



\*\*\* All present are expected to conduct themselves in accordance with our City's Core Values \*\*\*

## OFFICIAL NOTICE AND AGENDA

Notice is hereby given that the Common Council of the City of Wausau, Wisconsin will hold a regular or special meeting on the date, time and location shown below.

**SPECIAL MEETING: COMMON COUNCIL OF THE CITY OF WAUSAU**  
 Date/Time: **Monday, August 28, 2023 at 6:00 PM**  
 Location: **City Hall (407 Grant Street, Wausau WI 54403) - Council Chambers**  
 Members: Carol Lukens, Michael Martens, Tom Kilian, Doug Diny, Gary Gisselman, Becky McElhaney, Lisa Rasmussen, Sarah Watson, Dawn Herbst, Lou Larson, Chad Henke

### Call to Order

Pledge of Allegiance / Roll Call

### WOZ/T-Wall Presentation on Foundry on 3rd Ph1, LLC First Amendment Request and Project Progress

Public Comment: Pre-registered citizens for matters appearing on the agenda and other public comment.

File #	CMT	Resolutions	ACT
23-0815	ED	Resolution Approving the First Amendment to the Development Agreement for Foundry on 3rd Ph 1, LLC.	Approved 4-1
<p><b>CLOSED SESSION pursuant to s. 19.85(1)(g), conferring with legal counsel for the governmental body who is rendering oral or written advice concerning strategy to be adopted by the body with respect to litigation in which it is or is likely to become involved, and (1)(e), deliberating or negotiating the purchasing 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 the proposed First Amendment to the Development Agreement with Foundry on 3rd Ph1, LLC, and the Purchase and Development Agreement and related amendments with Wausau Opportunity Zone, Inc. (Wausau Center Mall)</b></p>			
<b>RECONVENE</b> into open session to take action on closed session item, if any, and other business.			
22-1109	FIN	Resolution Approving 2023 Budget Modification – Public Health Vending Machine Program (PHVM)	Approved 5-0
23-0808	FIN	Resolution Approving the over hire of two street operator positions within the Department of Public Works	Approved 5-0
00-0808	FIN	Resolution Approving withdrawal of funds from Wausau Cemetery Perpetual Trust Fund	Approved 5-0
23-0817	FIN	Resolution Approving Termination of American Rescue Plan Act Subrecipient Agreement between the City of Wausau and The Open Door	Approved 5-0

Adjournment

Signed by Katie Rosenberg, Mayor

Members of the public who do not wish to appear in person may view the meeting live on the Internet, 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 [kaitlyn.bernarde@ci.wausau.wi.us](mailto:kaitlyn.bernarde@ci.wausau.wi.us) with "Common Council public comment" in the subject line prior to the meeting start.

This Agenda was posted at City Hall and faxed to the Daily Herald newsroom on 8/23/23 3:30 pm. Questions regarding this agenda may be directed to the City Clerk.

In accordance with the requirements of Title II of the Americans with Disabilities Act (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 City's ADA Coordinator at (715) 261-6620 or email [clerk@ci.wausau.wi.us](mailto:clerk@ci.wausau.wi.us) at least 48 hours prior to the scheduled meeting or event to request an accommodation.

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

<b>RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMITTEE</b>	
Approving the First Amendment to the Development Agreement for Foundry on 3 <sup>rd</sup> Ph 1, LLC.	
Committee Action:      Approved 4-1	
Fiscal Impact:	
<b>File Number:</b> 23-0815	<b>Date Introduced:</b> August 8, 2023 (Tabled)
	<b>Date brought back:</b> August 28, 2023

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

**RESOLUTION**

**WHEREAS**, the City’s Common Council approved the terms of a Development Agreement with Foundry on 3<sup>rd</sup> Ph1, LLC (“Developer”) to construct a mixed-use building on approximately 1.352 acres in downtown Wausau, in September 2022, and the Development Agreement was executed on September 28, 2022; and

**WHEREAS**, sections 1.o and 1.q state the required Commencement Deadline and Completion Deadlines, respectively; and

**WHEREAS**, Developer notified the City that it would not be able to meet the Commencement Deadline of September 1, 2023, and therefore the Completion Deadline of December 31, 2024, also cannot be met; and

**WHEREAS**, Developer desires to amend the Commencement Deadline to June 1, 2024, and Completion Deadline to November 1, 2025; and

**WHEREAS**, your Economic Development Committee approved of this First Amendment to the Development Agreement at its August 1, 2023, meeting.

**NOW, THEREFORE, BE IT RESOLVED**, that the Common Council of the City of Wausau approves the First Amendment to the Development Agreement for Foundry on 3<sup>rd</sup> Ph 1, LLC, and instructs the appropriate City staff to execute the necessary documents.

Approved:

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Katie Rosenberg, Mayor

# MINUTES

## Economic Development Committee Meeting

*Date / Time:* Wednesday, August 1, 2023, at 5:15 P.M. | *Meeting called to order by* Watson at 5:15 P.M.

### In Attendance

**Members Present:** Sarah Watson (C), Tom Kilian, Lisa Rasmussen, Carol Lukens, Chad Henke

**Others Present:** Kody Hart, Liz Brodek, Randy Fifrick, Atty. Jacobson, Mayor Katie Rosenberg, Chuck Ghidorzi (WOZ), Nick Patterson (T Wall), Alder Doug Diny, Alder Michael Martens

*In accordance with Chapter 19, Wisc. Statutes, notice of this meeting was posted and sent to the Daily Herald in the proper manner.*

### Agenda Item 6 – Discussion and possible action approving First Amendment to Foundry on 3<sup>rd</sup> LLC Development Agreement (Brodek)

Brodek reminded the committee that the Foundry's groundbreaking was delayed until spring and therefore an amendment to the development agreement is needed to commemorate that. Brodek noted the original development agreement had a commencement date of 9/1/23 and the First Amendment proposed moving that date to 6/1/24 which then amends the completion deadline from 12/31/24 to 11/21/25 and the minimum assessed value will be determined 2026 instead of 2025 due to the project not being complete until the end of 2025. Lastly, she mentioned the amendment notes the reverse payments may be impacted by the late start date. She said a financing modification is not being requested but they are aware that they may miss a year of reverse TIF payments because of the delayed start.

Rasmussen commented that it was already known there will be a groundbreaking delay but also mentioned there is other noticeable progress occurring on the site with HOM Furniture, Children's Imaginarium and the infrastructure itself. She said seeing that progress and knowing the developer is aware of the loss of reverse TIF payments that the timeline still adheres to what's been expected.

Kilian asked Atty. Jacobson what the original date of commencement was. Atty. Jacobson said the initial commencement date was 9/1/23. Kilian then asked her what would happen if the committee did not approve the amendment. Atty. Jacobson responded it would mean they'd miss the commencement date. He questioned if the commitment was made on a prior date and who agreed to it. Atty. Jacobson responded it was the date established and approved in the original development agreement that Foundry on 3<sup>rd</sup>, LLC agreed to. Lastly, he asked if the City has kept up their end of the deal in the agreement thus far based on her knowledge; she responded, yes. Kilian asked if the amendment was not approved, would that be a breach to the agreement. Atty. Jacobson clarified it would be an event of default.

