receipt by, any named Buyer or Seller
675 constitutes personal delivery to, or Actual Receipt by, all Buyers or Sellers.

676 **ADDENDA**: The attached _____ is/are made part of this Offer.

677 This Offer was drafted by [Licensee and Firm] Anne L. Jacobson, City Attorney

678 Buyer Entity Name (if any): City of Wausau

679 (x) _____

680 Buyer's/Authorized Signature ▲ Print Name/Title Here ► Katie Rosenberg, Mayor Date ▲ _____

681 (x) _____

682 Buyer's/Authorized Signature ▲ Print Name/Title Here ► _____ Date ▲ _____

683
684 **SELLER ACCEPTS THIS OFFER. THE WARRANTIES, REPRESENTATIONS AND COVENANTS MADE IN THIS**
685 **OFFER SURVIVE CLOSING AND THE CONVEYANCE OF THE PROPERTY. SELLER AGREES TO CONVEY THE**
686 **PROPERTY ON THE TERMS AND CONDITIONS AS SET FORTH HEREIN AND ACKNOWLEDGES RECEIPT OF A**
687 **COPY OF THIS OFFER.**

688 Seller Entity Name (if any): _____

689 (x) _____

690 Seller's/Authorized Signature ▲ Print Name/Title Here ► _____ Date ▲ _____

691 (x) _____

692 Seller's/Authorized Signature ▲ Print Name/Title Here ► _____ Date ▲ _____

693 This Offer was presented to Seller by [Licensee and Firm] _____

694 _____ on _____ at _____ a.m./p.m.

695 This Offer is rejected _____ This Offer is countered [See attached counter] _____

696 Seller Initials ▲ Date ▲ _____ Seller Initials ▲ Date ▲ _____

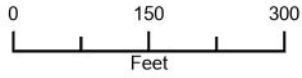
Purchase of Property

City of Wausau

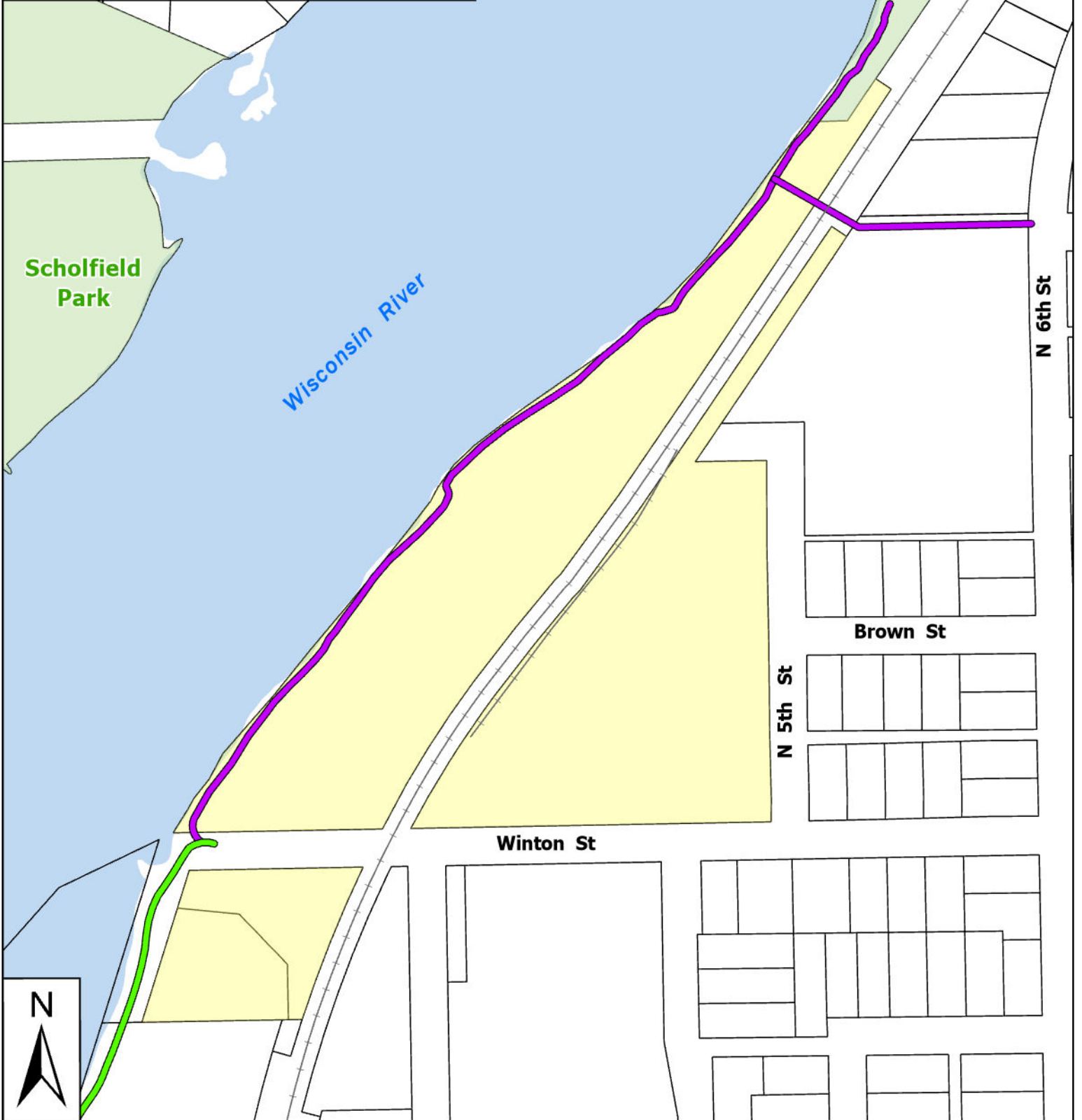


City of Wausau
Department of Public Works
GIS Division
407 Grant St
Wausau, WI 54403
www.ci.wausau.wi.us
gis@ci.wausau.wi.us

- River Edge Trail
- Proposed Trail
- Property to be Purchased
- Park
- River
- Parcel



Path: P:\citybase\projects\River_Edge\aprx\RiverEdgeTrailProposed\RiverEdgeTrailProposed.aprx