Kilian mentioned it does not appear the City of Wausau was at fault for what has transpired. He asked staff if it is accurate that without consulting the City, the board of Wausau Opportunity Zone (WOZ) voted to allow an extension on this development. Brodek responded that is her understanding but there is no firsthand knowledge of it and directed Kilian to the managing director of WOZ, Chuck Ghidorzi, who replied that the board has approved the extension but is unsure of the date that occurred. Kilian asked if the board knew that an extension could result in a default on an agreement. Ghidorzi responded the board was aware an Amendment would be needed to approve an extension.

Kilian continued with questions of Brodek. He noted he reviewed DNR documents and asked if his understanding was correct that the cement was to be left in place to provide a sort of default cap over contaminated soil. Brodek responded that was her understanding, but that DPW and Engineering have been in weekly meetings regarding this site, but ED staff has not been. No representatives were available from DPW or Engineering to answer Kilian's questions. Kilian asked if anyone knew what happened when that soil was to be removed. Brodek replied DPW staff would be helpful to provide a timeline. She noted there have been internal meetings trying to piece everything together but does not have all the dates of those meetings and who was responsible for what and when. She offered for Kilian to provide her a list of his questions for her to present to DPW and she would work on getting answers on what has transpired. He agreed to providing a list of questions for her to obtain answers however, referred his question about what happened to the soil to Atty. Jacobson who replied she did not have any firsthand knowledge of anything with the soil and referred the question to Ghidorzi saying he'd likely have the most accurate information.

Kilian asked Ghidorzi if the soil was to be removed and provide the sequence of events on what occurred with the soil removal. Ghidorzi said the cap was removed on Block 4 for the purpose of utility work as well as if there was not a delay in the development of the Foundry on 3<sup>rd</sup> that the development could move forward. He clarified the site will be capped if construction does not start after the utility work is completed. Kilian asked who made the decision to not have soil removed; Ghidorzi responded that he did. Kilian follow up asking that there was someone who was going to remove the soil, but a decision was made to not remove it. Ghidorzi responded yes, a company was under contract with the city and per the city's obligation, to remove the soil. Kilian asked who was responsible for paying cost of removing the soil; Ghidorzi responded per the development agreement, it is the city's responsibility. Kilian asked what happens when a company shows up to remove the soil per their contract with the city and the work is rejected. Ghidorzi responded saying he contacted Eric Lindman at the City to explain they were not ready to move the soil. Lindman asked Ghidorzi what a good

timeframe would be for this to occur, so WOZ met with T-Wall to determine a timeline to present to the city. Kilian asked if there would be additional costs for that service since the timeline was moved; Ghidorzi responded there could be because there are consequences for breaking contracts but that is unknown at this time.

Watson paused and asked Atty. Jacobson if what is being discussed is within the realm of what is agendized. Atty. Jacobson responded that it's really up to the committee to decide that but because they are looking at amending a development agreement, anything related to that amendment can rightfully be discussed.

Kilian continued and asked Ghidorzi if he knows what the DNR's perspective on what will need to happen with the uncapped soil; if they'll allow it to remain uncapped when a large percentage was said to be contaminated. Ghidorzi responded that there are two parts to removing the cap. He noted the cap is removed from 2<sup>nd</sup> Street, the green forum that extends across the Children's Imaginarium and down Jackson Street and down 3<sup>rd</sup> Street to install necessary utilities per the plan. Once utilities are completed it will have to be re-capped with 3 inches of road base which is an approved system with the DNR with whom they've been in contact. Ghidorzi noted if Block 4 is not started, the same process will occur there to re-cap it.

Discussion continued for an additional 22 minutes. This portion of the meeting can be viewed from minute 2:16 through 39:01 at this link: <https://youtu.be/lAno806yJWI>

*Rasmussen motioned to approve the extension, seconded by Henke. **Approved 4-1 with Kilian being the dissenting vote.***

DRAFT

**DEVELOPMENT AGREEMENT**  
**(Foundry on 3<sup>rd</sup> Ph 1)**

**THIS DEVELOPMENT AGREEMENT (Foundry on 3<sup>rd</sup> Development) (this “Agreement”) is made as of September 28, 2022 (the “Effective Date”), by and between the CITY OF WAUSAU, a Wisconsin municipal corporation (the “City”) and FOUNDRY ON 3RD PH 1, LLC, a Wisconsin limited liability company (“Developer”).**

**RECITALS**

WHEREAS, the Developer is interested in developing certain real property in the City of Wausau, County of Marathon, State of Wisconsin, consisting of approximately 1.352 acres and being depicted and identified as “Lot 4” on Exhibit A attached hereto (the “Property”); 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 (as the TID boundary may be amended) and located on the Property; 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 property taxes owed for calendar year 2023 based on the assessed value of the Property on January 1, 2023. The Annual Tax Increment for the calendar year prior to the termination of the TID shall be such property tax payments and PILOT Payment actually received by the City as of ten (10) business days prior to the TID expiration date, regardless of whether Developer may pay installments of taxes or the PILOT Payment after such date.

c. **“Building”** means a mixed-use building (residential and commercial) to be constructed on the Property in accordance with the Plans and generally depicted on the site plan attached hereto on Exhibit B.

d. **“City”** is defined in the introductory paragraph of this Agreement.

e. **“Default”** is defined in Section 6 below.

f. **“Developer”** is defined in the introductory paragraph to this Agreement.

g. **“Effective Date”** is defined in the introductory paragraph of this Agreement.

h. **“Development Costs”** as used herein, shall include, without limitation, costs for the construction of the Building and other improvements for the Project, including hard and soft construction costs, as well as professional fees, architectural fees, construction loan interest, civil engineering fees, general contractor fees, infrastructure improvements, environmental remediation costs, demolition, parking facilities, and the clearing, grading and other construction or other costs of the Project; provided, however, that only Project costs permitted pursuant to Wis. Stat. § 66.1105 shall be counted as Development Costs

i. **“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.

j. **“Minimum Assessed Value”** means at least Twenty-Four Million and 00/100 Dollars (\$24,000,000.00).

k. **“Minimum Development Cost”** means at least Forty Million Dollars (\$40,000,000.00). Developer represents that it currently estimates that it will expend as Development Costs for the Project an amount closer to Forty-Eight Million Dollars (\$48,000,000.00), but the parties agree that the Minimum Development Cost amount used herein shall be the amount set forth in the immediately prior sentence above.

l. **“Plans”** means final detailed plans and specifications for the Project in form and substance reasonably acceptable to the City, which shall include, without limitation, the following: all improvements now located or to be located on the Property (including the Building), 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. Unless otherwise agreed in writing by the City, the Plans will be substantially in conformity with the site plan attached hereto.

- m. **“Project”** means the construction of the Building and the additional redevelopment of the Property for the operation of the Building, 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.
- n. **“Project Commencement”** means the occurrence of all of the following (i) the Property shall be made a legally-separate parcel of real estate, (ii) ownership of the Property shall have been transferred to Developer as evidenced by a recorded deed in the land records; (iii) the Memorandum shall have been recorded pursuant to the requirements herein; (iv) all building permits and other permits for the commencement of construction of the Project shall have been obtained; and (v) mobilization and commencement of construction of the Project at the Property shall have occurred (as reasonably determined by the City).
- o. **“Project Commencement Deadline”** means September 1, 2023.
- p. **“Project Completion”** means a certificate of occupancy is issued by the appropriate governmental authorities for Project, as applicable.
- q. **“Project Completion Deadline”** means December 31, 2024.
- r. **“Project Cost Breakdown”** means a current cost breakdown of the Development Costs, (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.
- s. **“Property”** is defined in the Recitals above. The parties agree that the legal description of the Property will be further refined after the Property has been made a legally-separate parcel of real estate.
- t. **“Proposal”** is Developer’s general development plan for the Property, which plan received preliminary approval by the City’s Plan Commission on June 21, 2022, as may be amended from time to time with the approval of the City. In the event of a conflict between the Proposal and this Agreement, this Agreement shall control.
- u. **“Tax Increment Bond”** is defined in Section 3 below.
- v. **“Tax Increment Grant”** means a grant to Developer based on a percentage of the Annual Tax Increment in an amount of up to a cumulative maximum principal amount of Six Million and 00/100 Dollars (\$6,000,000.00), as set forth in greater detail in Section 3 below. As set forth in Section 3 below, interest shall accrue on the unpaid amount of such principal; provided, however, that in no event shall the cumulative grant payments (including both principal and interest) exceed Ten Million, Eight Hundred Thousand and 00/100 Dollars (\$10,800,000.00).
- w. **“TID”** is defined in the Recitals above.
- x. **“TID Plan”** is defined in the Recitals above.



y. **“TIF Loan”** means a loan for the Project from a third-party lender which Developer may obtain which includes as collateral Developer's right to receive payments under the Tax Increment Bond.

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

a. ***Project.*** Prior to the Project Commencement Deadline, Developer shall provide the Plans to the City for approval, which approval shall not be unreasonably conditioned, withheld or delayed. Any material revisions to the Plans shall be subject to the City's review and approval. 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 City-approved 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. If construction of any portion of the Project shall cease, for any reason, for sixty (60) consecutive days, Developer shall promptly provide written notice to the City that includes the reason for such delay and a reasonable estimate of the ultimate length of the delay.

b. ***Development Spend.*** Prior to the Project Commencement Deadline, Developer shall provide the Project Cost Breakdown to the City for approval, which approval shall not be unreasonably conditioned, withheld or delayed. The Project Cost Breakdown shall be certified by the Developer as accurate and complete. Any material revisions to the Project Cost Breakdown shall be subject to the City's review and approval. Developer shall, no later than ninety (90) days following the Project Completion Deadline, (i) spend at least the Minimum Development Cost in Development Costs which are consistent with the City-approved Project Cost Breakdown, and (ii) provide the City with reasonable supporting documentation evidencing such expenditures. Developer shall cooperate with reasonable requests by the City for follow-up information and documentation. Without limitation, the following shall not be included when calculating whether such development spend requirement has been met: (A) development costs which are inconsistent with the reviewed Project Cost Breakdown (as may be amended and approved as set forth herein), (B) Development Costs which are inconsistent with Wis. Stat. § 66.1105, and (C) Development Costs relating to or in connection with the purchase of the Property. Notwithstanding anything to the contrary herein, the City agrees to use commercially reasonable efforts to treat the Project Cost Breakdown and Development Costs information/documentation (collectively, the "Financial Information") in a confidential manner (subject to the requirements of Wisconsin public/open record laws). The City understands that Developer considers the Financial Information to be confidential trade secrets of Developer. Developer expressly represents that it believes the Financial Information are trade secrets as provided in Wis. Stat. § 19.36(5), or is otherwise material that can be kept confidential under the Wisconsin Public Records Law (collectively the "Public Records Exception"). In the event that the Public Records Exception is challenged, Developer agrees to indemnify, hold harmless, and defend the City with respect to the Public Records Exception, including all reasonable attorney's fees and costs.

c. *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.

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

i. Developer guarantees that, commencing in tax year 2025 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.

e. *Parking Lot Skyway.* Developer currently contemplates that the Project will include a connection to a City parking lot to the south via a pedestrian skyway above the public right of way abutting the Property the south. Developer and the City agree to cooperate in good faith regarding the design and further agreements/documentation related thereto. Such agreements may include, without limitation, a license/easement agreement to allow

for the placement of the skyway above the right of way and the specifics of the connection to the parking lot (which agreement may require, among other provisions, that Developer maintain the skyway at its sole cost in compliance with all applicable laws, that Developer carry liability, casualty, and other insurance relating to the skyway, that Developer indemnify the City for any damage to the parking lot, and other matters that the parties deem appropriate), as well as parking agreement(s) relating to the use of the parking lot by residents at the Project. Such agreements will run with the land and bind future owners of the Property. Notwithstanding the foregoing, any such agreements shall be subject to approval by the City Council.

3. Tax Increment Grant.

a. Subject to the terms and conditions of this Agreement, the City agrees to provide the Tax Increment Grant pursuant to the Tax Increment Bond (defined below). The Tax Increment Grant shall be made in annual installments of principal and accrued interest (described below) on or before August 15 of each year, commencing the first (1st) calendar year following Project Completion; provided, however, that the first payment shall not be due prior to the issuance of the Tax Increment Bond, and the final payment, if made in the final year of the TID, shall be made no later than one business day prior to the TID expiration date. The annual amount will be based on Eighty Percent (80%) of the Annual Tax Increment generated from the payment of the prior year's tax bill(s), up to the cumulative maximum amount of the grant as set forth herein; 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. By way of example, if Project Completion is accomplished in calendar year 2024, then the first installment of the grant will be paid on or before August 15, 2025 based on the 2024 property tax bill payment(s). As noted above, 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 as tax bills are based on January 1 assessments.

b. Payments on the Tax Increment Grant shall first be applied to accrued interest and then principal. Interest on the principal amount of the grant shall commence on the date that Project Completion is achieved, as determined by the City in its reasonable judgment (which date shall be memorialized in writing by the parties). Accrued interest of the then-remaining principal amount of the grant shall be calculated annually on January 1 of each year on a non-compounding basis. The interest rate shall be fixed for the life of the payments at a rate equal to the lower of the following: (i) Five and Fifty Hundredths percent (5.50%) or (ii) Developer's actual financing rate for its TIF Loan, as evidenced by documentation provided by Developer which is reasonably acceptable to the City (such documentation being considered "Financial Information" herein).

c. 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 herein. 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 and any remaining principal or interest amount shall be forfeited as of such termination.