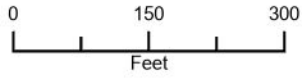
Purchase of Property

City of Wausau

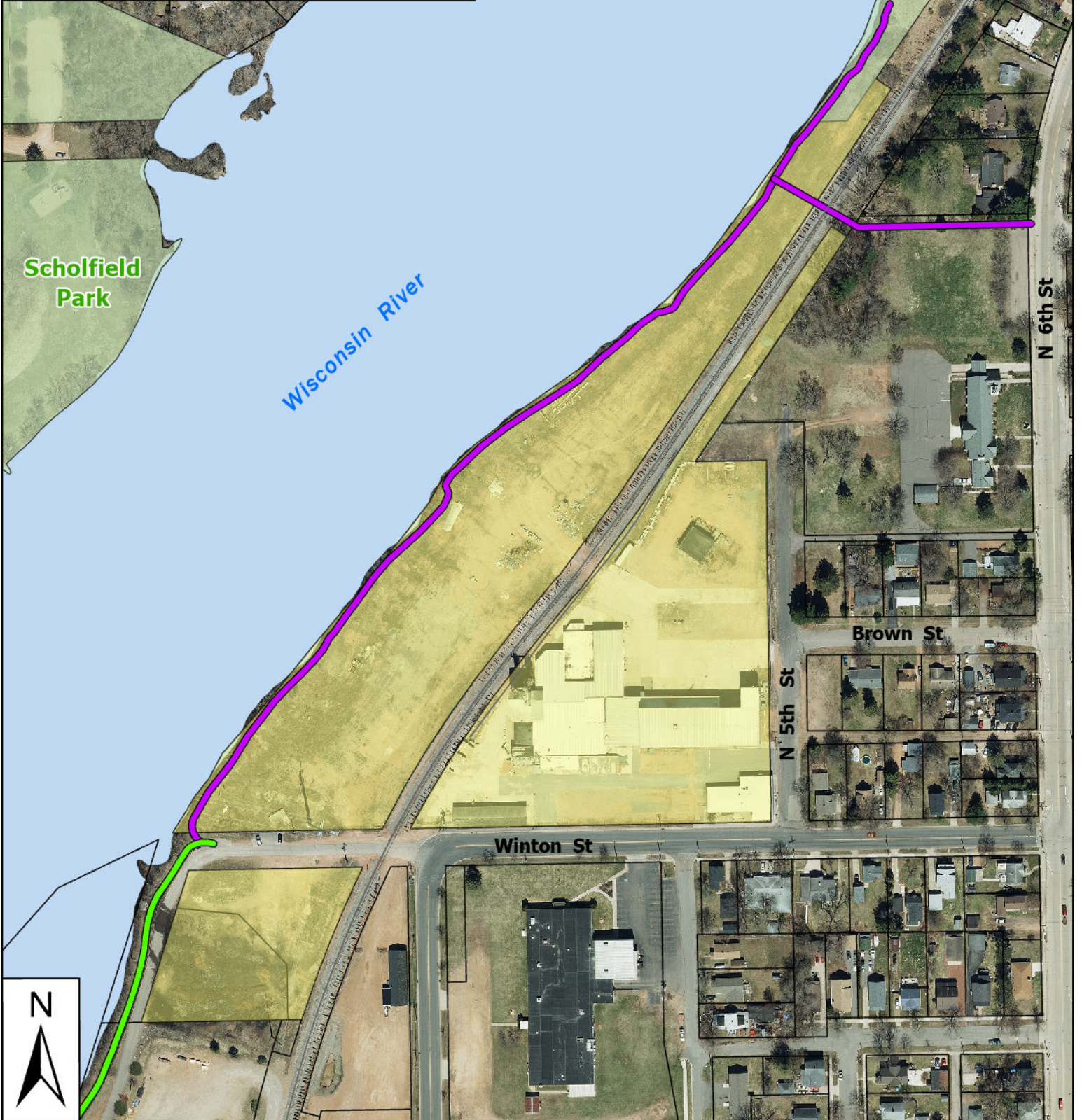


City of Wausau
Department of Public Works
GIS Division
407 Grant St
Wausau, WI 54403
www.ci.wausau.wi.us
gis@ci.wausau.wi.us

- River Edge Trail
- Proposed Trail
- Property to be Purchased
- Park
- River
- Parcel



Path: P:\citybase\projects\River_Edge\aprx\RiverEdgeTrailProposed\RiverEdgeTrailProposed.aprx



JOINT FINANCE COMMITTEE & WAUSAU WATER WORKS COMMISSION

Date and Time: Tuesday, March 28, 2023 @ 5:00 pm., Council Chambers

Finance Members Present: Lisa Rasmussen, Michael Martens, Carol Lukens, Sarah Watson, and Doug Diny

WWWC Members Present: Katie Rosenberg, Dawn Herbst, Jim Force, John Robinson

Members Excused: Joe Gehin (WWWC)

Others Present: Maryanne Groat, Anne Jacobson, Eric Lindman, Matt Barnes, Robert Barteck, Jean Frankel, Randy Fifrick, Mary Goede and Gina Vang

In accordance with Chapter 19, Wisc. Statutes, notice of this joint meeting was posted and sent to the Daily Herald in the proper manner. The Wausau Water Works Commission was called to order by Chairperson Katie Rosenberg and The Finance Committee was called to order by Chairperson Lisa Rasmussen.

Update on water rate study.

Brian Roemer, Ehlers, reported the Public Service Commission (PSC) released the Revenue Requirement (RR) on 3/21/23. He explained the PSC took the application for a 64.5% revenue adjustment filed on 12/21/22 and audited the utility's reports on consumption and customer comp readings to confirm the receipt of revenue as well as identified the costs and needs of the system. The PSC determined the revenue adjustment to be 63.04% due to lower rate of return and reduced expense recovery for outside services. He stated this adjustment still provides for adequate income to support the utility's costs. He indicated Ehlers filed the acceptance letter that was due yesterday.

Roemer stated the next steps will be the PSC's Cost of Service and Rate Design where they take those revenue requirements and distribute them across your rates customer classes to ensure those rates are equitable and fair to all. This process typically takes three to four weeks and then there will be a customer notice for Public Hearing where customers can come forth either through the virtual conference the PSC hosts or via web comment or mail. This will take another month to two months, so he estimated the rates being implemented about July 1st.

**Full discussion can be accessed at: <https://www.youtube.com/watch?v=UKDU3wihigw>*

Discussion and possible action regarding interim financing process and schedule for GAC filtration system

Brain Roemer referred to a chart provided by Donohue in terms of their expectations for construction spending.