d. Developer understands that the total number of installments of the grant depend on the year Project Completion is achieved, and that any projected number of installments may not be possible based on the statutorily-mandated closure date of the TID, which is currently scheduled to occur on July 18, 2044. Accordingly, based on the current expiration of the TID, no more than twenty-one (21) installments of the grant will be made if Project Completion occurs in 2024 and the first installment is made in 2025. The City reserves the right to accelerate/prepay payments of the Tax Increment Grant (in whole or in part, from time to time, and without penalty) in its sole and absolute discretion (but in no event shall the City be obligated to do so), and Developer understands that this will result in a lower amount of interest accrual.

e. After Project Completion is achieved, the City shall, at the City's cost and expense, issue Developer a taxable tax increment revenue bond (the "Tax Increment Bond") evidencing the City's obligation to pay Tax Increment Grant. The Tax Increment Bond shall be payable solely from Annual Tax Increment and shall be subject to the terms and conditions of this Agreement. Without limiting the generality of the foregoing sentence, (i) payments on the Tax Increment Bond are limited to the cumulative maximum amounts as set forth herein (both the maximum principal amount and the maximum total payments with interest), (ii) each payment on the Tax Increment 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 (iii) if the Tax Increment Bond is not fully paid by the termination of the TID, the City shall have no obligation to pay any further amounts. Developer agrees to cooperate with the City's reasonable requests in connection with such bond issuance, including the execution of additional documentation consistent with the provisions herein.

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 Developer is authorized to enter into this Agreement and 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 Developer's organizational documents, (C) a certificate of status for Developer issued by the Wisconsin Department of Financial Institutions or the applicable jurisdiction, and (D) resolutions or consents of Developer's Board of Directors partners or members as the case may be, approving this Agreement and the transactions which are subject to this Agreement. Developer shall provide this documentation on or before Forty-Five (45) business days after the Effective Date.

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. The City, through its City Council, shall have approved this Agreement and transactions contemplated herein, the Proposal (as it may be amended/finalized), and all other related Project agreements and/or transactions which require City approval.

iv. An amendment to the TID Plan consistent with this Agreement shall have been adopted by all necessary parties, including, without limitation, modifying the boundaries of the TID to include the Property.

v. Developer shall provide to the City a release of all claims by Developer's affiliate, District at Riverlife, LLC (formerly Main Street Wausau, LLC), in form and substance acceptable to the City.

b. 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 are conditioned upon the satisfaction of each and every one of the following conditions:

i. No uncured material 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 (or bonded over) 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 review with the City written evidence of Developer's expenditures with respect to the Minimum Development Cost requirement above, together with such other documentation as the City may reasonably require, per Section 2.

iv. Developer shall provide evidence that the Memorandum was recorded prior to any mortgages, or, if any such mortgage was recorded first, an agreement from such lienholder reasonably acceptable to the City stating that this Agreement shall not be extinguished by any foreclosure of such mortgage and the Property shall remain subject to this Agreement.

All submissions given to the City to satisfy the conditions contained in this Section 4 must be reasonably 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, as required herein.
- 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, 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 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 shall not be unreasonably withheld, conditioned or delayed, 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.
- k. Developer shall not materially alter the Plans approved by the City without the prior written consent of the City, which consent shall not be unreasonably withheld, conditioned or delayed.
- l. Developer Covenants that construction of the Project shall proceed and be completed substantially in accordance with the construction schedule, as provided herein, 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. During the term of this Agreement, 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; 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.
- q. Developer understands and agrees that its use of the Property shall be subject to the terms and conditions of all recorded documentation.

The representations and warranties contained herein shall be true and correct at all times as required by this Agreement. 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 thirty (30) 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

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 sixty (60) 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 60-day period, is diligently pursuing the cure of the default; or

iv. Construction of the Project shall be abandoned for more than ninety (90) consecutive days (provided, however, that construction shall not be deemed to be "abandoned" if construction is paused due to reasonable and customary seasonal considerations) or if Developer fails to provide any notice required herein with respect to ceasing construction, 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 reasonable 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 officer, agents and employees 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 later to occur of (i) eighteen (18) months following termination of the TID and (ii) 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, gross negligence, 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 either of the parties, 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, gross negligence 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 is caused by circumstances which would otherwise constitute Force Majeure under this Agreement if such party were the affected person

9. **Miscellaneous.**

a. **Assignment.** Prior to Project Completion, Developer shall not, directly or indirectly, sell, assign, transfer, convey, mortgage or encumber the Property during the term of this Agreement unless it first obtains the prior written consent of the City, which consent shall not be unreasonably withheld. Following Project Completion, no such restrictions on transfer shall apply; provided, however, that 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. Notwithstanding the foregoing, the City agrees that Developer may obtain construction financing for the Project and, in connection therewith, mortgage the Property and/or collaterally assign this Agreement or the Tax Increment Bond payments to Developer's lender(s) as part of the Developer's TIF Loan or other 3rd-party financing for the Project.

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 either by (i) United States registered or certified mail (postage prepaid), or (ii) by an independent overnight courier service, or (iii) by e-mail, addressed to the addresses specified below:

**Notices to Developer:**

Foundry on 3<sup>rd</sup> Ph 1, LLC  
1818 Parmenter Street, Suite 400  
Middleton, WI 53562  
Attn: Legal  
Email: legal@twallenterprises.com AND Terrence@twallenterprises.com

**Notices to the City:**

City of Wausau  
407 Grant Street  
Wausau, WI 54403  
Attn: City Clerk  
Email: clerk@ci.wausau.wi.us

*with a copy to:*

City of Wausau  
407 Grant Street  
Wausau, WI 54403  
Attn: City Attorney  
Email: cityattorney@ci.wausau.wi.us

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:**

FOUNDRY ON 3RD PH I, LLC

By:

  
Terrence R. Wall, President of  
T. Wall Enterprises Manager, LLC, its Manager 

**THE CITY**

CITY OF WAUSAU

By:

\_\_\_\_\_  
Katie Rosenberg, Mayor

Attest:

\_\_\_\_\_  
Kaitlyn Bernarde, Clerk

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

**DEVELOPER:**

FOUNDRY ON 3RD PH I, LLC

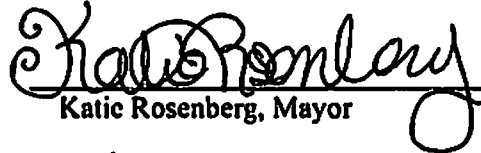
By: \_\_\_\_\_

Terrence R. Wall, President of  
T. Wall Enterprises Manager, LLC, its Manager

**THE CITY**

CITY OF WAUSAU

By: \_\_\_\_\_

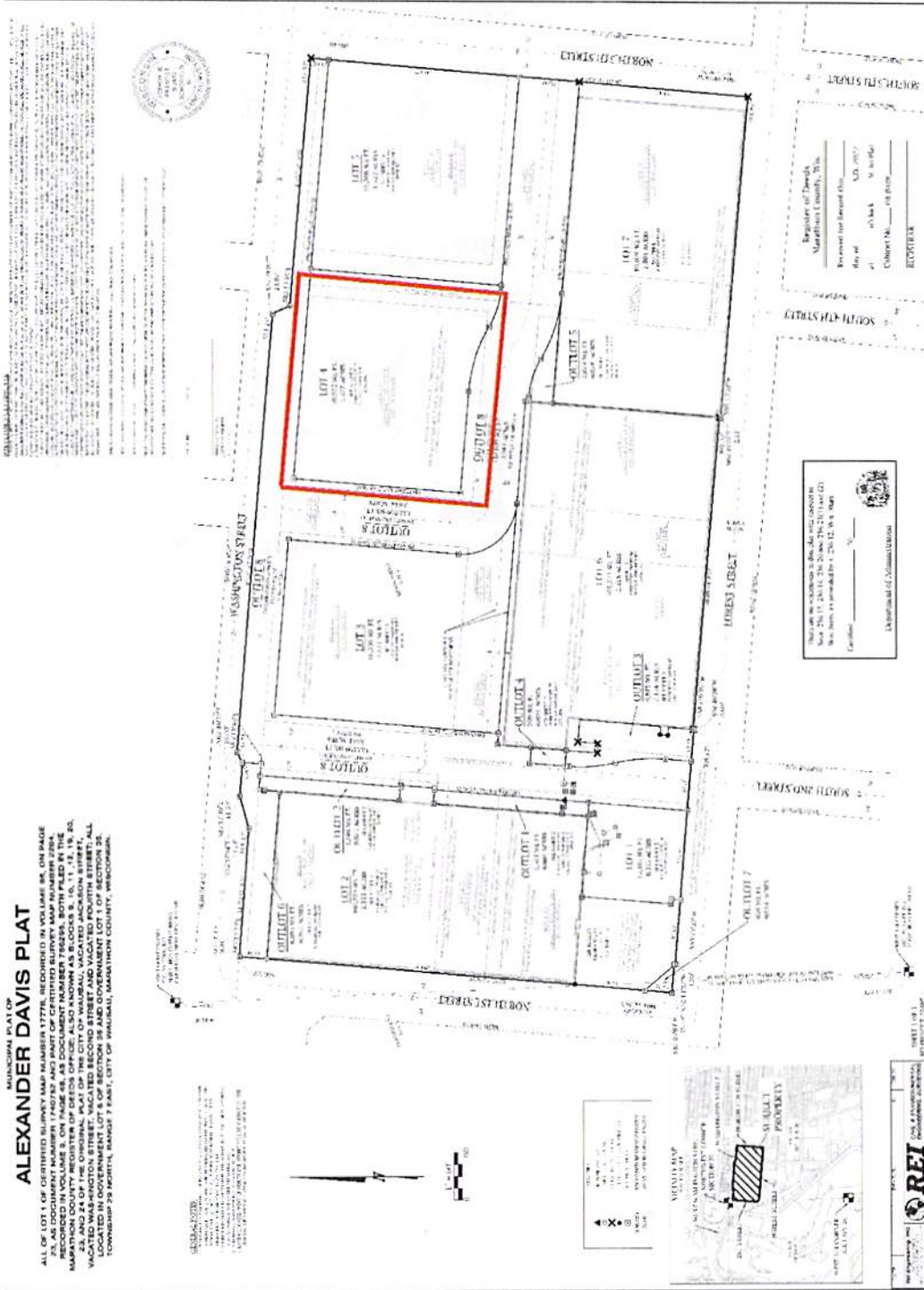
  
Katie Rosenberg, Mayor

Attest: \_\_\_\_\_

  
Kaitlyn Bernard, Clerk

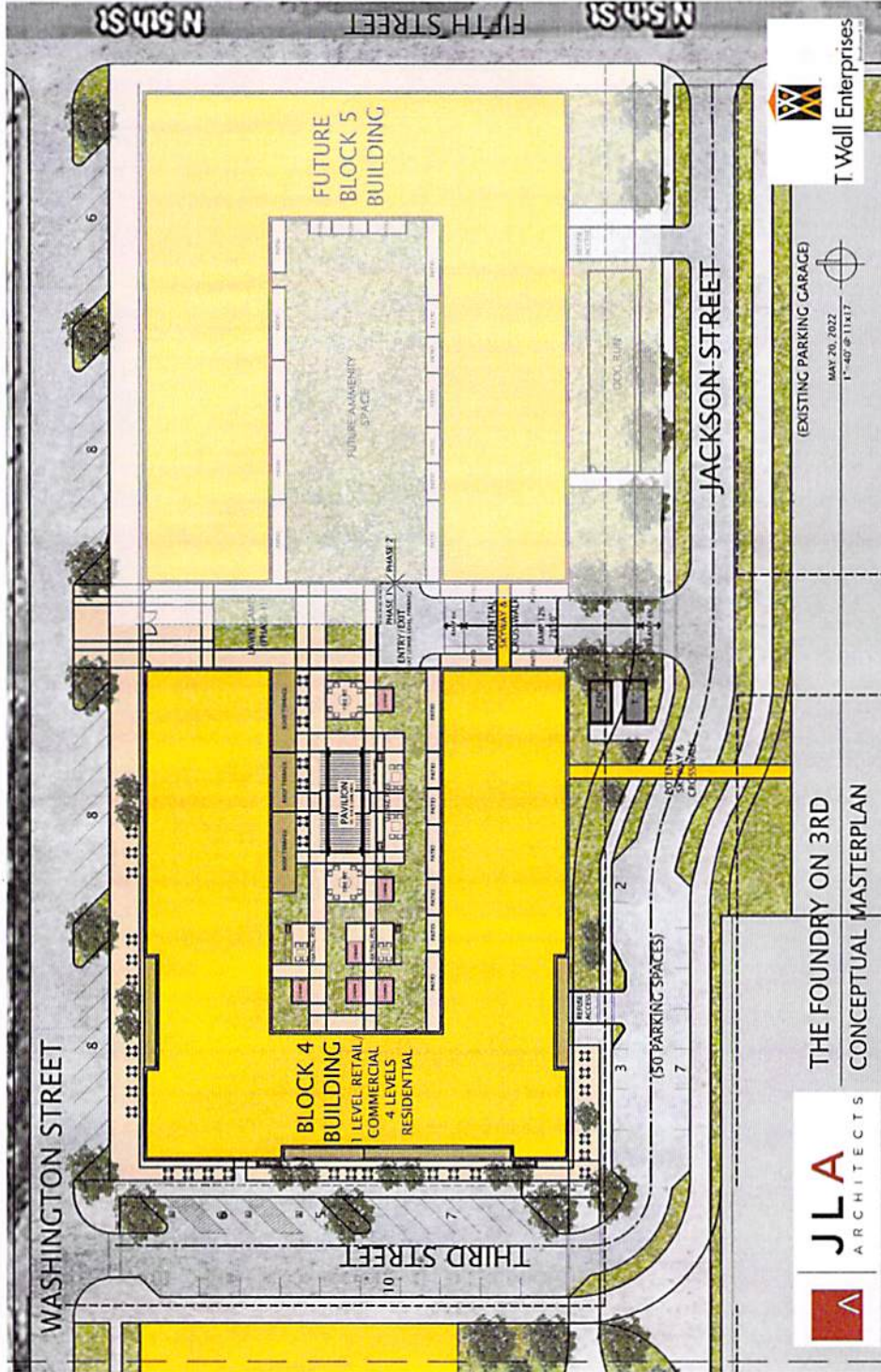
# EXHIBIT A

## DEPICTION OF THE PROPERTY



**EXHIBIT B**

**GENERAL SITE PLAN**





**EXHIBIT C**

**FORM OF MEMORANDUM**

[Attached to this cover page]