The chart is in the Committee packet online on page 6, via the link below. :

https://www.ci.wausau.wi.us/Portals/0/Departments/Council/Archives/Standing%20Committees/Finance%20Committee/2023/FINC_WWWC_20230328_Packet.pdf

Roemer indicated they could expect pay requests for this construction period from July 2023 through May 2024. That is the window that interim financing of \$17.5 million would be needed because you are not closing on the State Loan until May 2024. This financing would be Anticipation Notes which are short term debt obligations of the city that are a special obligation, not technically a revenue pledge of the system or a general obligation pledge of the irrevocable tax authority of the city. Basically, it is a pledge that the city will be incurring debt in order to pay back the Anticipation Notes. It will be a 1-year maturity and Ehlers will help the city draft terms with the help of Bond Counsel and present it to the city as well as to potential underwriters. He stated the Anticipation Notes would work no different than regular capital borrowing in that at the point of closing you would receive the monies and be able to earn interest.

Roemer stated these Anticipation Notes can be done on GO or Revenue pledge with a unique structure in that the interest is due at maturity or the takeout of the long-term financing to make interest payment program eligible. They have the ability to draw, but typically underwriters prefer the takeout all at once. It would be a private placement, not a municipal security traded on the open market. He reiterated the city will draft the terms with help of city Bond Counsel and MA and a list of underwriters will be provided for the city to choose from.

The city approves the interim financing sale process and distribution list at the May 8th meeting and sent the Term Sheet to the distribution list on May 9th. Bids will be due by June 8th and the city awards interim financing at the June 12th meeting with the close on June 29th. Donahue and financing team, which includes Ehlers, Bond Counsel, etc., will continue to work with the Safe Drinking Water Fund Program until closure.

John Robinson questioned what the anticipated issuance costs for Ehlers services and Bond Counsel were, the projected interest rate charge to the utility, and ability to invest the funds, which is material to whether it is a draw or up front. Roemer responded they ran scenarios in terms of doing a draw schedule versus all at once. The difference in terms of interest costs was approximately \$180,000 and the interest earnings \$189,000. Dispersing all at once they could cover the costs instead of drawing and not investing. The estimated cost of financing for Ehlers would not be more than \$18,000 and he guessed Bond Counsel would be about the same.

Robinson questioned Maryanne Groat if there were any other financial options that could reduce the transactional costs, such as the State on a short-term basis. Groat stated there were not and that the State Trust Fund Loan is not designed for these kinds of projects.

Finance Committee

Motion by Watson, second by Lukens to accept the process and timeline for interim financing for GAC filtration system and direct staff to continue to work with Ehlers and the water utility to adhere to the schedule. Motion carried 5-0.

Wausau Water Works Commission

Motion by Herbst, second by Robinson to approve the interim financing process and schedule for the GAC filtration system. Motion carried 4-0.

Discussion and possible action on GAC construction schedule and budget modification

Eric Lindman stated they currently have the system designed and is under final review. He indicated they would be ready to bid in the next few weeks and will have it out for 30 – 40 days. Once bids are opened, they will take two to three weeks to review them, go over the costs and schedules, come back for a decision on that bid schedule and when financing is available, they can execute the contract. He anticipated construction beginning in early July. Groat stated the budget modification portion can be brought in May with the financing, so action was not necessary right now.

Adjourn WWWC

Motion by Robinson, second by Herbst to adjourn the Wausau Water Works Commission. Motion carried unanimously. Commission adjourned at 5:40 pm.

Finance Committee continued.

Minutes of the previous meeting(s): (3/14/23)

Motion by Diny, second by Watson to approve the minutes. Motion carried 5-0.

Discussion and possible action regarding ARPA funding requests and related budget modification

Rasmussen stated two items were ranked from last week: City Hall Security Project at 47.8 and an increase in funding for previously approved testing for Corrosion Control Treatment Optimization Study at 63. Rasmussen commented there may be other funding options for City Hall Security if they didn't want to use ARPA.

Michael Martens noted City Hall Security came to CIP Committee five years ago. He didn't feel it met the goal of ARPA for broad based transformative change or effect in the city. He understood the need for the security but did not feel ARPA was the appropriate funding mechanism. He was in favor of moving forward with the Corrosion Control Project for safe water.

Carol Lukens agreed Corrosion Control was extremely important, but also believed City Hall Security was an emergency with shootings happening more and more. She felt in some ways this did serve the broader community because it is our city government. She stated it would be great if there were another option for funding other than ARPA, but believed security was a priority so employees can feel safe.

Mayor Rosenberg addressed the committee on the importance of security in City Hall mentioning her own experience as well as reports from the last two administrations. She hoped they would prioritize the project for the sake of city staff as well as any residents that visit the building.

Rasmussen suggested if the Finance Director could bring some information about year end surplus in two weeks, they could put it on hold until we receive that information. She felt CIP option puts it off too far down the road. Michael Martens noted the Council Chambers IT upgrades request was on hold, but he felt City Hall Security should move ahead of that item.

Doug Diny felt there were things they could do at City Hall that wouldn't cost very much, such as lock all the office doors. He also didn't feel they should spend ARPA dollars on this but if it is an emergency do what they can now to limit access and then work the CIP and finance it correctly. He indicated he agreed with moving forward the corrosion treatment and to defer on the security. Maryanne Groat stated they could further the budget modification to Council and set the funding source at the next Finance meeting, so that it would go to Council on April 11th with the funding source inserted just prior to the meeting. Rasmussen questioned if they would be okay with using ARPA in the event there were no other funding source found.

Deputy Chief Matt Barnes stated for the entire time he has been on officer every two or three years staff was sent to training to do risk assessment and facility surveys. Those surveys for the last 20 years have indicated that we have safety and security risks at City Hall. Over the period of that time, we have responded to this location. He pointed out there are employees that work long hours into the evenings and/or weekends and have had people who have been living inside City Hall, sitting in bathrooms, and had access to locations here. He reiterated every single professionally written assessment have indicated the importance to expedite the physical security of this facility and he strongly encouraged them to do it. He pointed out the security at the County Courthouse and noted generally speaking it seems something bad happens and then it becomes an emergency. He hoped nothing bad needs to happen here, but it has come close.

Diny reiterated if this is an emergency let's find the funds and put it through the correct process and not use ARPA as a crutch. He requested they vote on Corrosion Control separately from City Hall Security.

Motion by Martens, second by Diny to approve the ARPA request for Corrosion Control Treatment Optimization Study. Motion carried 5-0.

Groat commented she appreciated the goal to spend ARPA dollars wisely, but pointed out one of the classifications the Federal government gave for spending on government services and the examples outlined, construction of government buildings is one of the main categories. She pointed out many communities have invested ARPA funds on improvements to their buildings and on technology improvements to their building so they can engage with citizens. She did not feel these were inappropriate submissions and do fall within the major guidelines.

Motion by Lukens, second by Watson to move forward City Hall Security with an open alternative funding source. Motion carried 4-1. (*Diny was the dissenting vote.*)

Discussion and possible action on budget modification for 4th of July Community Fireworks Proposal

Lisa Rasmussen stated this request came from the Mayor's Office looking to collaborate with our neighbors on one large fireworks display at the airport. She stated Marathon Park is weather dependent and canceled many times due to burning embers on nearby homes and trees. This is not an issue at the airport that has a large fallout buffer and the river.

Doug Diny questioned if there has been commitment from the neighboring communities. Jean Frankel, Mayor's Office, indicated the other four communities have already approved it.

Motion by Watson, second by Martens to approve the budget modification. Motion carried 5-0.

Discussion and possible action on Production Agreement between Marathon County and City of Wausau

Lisa Rasmussen explained this renews an existing agreement between the city and county for Public Access to record and televise County Board meetings.

Motion by Lukens, second by Watson to approve the agreement. Motion carried 5-0.

Discussion and possible action on Memorandum of Understanding between Marathon County, North Central Health Care and Metro Ride for specialized transportation assistance

Lisa Rasmussen explained this is an existing arrangement to provide non-emergency transport for these facilities under contract.

Motion by Diny, second by Martens to approve the MOU. Motion carried 5-0.

Adjourn

Motion by Watson, second by Diny to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:15 pm.

DRAFT

DRAFT

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION**

DATE/TIME: February 13, 2023, at 4:45 p.m.
LOCATION: City Hall (407 Grant Street) – Council Chambers
MEMBERS PRESENT: Becky McElhaney, Gary Gisselman, Dawn Herbst, Tom Killian, Michael Martens
MEMBERS ABSENT:
Also Present: Mayor Rosenberg, J. Henderson

Discussion and Possible Action Approving Starting Wage Increases and Promotions at the Beginning of the Pay Period.

HR Director Henderson explained that when the City began using Workday this year, if employees received a change in position or pay when there is a holiday in the pay period, the system gets thrown off and can't handle it. Finance Director Groat suggested processing increases and promotion at the beginning of the pay period as a quick fix to this issue. Henderson said that the department is asking for the ability to implement any promotions or pay increases at the beginning of the pay period that it is to take effect.

Motion by Gissleman to approve starting wage increases and promotion and the beginning of the pay period. Second by Herbst. All ayes. Motion passed 5-0.

DRAFT

**CITY OF WAUSAU HUMAN RESOURCES COMMITTEE
MINUTES OF OPEN SESSION**

DATE/TIME: March 13, 2023, at 4:45 p.m.
LOCATION: City Hall (407 Grant Street) – Council Chambers
MEMBERS PRESENT: Becky McElhaney, Gary Gisselman, Dawn Herbst, Tom Killian, Michael Martens
MEMBERS ABSENT:
Also Present: Mayor Rosenberg, J. Henderson

Discussion and Possible Action to Classify Newly Created Fleet Analyst Position (Approved in 2023 Budget).

Henderson said that the position was reviewed by HR and it was determined to be placed at a grade 20.

Gisselman asked about the process leading up to this position coming to HR Committee for classification and why the committee did not see it initially to approve it. Lindman said that the position was a supplemental request to the 2023 budget and was approved by Finance and Council. Gisselman and Killian agreed that requests for new positions should first be presented to the HR Committee for consideration and then move to Finance and Council, as HR Committee approval was bypassed by submitting the position as a supplementary budget request to the City Budget.

Motion by Herbst to approve classification of the Fleet Analyst position at Grade 20. Second by Martens. All ayes. Motion passed 5-0.



Office of the City Attorney


TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

Nathan Miller
Assistant City Attorney

Memorandum

From: Anne Jacobson 
To: Finance Committee
Date: April 5, 2023
Re: Production Agreement Between Wausau School District Board of Education and Administration and City of Wausau

Purpose: To obtain your approval of a Production Agreement between Wausau School District Board of Education and Administration ("School District") and the City of Wausau.

Facts: On December 2, 2014, a Production Agreement between the School District and City was entered into for the period of January 1, 2015 through December 31, 2015 for the recording of all Wausau School Board Regular, Education/Operations Committee, or Special Meetings per calendar month.

The City and School District would like to renew the Agreement for another year.

Recommendation: Approval, as this is a request for reaffirmation of an existing relationship and agreement.

PRODUCTION AGREEMENT BETWEEN WAUSAU SCHOOL DISTRICT BOARD OF EDUCATION AND ADMINISTRATION AND CITY OF WAUSAU

This Agreement is dated this _____ day of _____, 20__ and is by and between Wausau School District Board of Education and Administration, hereinafter referred to as "WAUSAU SCHOOL BOARD" and the City of Wausau, hereinafter referred to as "CITY".

In consideration of the mutual covenants and agreements set forth herein, the parties hereby agree as follows:

TERMS

The term of this Production Agreement shall be from January 1, 2023 through December 31, 2023 ("Initial Term"). Upon expiration of the Initial Term, this agreement shall automatically renew for subsequent periods of the same length as the initial term and upon the same terms, unless either party give the other written notice of termination at least thirty (30) days prior to expiration of the current term. Any changes made to the production rate must be made in writing and executed by both parties.

SCOPE OF WORK

It is the intent of this Agreement that CITY will provide a one camera, one person shoot and recording through digital format of a meeting or event, which includes production work, and broadcast live those meetings or events when a connection is available, notwithstanding technical difficulties which would prevent a live broadcast. Further, the digital recording of the meeting or event shall be posted to an online source for on demand viewing as outlined in the "Access" section below. "Production" includes the setup and take down of equipment, the actual recording of the event, and post recording editing work to produce a finished DVD of the recording. The final production will represent the meeting or event in its entirety.

COST

CITY agrees to provide to the WAUSAU SCHOOL BOARD the production of all Wausau School Board Regular, Education/Operations Committee, or Special Meetings per calendar month. WAUSAU SCHOOL BOARD shall be invoiced at the conclusion of each quarter (after April 1 for January-March; after July 1 for April -June; after October 1 for June-September, and after January 1 for October-December, for actual hours of production work described above, at the rate of \$30 per hour. Such invoices will be due and payable within 30 days of receipt. There is no additional charge if the meetings or events are produced within the corporate city limits of the City of Wausau, Wisconsin; if any of the meetings or events in a given month should occur outside of the city limits of the City of Wausau, CITY will bill the WAUSAU SCHOOL BOARD at the rate of \$30.00 per hour for travel time from City Hall to the meeting or event and the IRS mileage rate as a separate charge. With a minimum one

(1) week advance notice, unless otherwise agreed upon by both parties in writing, CITY will produce additional events, beyond the meetings listed above.