**MEMORANDUM OF  
DEVELOPMENT AGREEMENT**  
*(Foundry on 3rd Ph 1)*

Document Number

Document Name

**THIS MEMORANDUM OF DEVELOPMENT AGREEMENT** (this "Memorandum") is made and entered into as of the \_\_\_\_ day of \_\_\_\_\_, 2022 [**NOTE: TO BE DATED AS OF DATE OF LAND PURCHASE**], 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 FOUNDRY ON 3RD PH 1, LLC, a Wisconsin limited liability company, with offices located at 1818 Parmenter Street, Suite 400, Middleton, WI 53562 ("Developer"), on the other hand (the City and Developer are referred to herein, collectively, as the "Parties").

**WHEREAS**, the Parties entered into a certain Development Agreement (Foundry on 3rd Ph 1) dated as of September 28, 2022 (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**, 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 and assigns. The Development Agreement imposes certain obligations, liabilities and restrictions on the owners and/or mortgagees of all or any portion of the 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 receive a payment-in-lieu of taxes in the Property is assessed for less than an agreed-upon minimum

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.

equalized value or in event the Property, or any part of it, becomes exempt or partially exempt from general property taxes during the term of the Development Agreement, all as set forth in more particularity 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]





**EXHIBIT A**

**LEGAL DESCRIPTION OF THE PROPERTY**

[To be added - should be consistent with description on deed to Developer]

PIN(s): [ \_\_\_\_\_ ]

**FIRST AMENDMENT TO  
DEVELOPMENT AGREEMENT  
(Foundry on 3<sup>rd</sup> Ph 1)**

**THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT** (this “Amendment”) is made as of the \_\_\_\_\_ day of August, 2023 (the “Effective Date”), by and between the CITY OF WAUSAU, a Wisconsin municipal corporation (the “City”), and FOUNDRY ON 3RD PH 1, LLC, a Wisconsin limited liability company (“Developer”).

**RECITALS**

WHEREAS, the City and Developer entered into a certain Development Agreement with an Effective Date of September 28, 2022 (the “Development Agreement”), with respect to certain real property in the City of Wausau, County of Marathon, State of Wisconsin, consisting of approximately 1.352 acres and being depicted and identified on Exhibit A attached to the Development Agreement; any capitalized term used in this Amendment but not defined herein shall have the meaning assigned to that term in the Development Agreement; and

WHEREAS, after the execution of the Development Agreement, the timing of the Project has evolved; and

WHEREAS, subject to the terms and conditions herein, the City and Developer desire to amend the Development Agreement as set forth herein.

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

1. Amendments to Development Agreement. The Development Agreement is hereby amended as follows:

a. Section 1.o. is hereby amended such that the Project Commencement Deadline shall be June 1, 2024.

b. Section 1.q. is hereby amended such that the Project Completion Deadline shall be November 1, 2025.

c. Section 2.d.i. is hereby amended such that the Minimum Assessed Value requirement shall commence the tax year following the year of Project Completion, but in no event later than tax year 2026.

d. Section 3.a. is hereby amended by deleting the following words: “By way of example, if Project Completion is accomplished in calendar year 2024, then the first installment of the grant will be paid on or before August 15, 2025 based on the 2024 property tax bill payment(s).” and replacing them with the following: “By way of example, if Project Completion is accomplished in calendar year 2025, then the first installment of the grant will be paid on or before August 15, 2026, based on the 2025 property tax bill payment(s).”

2. Developer Acknowledgement. Developer hereby acknowledges that, because the year of Project Completion may be delayed by one year, at least one fewer installment of the Tax Increment Grant may be available to Developer, which may result in a reduction of the aggregate amount of the Tax Increment Grant provided by the City to Developer throughout the term of the Development Agreement.

3. Conditions Precedent to this Amendment. The effectiveness of this Amendment is conditioned upon the satisfaction of each and every one of the following conditions:

a. The City, through its City Council, shall have approved or authorized this Amendment and the transactions contemplated herein, and all the conditions to such approval shall have been satisfied.

b. No uncured material default of Developer, or event which with the giving of notice or lapse of time or both would be a default of Developer, shall exist under the Development 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.

4. Reaffirmation of Development Agreement. The Development Agreement, as modified by this Amendment, remains in full force and effect, and all terms of the Development Agreement, as modified hereby, are hereby ratified and reaffirmed by Developer. The provisions of the Development Agreement not affected by this Amendment remain in full force and effect.

5. Representations and Warranties of Developer. Developer hereby represents and warrants to the City that:

a. After giving effect to this Amendment, all of the representations and warranties made by Developer in the Development Agreement are true and accurate in all material respects on the Effective Date of this Amendment, and no event of default under the Development Agreement has occurred and is continuing as of the Effective Date of this Amendment.

b. The making, execution and delivery of this Amendment, and performance of and compliance with the terms of the Development Agreement, as amended, have been duly authorized by all necessary action of Developer. This Amendment is the valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

6. Miscellaneous. If any provision of this Amendment or the application thereof to any person or circumstance is or shall be deemed illegal, invalid or unenforceable, the remaining provisions of this Amendment shall remain in full force and effect and this Amendment shall be interpreted as if such illegal, invalid or unenforceable provision did not exist. This Amendment may be executed in multiple counterparts, each of which shall be deemed an original and all of which together shall constitute one and the same instrument. The parties agree that electronically scanned signatures shall be binding on all parties. This Amendment shall be governed in all respects by the laws of the State of Wisconsin.



IN WITNESS WHEREOF, the parties are signing this First Amendment to Development Agreement as of the Effective Date in the introductory paragraph.

**DEVELOPER:**

FOUNDRY ON 3RD PH 1, LLC

By: \_\_\_\_\_  
Terrence R. Wall, President of  
T. Wall Enterprises Manager, LLC, its Manager

**THE CITY**

CITY OF WAUSAU

By: \_\_\_\_\_  
Katie Rosenberg, Mayor

Attest: \_\_\_\_\_  
Kaitlyn Bernarde, Clerk

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

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving 2023 Budget Modification – Public Health Vending Machine Program (PHVM)

Committee Action:      Approved 5-0

Fiscal Impact:         \$ 43,160

**File Number:**         22-1109

**Date Introduced:**     August 28, 2023

**FISCAL IMPACT SUMMARY**

<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Budget Source: Grant</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$43,160</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<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: \$43,160</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input type="checkbox"/>	<i>Amount new issue      Annual Retirement</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**, on August 8, 2023, the Common Council authorized the acceptance of a grant for the creation of a Public Health Vending Machine Program from the Opioid Settlement Funding; and

**WHEREAS**, the Finance Committee at their August 22nd meeting, reviewed and recommends funding the budget modification as proposed; and

60000:Capital Outlay	265 Police Grants Fund	Police Special Programs		58120 Furniture, Fixtures and Equipment	\$25,500.00	\$0.00	To Record Public Health Vending Program Grant
43500:State Grants - Other	265 Police Grants Fund	Police Special Programs	43550 State Grants - Health		\$0.00	\$43,160.00	To Record Public Health Vending Program Grant
50220:Utility Services	265 Police Grants Fund	Police Special Programs		52250 Telephone, Internet and Cable	\$720.00	\$0.00	To Record Public Health Vending Program Grant
50250:Special Services	265 Police Grants Fund	Police Special Programs		52174 Hardware and Software Maintenance Services	\$2,400.00	\$0.00	To Record Public Health Vending Program Grant
50510:Insurance	265 Police Grants Fund	Police Special Programs		55190 Insurance Other Premiums	\$600.00	\$0.00	To Record Public Health Vending Program Grant
50340:Operating Supplies	265 Police Grants Fund	Police Special Programs		53420 Lab and Medical Supplies	\$13,940.00	\$0.00	To Record Public Health Vending Program Grant

**NOW THEREFORE BE IT RESOLVED**, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to modify the 2023 Budget as outlined above.

Approved:

\_\_\_\_\_  
Katie Rosenberg Mayor

## **FINANCE COMMITTEE**

Date and Time: Tuesday, August 22, 2023 @ 5:30 p.m., Council Chambers

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

Others Present: Mayor Rosenberg, Maryanne Groat, Anne Jacobson, Matt Barnes, Jeremy Kopp, Eric Lindman, Tammy Stratz, Liz Brodek, Randy Ffrick, Mary Goede

### **Approving budget amendment for the acceptance of Public Health Vending Machine Program (PHVM) \$80,000 for the purchase of two outdoor health vending machines, setup, maintenance, and supplies.**

Lisa Rasmussen the acceptance of the funding was approved by Council at the last meeting and this resolution addressed the budget modification.

Maryanne Groat noted the budget modification is not the \$80,000, it is only \$43,000 because that is what the actual cost came in at. The grant is funded 100%.

Motion by Lukens, second by Diny to approve the budget Modification of 43,000. Motion carried 5-0.

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

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving the over hire of two street operator positions within the Department of Public Works

Committee Action:      Approved 5-0

Fiscal Impact:         \$ 15,000

**File Number:**         23-0808

**Date Introduced:**     August 28, 2023

**FISCAL IMPACT SUMMARY**

<b>COSTS</b>	<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: Other position vacancies</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$15,000</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<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 new issue      Annual Retirement</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 public works department is requesting the approval of hiring two operator positions in October prior to the position vacancy in January; and

**WHEREAS**, the department justified the early hiring to allow adequate training and onboarding of plow operators prior to the winter season; and

**WHEREAS**, the Finance Committee at their August 8<sup>th</sup> meeting, reviewed and recommends approval without a budget modification due to the existing known vacancies and the pending January retirements; and

**NOW THEREFORE BE IT RESOLVED**, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to early hire two public works operator positions as outlined above.

Approved:

\_\_\_\_\_  
Katie Rosenberg Mayor

## **FINANCE COMMITTEE**

Date and Time: Tuesday, August 8, 2023 @ 5:30 p.m., Council Chambers

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

Others Present: Mayor Rosenberg, Maryanne Groat, Anne Jacobson, James Henderson, Ben Bliven, Matt Barnes, Robert Barteck, Eric Lindman, Dustin Kraege, Liz Brodek, Randy Fifrick, Kaitlyn Bernarde, Kody Hart, Alder McElhaney

### **Discussion and possible action regarding the proposed early hire of public works staff due to retirements in the next 6 months and related budget modifications and implications.**

Rasmussen explained the item. Groat questioned how many positions would be vacant due to retirement. Dustin Kraege, Public Works Superintendent, stated there were two operator position to become vacant in January.

Watson questioned what the specific costs or if a budget modification would be needed. Kraege stated that there are a number of vacancies that could contribute to existing funding sources. Groat confirmed that existing and expected vacancies would generate the funding for early hiring to fill these positions and explained how other departments have handled this particular situation.

Rasmussen questioned if action would be needed. Kraege stated the want to begin advertising for the position in August for new hires to start in October.

Diny stated there was a possibility to add this to a proposed special meeting of the Common Council in the next few weeks.

Motion by Diny, seconded by Martens, to approve. Motion carried 5-0.

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

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving the withdrawal of funds from Wausau Cemetery Perpetual Trust fund

Committee Action:      Approved 5-0

Fiscal Impact:        No fiscal impact. These are not city funds. They represent funds held in trust for the cemetery.

**File Number:**        00-0808

**Date Introduced:**    August 28, 2023

**FISCAL IMPACT SUMMARY**

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

**RESOLUTION**

**WHEREAS**, on June 19, 1968, the City of Wausau and Wisconsin Valley Trust Company, as Trustee, entered into an agreement establishing a trust known as the City of Wausau Cemetery Perpetual Care; and

**WHEREAS**, on August 8, 2000, the Common Council approved entering into a new agreement with M & I Trust Company, and changed the name of the trust to Wausau Cemetery Perpetual Care; and

**WHEREAS**, on June 10, 2015, the Common Council approved Associated Bank, N.A. and Associated Trust Company, N.A. be named as successor trustee to M & I Trust Company, to manage the subject trust; and

**WHEREAS**, the City received a request from the Wausau Cemetery Association requesting to withdraw \$50,000 from the principal for operational expenses; and

**WHEREAS**, the current Agreement does not permit such a withdrawal without the consent of the City; and

**WHEREAS**, your Finance Committee, at their August 22, 2023 meeting discussed and recommended approval of the withdrawal of funds in the amount of \$50,000.

**NOW, THEREFORE, BE IT RESOLVED** by the Common Council of the City of Wausau that the proper city officials are authorized and directed to withdraw \$50,000 for operational expenses at the Cemetery.

Approved:

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Katie Rosenberg, Mayor

## **FINANCE COMMITTEE**

Date and Time: Tuesday, August 22, 2023 @ 5:30 p.m., Council Chambers

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

Others Present: Mayor Rosenberg, Maryanne Groat, Anne Jacobson, Matt Barnes, Jeremy Kopp, Eric Lindman, Tammy Stratz, Liz Brodek, Randy Ffrick, Mary Goede

### **Discussion and possible action on withdrawal of funds from Wausau Cemetery Perpetual Trust Fund**

Rasmussen explained the city basically acts as a pass-through for the funding account that underpins the maintenance of the Pine Grove Cemetery. She stated they are requesting a withdrawal from that fund of approximately \$50,000 for maintenance. She reiterated it is their money that the city manages, and that the recommendation from the legal department is to approve the withdrawal.