CITY requires one week advance notice of any change in meeting dates or location, unless otherwise agreed upon by both parties in writing.

RECORD

One (1) copy of any recording produced under this Agreement will be delivered to the Administrative Assistant to the Superintendent of Schools of the Wausau School District in DVD form.

OWNERSHIP

The WAUSAU SCHOOL BOARD shall own DVDs containing recordings and their but content agrees to let CITY sell copies of recorded events in the form of DVDs or electronic files. CITY agrees to sell the DVD copies for a fee that covers only its costs.

ACCESS

All productions will be rebroadcast at a minimum of two (2) times a week until the next meeting of the same type replaces it on the schedule.

Once the production has been produced, it will be available for viewing on demand, on the Wausau School Board YouTube Channel, and the City Video On Demand website, which Wausau Area Access Media manages.

This covers all the terms of the Agreement and any changes or amendments to the Agreement shall be reduced to writing by both parties and signed by both parties.

IN WITNESS WHEREOF, the parties have signed this Agreement the date and year first above written.

WAUSAU SCHOOL DISTRICT
BOARD OF EDUCATION AND ADMINISTRATION

CITY OF WAUSAU

Katie Rosenberg, Mayor

Kaitlyn A. Bernarde, City Clerk

Drafted by:

Anne L. Jacobson
City Attorney

To: Finance Committee
From: Matt Barnes, Deputy Chief
Date: TBD
Re: Request to reallocate 2022 CIP funds



Background

In 2021, the Police Department submitted for and was authorized through CIP to spend \$75,000 in 2022 to secure its parking lot. This project included the purchase and installation of commercial grade security fencing around the area used for personal and department parking. The amount of funds requested were determined by receiving an estimate from a professional fence company.

After the approval process, due to significant supply chain issues, we were notified of a substantial increase in material cost. The new cost of the fencing project was in excess of \$200,000, making this project unattainable without additional allocation.

For that reason, the Police Department is requesting a reallocation of our 2022 CIP funds.

Request for Reallocation

The Police Department is requesting reallocation of \$75,000 in previously authorized CIP spending to cover project expenses associated with a remodel of a portion of our office space in 2023.

Project Description

This project includes:

1. Conversion of our records room (which is no longer needed for the purpose for which it was designed) to 7 individual offices for our detective bureau; and
2. Conversion of one-half of our mail room to a single office to accommodate staffing needs.

Project Justification

The building that houses the police department has reached its 25th year. Over the last 2 ½ decades much has changed in policing and in the number of those hired to police and support police functions. What has remained largely unchanged is the physical space in which we perform our work.

Presently, our main office area consists of an open-air space with cubicles that at maximum, accommodates 14 staff members. You'll find this area occupied by general detectives, a humane officer, the City's videographer, parking control staff, the City's Community Outreach Specialist, and the joint County/City Crisis Assessment Response Team. Since this area is at the center of the building and serves as a hub, it is also a thoroughfare for all other staff and guests.

In addition to nearing capacity, which alone is an issue that must be addressed, this workspace has been the source of persistent complaint due to noise pollution and a lack of privacy. A survey was given to staff that occupy this space 20 years ago. In that survey, staff mentioned how the open-air environment created too much noise and distraction and did not afford enough privacy to carry out work without frequent frustration and interruption. This was an unforeseen flaw in building design. Fast forward to the present, and we hear the same, but growing valid grievances from staff.

The work environment has remained unchanged, staffing has increased to the point of reaching capacity, and the evolution of policing and technology has made privacy even more imperative. For example, 25 years ago, detectives were not engaged frequently in investigations into child pornography. Today, we have a backlog of those types of cases and pour through hundreds, if not thousands of images and videos each year. These cases require investigators to view very sensitive and disturbing images. Because of the work environment, great care must be taken so peers and even the public do not inadvertently be exposed to such images as they walk through the building. Another example is our adoption of dictation software aimed at increasing the efficiency of report writing. A couple years ago we invested in Dragon Naturally Speaking, which allows staff to increase the speed of their report writing by as much as 140%. Because of the open-air environment, those occupying this workspace revert to typing because of the added distraction constant talking can create for the person(s) working around them. Those with private offices or squad cars do not experience the same troubles. Many times, many years ago while working as a detective in the open-air environment, I found myself apologizing to the victims, or families of victims I was on the phone with. While having very serious conversations, the noise, laughter, or tours of children interrupted my work with them.

At the end of 2022, we finished a project that preserved all physical case files in digital form. Unlike 25 years ago, physical storage of case files is no longer necessary (i.e. the process is now digital) and the large office space designed to house those files is vacant and open for repurposing. This affords us an opportunity to begin addressing capacity, noise pollution, and privacy needs.

We have created plans and sought quotes to convert the file storage area (about 500 square feet) into 7 individual offices. Additionally, the adjacent mailroom would be divided in half to add an additional office to accommodate growing staff, both now and for the future. Detectives would be moved from the open-air space to the records storage area, each provided with their own office. Based on quotes received for this project, we believe this remodel will be possible with a \$75,000 budget.

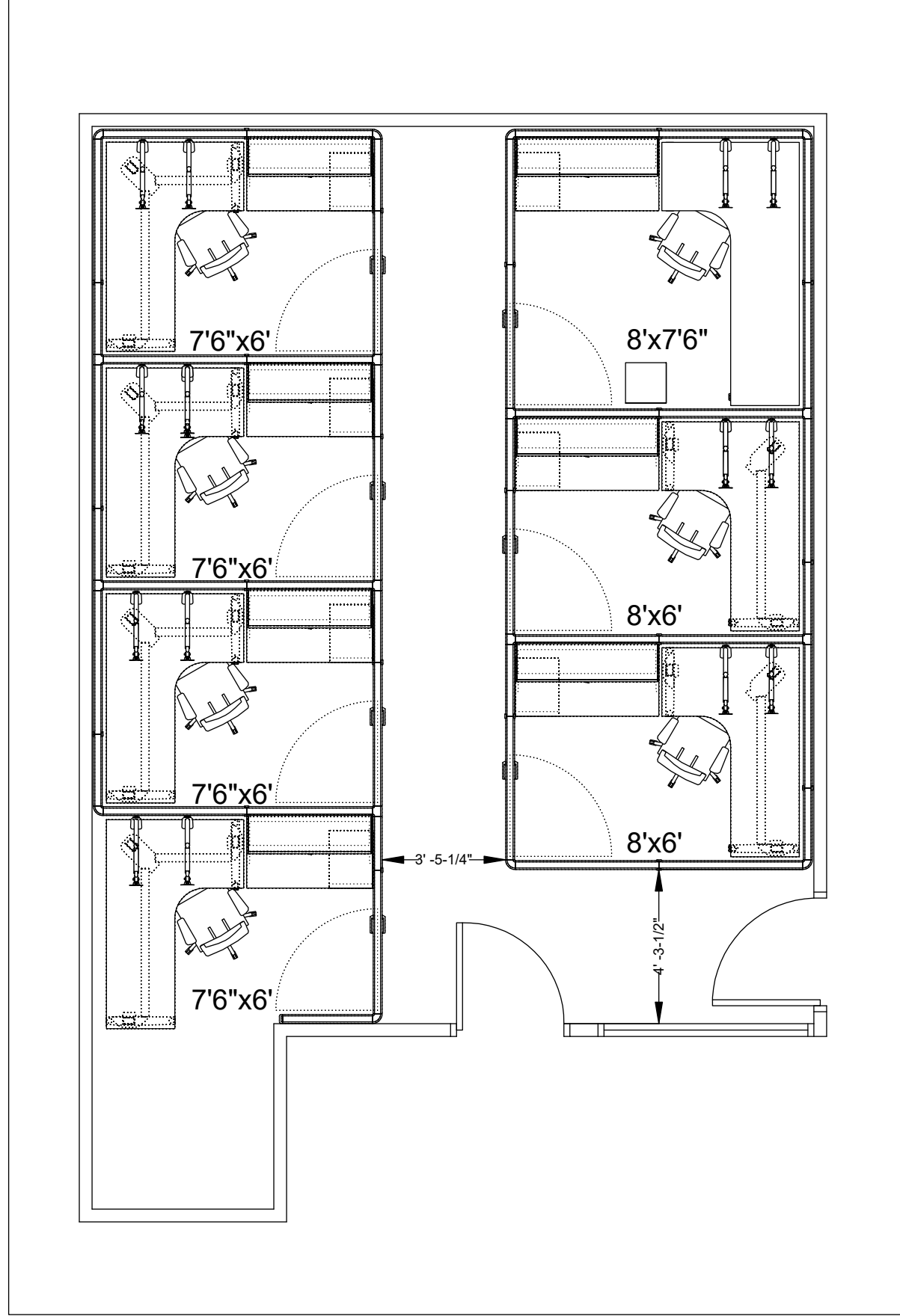
This transition would reduce, at least temporarily, the number of people occupying the open-air space, which will positively impact the amount of noise pollution. It will also permit some to move to existing cubicles with greater wall heights to increase the degree of privacy for those who require it.

Impact on Deferred Implementation/Purchase

The issues we face with capacity, noise pollution, and privacy will continue to grow and result in ongoing challenges and complaints. In other words, they won't go away. This has and will continue to impact productivity, professionalism, and morale, especially if an unused and unmaximized workspace is mere feet away.

Return on Investment

By repurposing this workspace, we have the opportunity to address a 25-year-old problem. Additionally, by adding offices, we can create room for future growth. In recent years and months, talks of expanding the crisis assessment response team, homelessness initiatives, etc. have not been complemented with logistical conversations on where to place them. Currently we have no room for growth. The proposed project, for which there could be funding, if reallocated, would meet current and future needs.



CLIENT INFORMATION:

**WAUSAU POLICE
DEPARTMENT**
616 GRAND AVENUE
WAUSAU, WI 54403

DRAWING TITLE:

DETECTIVE OFFICES OPTION 1

SCALE: 1/4" = 1'-0"

DATE: 02.15.2023

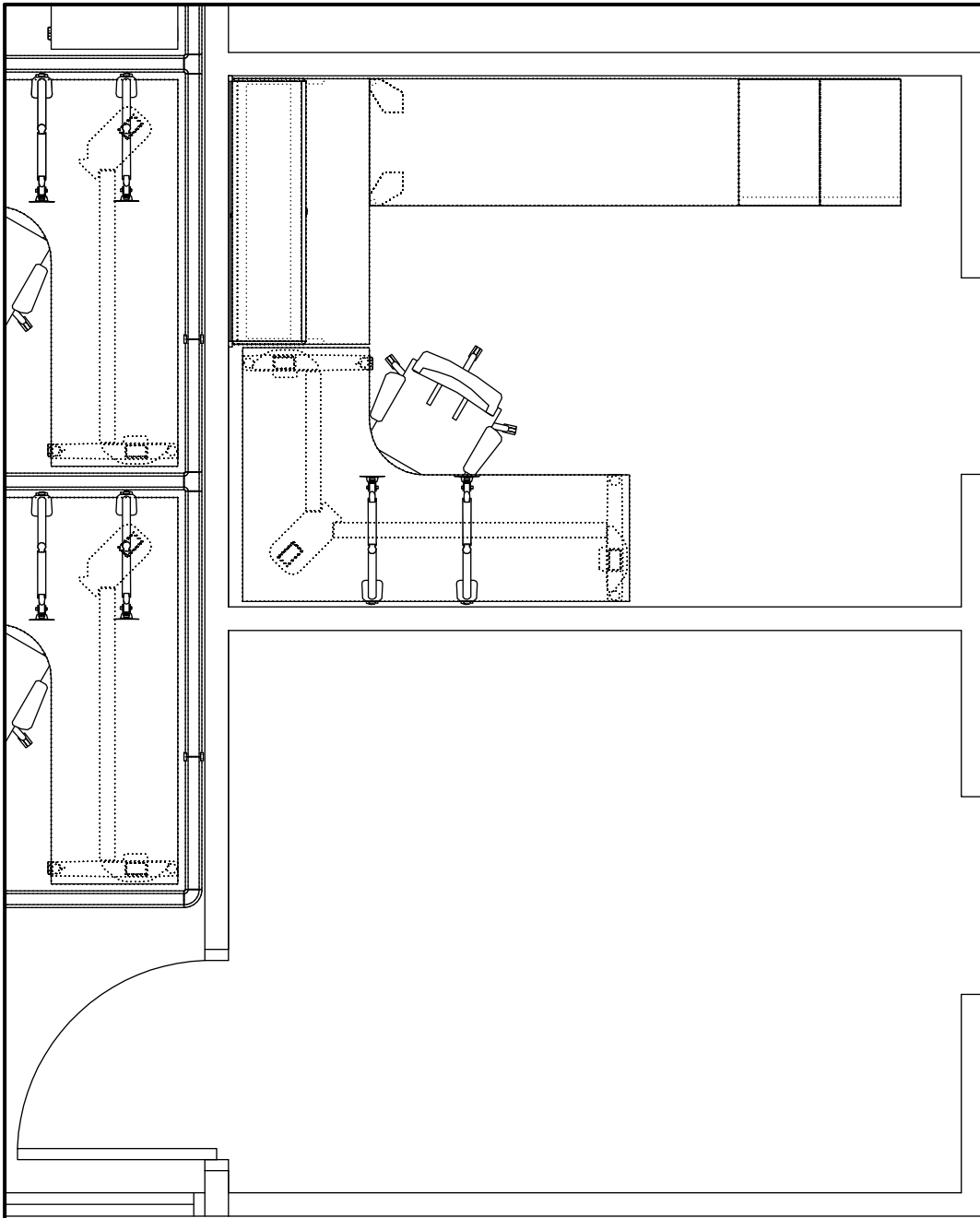
REVISION NOTES:
02.24.2023 REVISION 1

PROJECT: 70408

REP: LXV

DESIGN: KKS

PROPRIETARY DESIGN:
PLEASE NOTE: THIS DESIGN IS
PROPRIETARY TO THE SAMUELS GROUP.
ANY OUTSIDE USE OF THIS DESIGN AND
RENDERING WITHOUT WRITTEN APPROVAL
MUST BE APPROVED BY TSG.



CLIENT INFORMATION:

WAUSAU POLICE DEPARTMENT

515 GRAND AVENUE
WAUSAU, WI 54403

DRAWING TITLE:

MAILROOM CONVERSION TO IT OFFICE

SCALE: 1/4" = 1'-0"

DATE: 02.27.2023	PROJECT: 704536	REP: XX	DESIGN: KKS
REVISION NOTES: 02.28.2023 REVISION 1			

PROPRIETARY DESIGN:
 PLEASE NOTE: THIS DESIGN IS
 PROPRIETARY TO THE SAMUELS GROUP.
 ENVIRONMENTS. ANY OUTSIDE USE OF
 THIS DESIGN AND THE INFORMATION
 WITHIN MUST BE APPROVED BY SGE.



CITY OF WAUSAU, 407 Grant Street, Wausau, WI 54403

RESOLUTION OF THE FINANCE COMMITTEE	
Authorizing the write-off of certain uncollectible delinquent personal property tax accounts from the City's accounting records	
Committee Action:	Pending
Fiscal Impact:	\$15,819.81 with \$9,658.39 charged back for a net of \$6,161.42
File Number:	03-0306
Date Introduced:	April 11, 2023

FISCAL IMPACT SUMMARY			
COSTS	<i>Budget Neutral</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Budget Source: Bad Debt Expense</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$6,161.42</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
SOURCE	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>TID Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue <input type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/></i>		

RESOLUTION

WHEREAS the City of Wausau has an ongoing program for the collection of delinquent personal property taxes, however there are always some personal property taxes which are uncollectible due to various reasons and

WHEREAS, there is always a continuous effort to recover delinquent personal property taxes, and

WHEREAS, Wisconsin Statutes dictates the timeline of charge backs occur annually by April 1; and

WHEREAS, the Finance Committee has reviewed the list of 2021 delinquent personal property taxes on Attachment A and recommends the write off and charge back of these taxes as provided within the State of Wisconsin Statutes, and

WHEREAS, staff will continue to collect on these delinquencies; Now Therefore

BE IT RESOLVED, by the Common Council of the City of Wausau that the proper City Official(s) be and are hereby authorized and directed to write off the delinquent personal property taxes as outlined on Attachment A, from the Tax Adjustment account in order to provide sound financial management.

BE IT FURTHER RESOLVED, by the Common Council of the City of Wausau that the proper City Official(s) be and are hereby authorized and directed to charge back to the appropriate governmental entities their share of these delinquent personal property taxes as outlined on Attachment A.

BE IT FURTHER RESOLVED, by the Common Council of the City of Wausau that the list of delinquent personal property taxes be entered into the minutes and published in the newspaper.

Approved:

Katie Rosenberg, Mayor

2021 Uncollected Personal Property Tax List

			MC	COW	WSD	NTC	Total
			Chargeback	Chargeback	Chargeback	Chargeback	
29100000002635	Bankruptcy	CHRISTOPHER & BANKS INC	303.88	669.37	682.43	80.45	1,736.14
29100000002793	Closed Out of Business	BUCH, DEBRA	69.46	152.99	155.99	18.39	396.83
29100000015602	Closed Out of Business	OPA GYROS	34.90	76.86	77.42	9.24	198.42
29100000016309	Closed Out of Business	PERSONAL TOUCH CLEANERS	32.56	71.72	73.11	8.62	186.01
29100000018716	Closed Out of Business	TRI-COUNTY GYMNASTICS & CHEER	36.90	81.28	82.86	9.77	210.81
29100000020247	Closed Out of Business	WITTER, GLEN	95.50	210.38	214.49	25.28	545.65
29100000006133	Closed Out of Business	FERMANICH, BRUCE	8.68	19.12	19.50	2.30	49.60
29100000008535	Closed Out of Business	MICHEAL S HILL DDS	32.56	71.72	73.11	8.62	186.01
29100000013331	Closed Out of Business	MARION MOTEL	19.54	43.03	43.88	5.18	111.62
29100000013563	Closed Out of Business	MERAKI SALON & TATTOO	10.86	23.90	24.37	2.88	62.01
29100000017842	Closed Out of Business	SEA SIREN TATTOO & PIERCINGS	21.70	47.81	48.75	5.75	124.01
29100000020285	Closed Out of Business	YANG, SONG	17.36	38.25	39.00	4.59	99.20
29100000016771	Closed Out of Business	HYDRO KLEAN	829.16	1,826.43	1,862.07	219.53	4,737.19
29100000003726	Closed Out of Business	CPR CELL PHONE REPAIR	21.70	47.81	48.75	5.75	124.01
29100000007103	Closed Out of Business	CHERYL'S FRAMING & GALLERY	36.90	81.28	82.86	9.77	210.81
29100000019551	Closed Out of Business	WAUSAU LANDMARK CORP	56.44	124.31	126.74	14.94	322.43
2910000001032	Closed Out of Business	ALBEE PROPERTY MANAGEMENT LLC	29.95	65.98	67.27	7.93	171.14
29100000002006	Closed Out of Business	B&L TAX AND ACCOUNTING	19.54	43.03	43.88	5.18	111.62
29100000004002	Closed Out of Business	DFK CHARTERED DF KNAPP & ASSOCIATES	28.22	62.16	63.37	7.47	161.22
29100000004767	Closed Out of Business	DORADO SURFACES	8.68	19.12	19.50	2.30	49.60
29100000005689	Closed Out of Business	ET AL'S READ & UNREAD BOOKS	5.64	12.43	12.67	1.49	32.24
29100000006486	Closed Out of Business	FLASH BACK CLOTHING COMPANY	91.16	200.82	204.73	24.14	520.85
29100000006838	Closed Out of Business	FRANKIE & FLETCHER MERCANTILE	9.98	21.99	22.43	2.64	57.05
29100000008117	Closed Out of Business	JIN HUANG INC	25.18	55.46	56.55	6.67	143.86
29100000009160	Closed Out of Business	ICY YUMMY	8.68	19.12	19.50	2.30	49.60
29100000010071	Closed Out of Business	JOYFUL LIVING LLC	2.17	4.78	4.87	0.57	12.40
29100000010150	Closed Out of Business	JACKMAN LAW FIRM LLC	195.35	430.31	438.71	51.72	1,116.09
29100000010177	Closed Out of Business	JOJO'S ONLINE SALES	6.52	14.34	14.63	1.73	37.21
29100000012742	Closed Out of Business	LITTLE BULL FALLS SOAP WORKS AND GIFTS	6.60	14.52	14.35	1.75	37.21
29100000013926	Closed Out of Business	MYSTIC MASSAGE	15.20	33.47	34.12	4.02	86.81
29100000014200	Closed Out of Business	NAWROCKI, TIMOTHY	13.02	28.69	29.25	3.45	74.41
29100000014375	Closed Out of Business	NEUMEYER CHIROPRACTIC OFFICE	41.24	90.84	92.61	10.92	235.61
29100000017454	Closed Out of Business	SAFE ALERT LLC	19.54	43.03	43.88	5.18	111.62
29100000017754	Closed Out of Business	SCHULZ'S RECYCLING INC	251.79	554.63	565.44	66.66	1,438.52
29100000017780	Closed Out of Business	SCHULTZ, RALPH	2.17	4.78	4.87	0.57	12.40
29100000017969	Closed Out of Business	SHAILLY YOGA STUDIO	23.88	52.59	53.62	6.32	136.41
29100000018025	Closed Out of Business	6TH ST PUB	19.54	43.03	43.88	5.18	111.62
29100000018350	Closed Out of Business	STEPPERT, ROULAND	230.08	506.81	516.70	60.92	1,314.51
29100000019317	Closed Out of Business	WAUSAU CAFE	21.70	47.81	48.75	5.75	124.01
29100000019586	Closed Out of Business	WAUSAU MOBILITY SCOOTER SERVICE	28.22	62.16	63.37	7.47	161.22
29100000020500	Closed Out of Business	ZOOMSYSTEMS	19.54	43.03	43.88	5.18	111.62
29100000002551	Collection	BODY WISDOM					37.21
29100000002717	Collection	BROWISTRY.BYPAM					37.21
29100000002809	Collection	BUDGET AUTO REPAIR					74.41
29100000010866	Collection	GLISCH, JORDAN					35.90
29100000012241	Collection	LASH OUT LOUD LLC					12.40
29100000012351	Collection	LUMPY'S BAR					74.41
29100000017967	Collection	SCHAEFER JIM					24.81
29100000018743	Collection	THRIVENT FINANCIAL REP DANIEL PETKAU					37.21
29100000019402	Collection	WAUSAU ENGINES INC					37.21
29100000008326	Collection	HEMP ETC					124.01
29100000010975	Collection	JUST WRIGHT BOARDS					49.60
29100000011276	Collection	KIMKAR LLC					86.81
29100000015320	Collection	OUTCOME HEALTH					99.20
29100000019581	Payment Plan	WAUSAU MUSIC CENTER					19.60
29100000002586	Pending Court Action	BOOST MOBILE GRANADA LLC					255.46
29100000003067	Pending Court Action	CAPTURED MEMORIES PHOTOGRAPHY					176.09
29100000004779	Pending Court Action	FIRST WAUSAU TOWER,LLC DUDLEY INVESTMENTS/MGMT					760.24
29100000008020	Pending Court Action	HALO SALON					228.02
29100000012491	Pending Court Action	LINCARE					144.78
29100000018495	Pending Court Action	SWEETS ON THIRD					681.47
29100000018667	Pending Court Action	TERRADEA SALON/SPA					297.62
29100000018668	Pending Court Action	TERRADEA SALON/SPA ISLAND PL					74.41
29100000018792	Pending Court Action	THE OTHER SIDE TATTOO					124.01
29100000001034	Write Off	AFLAC REGIONAL OFFICE D					1.05
29100000001087	Write Off	DA CONSULTING LLC					4.08
29100000001466	Write Off	AMERICANS FOR PROSPERITY					1.64
29100000002678	Write Off	BRIDGE NUTRITION					1.62
29100000002694	Write Off	THE BISTRO RESTAURANT					3.92
29100000003240	Write Off	CHARLES RIVER GROUP LLC					0.66

Chargeback
\$15,719.60

2910000003860	Write Off	CRICKET WIRELESS	10.84
2910000004129	Write Off	EXPRESSIONS INK GUY DANIELS	1.78
29100000011035	Write Off	KAMAN INDUSTRIAL TECHNOLOGIES CORP	10.84
29100000011202	Write Off	KIM BOB'S CAFÉ	0.36
29100000011275	Write Off	KIMS BS SAUCE	0.43
29100000012590	Write Off	LIKES, ROBERT	0.03
29100000012962	Write Off	LUDGER BORGER	0.66
29100000014218	Write Off	NORTHWOODS CAB	6.65
29100000017114	Write Off	RETAIL INVENTORY SERVICES	5.70
29100000017379	Write Off	SAC WIRELESS	17.06
29100000017463	Write Off	SANDBOOM GUITAR COMPANY	0.73
29100000017878	Write Off	SEEK INCORPORATED	13.36
29100000017921	Write Off	SENIOR SPECIALISTS INSURANCE	2.71
29100000018648	Write Off	TIME FOR ME	0.73
29100000018799	Write Off	THE ONLINE ITINERANT	0.27
29100000018994	Write Off	VIRTUAL VISION COMPUTING CO LLP	4.10
29100000019051	Write Off	VOLHARD, FRANCES	0.19
29100000019635	Write Off	WAUSAU WORLD MART PHOU BIA	5.78
29100000019957	Write Off	WFG BUSINESS	1.59
29100000020032	Write Off	WINDOW WORLD	3.43
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			19,311.90