Motion by Lukens, second by Watson to approve. Motion carried 5-0.



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

<b>RESOLUTION OF THE FINANCE COMMITTEE</b>	
Approving Termination of American Rescue Plan Act Subrecipient Agreement between the City of Wausau and The Open Door	
Committee Action:	Approved 5-0
Fiscal Impact:	
File Number:	23-0817
Date Introduced:	August 28, 2023

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

**RESOLUTION**

**WHEREAS**, on September 27, 2022, the Common Council authorized a budget for American Rescue Plan Coronavirus State and Local Fiscal Recovery (“ARPA”) Funded Projects and modified the 2022 Budget to encumber \$540,000 of such funds for the Catholic Charities Year Round Warming Center, to operate a 365 day nighttime warming center and day center; and

**WHEREAS**, on December 13, 2022, the Common Council amended its resolution of September 27, 2022, to correct the budget amendment required to fund the foregoing project, by adding \$237,991.00 to the previously approved \$540,000 of ARPA funds, for a total of \$777,991; and

**WHEREAS**, on March 14, 2023, the Common Council authorized a budget amendment to increase funding to Catholic Charities in the requested additional amount of \$51,129 for the costs of program implementation (administration, budgeting and reporting) in partnership with The Open Door operating a day center, and authorized separate contracts attached to the Resolution - one with Catholic Charities with an award amount and budget not to exceed \$590,000, and one with The Open Door, with an award amount and budget not to exceed \$239,119.31; and

**WHEREAS**, The Open Door has experienced challenges replacing its Executive Director and meeting its ongoing obligations under the Agreement, and your Finance Committee, on August 22, 2023, unanimously recommended termination of the Agreement with The Open Door, effective upon 30 days’ written notice; and

**WHEREAS**, any funding unobligated to the Open Door through their contract will be available to Catholic Charities to operate a Day Center as part of their original Agreement. The additional requested \$51,129, while authorized, has not been obligated, because a partnership agreement between Catholic Charities and Open Door never developed.

**NOW, THEREFORE, BE IT RESOLVED**, that the Common Council authorizes the termination of the American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund Agreement with The Open Door, and authorizes staff to effect such termination.

Approved:

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Katie Rosenberg, Mayor

## **FINANCE COMMITTEE**

Date and Time: Tuesday, August 22, 2023 @ 5:30 p.m., Council Chambers

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

Others Present: Mayor Rosenberg, Maryanne Groat, Anne Jacobson, Matt Barnes, Jeremy Kopp, Eric Lindman, Tammy Stratz, Liz Brodek, Randy Fifrick, Mary Goede

### **Discussion and possible action regarding termination of American Rescue Plan Act Subrecipient Agreement with Open Door**

Rasmussen stated the committee previously approved an ARPA application for Open Door to operate the Day Center for unhoused individuals with some advisory oversight from Catholic Charities. The operation took flight for a short time; however, the Executive Director of Open Door has resigned, and a search is underway for a new director. Services are not currently being provided by Open Door.

Tammy Stratz, Community Development, stated United Way and Neighbor's Place were asked to assist with finding a new executive director, but it did not go well, and they could not find anyone. She commented she did not believe Open Door had the funds to adequately hire someone and there are also some questionable things happening there that are against our agreement. The contract provides for a 30-day notice to terminate, and she recommended they terminate it and walk away. She indicated there have been conversations with Catholic Charities to do the Day Services, but it will take some time. She suggested they reserve the right to amend the left over funding to Catholic Charities.

Mayor Rosenberg commented Open Door kind of changed their mission in order to meet the needs of this community and she thanked them for stepping up. She understood there were a lot of challenges and changes they encountered on the way. She felt going with Catholic Charities was the right direction and will continue discussing it with them.

Rasmussen stated it made sense to suspend the dissemination of anymore ARPA funding until we have the appropriate vendor. She agreed Open Door's core mission was sound and perhaps it was a big stretch for them to do both things.

Doug Diny questioned how the money was being distributed to Open Door. Tammy Stratz explained Open Door typically billed us every other week to make payroll and they had to provide timesheets and documentation to verify what they were legitimately providing. There are some questions with the last couple because there is confusion as to whether they were open or not. She indicated it was a struggle to get accurate information so until we know for sure what they are billing to us is adequate, we won't pay.

Diny questioned what remained of the funding. Stratz stated we budgeted \$239,119 and currently have a balance of \$193,462, which means just over \$45,000 was expended. Michael Martens questioned if this was an adequate amount of funding for a new operator to continue the Day Center or if we will have to consider additional funding. Rosenberg stated the pilot was allocated to cover two years, so that is the goal and there are also expenditure requirements. Rasmussen added the plan was for the provider to identify an alternative fund source or plan for fundraising and/or grant applications.

Motion by Watson, second by Lukens to terminate the subrecipient agreement with Open Door. Motion carried 5-0.

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

**RESOLUTION OF THE FINANCE COMMITTEE**

Approving and Adopting the Budget for American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund Funded Projects – Catholic Charities Year Round Warming Center

Committee Action:     Approved 5-0

Fiscal Impact:         \$540,000

File Number:           21-1109

Date Introduced:       September 27, 2022

**FISCAL IMPACT SUMMARY**

<b>FISCAL IMPACT SUMMARY</b>			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Budget Source: ARPA funding</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$540,000</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$540,000</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount</i> <i>Annual Retirement</i>
	<i>TID Financed:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount:</i>
	<i>TID Source: Increment Revenue</i> <input type="checkbox"/> <i>Debt</i> <input type="checkbox"/> <i>Funds on Hand</i> <input type="checkbox"/> <i>Interfund Loan</i> <input type="checkbox"/>		

**RESOLUTION**

**WHEREAS**, the City of Wausau has received approximately \$15 million in American Rescue Plan Act (ARPA) Funds in two payments, and

**WHEREAS**, the US Treasury has issued Final Rules regarding reporting and eligible uses; and

**WHEREAS**, the Rules specify that funds must be used for costs incurred on or after March 3, 2021 and obligated by December 31, 2024, and expended by December 31, 2026; and

**WHEREAS**, in 2021 the City heard testimony and conducted a listening session on potential uses for the funds; and

**WHEREAS**, the Common Council appropriated \$6,942,226 to date for the projects and activities noted on Exhibit A

**WHEREAS**, your Finance Committee has developed a rolling application process and rating matrix to consider project and funding requests; and

**WHEREAS**, your Finance Committee has completed its ranking and recommends the following project:  
A two year contract with Catholic Charities for year around Warming Center Services

**WHEREAS**, the project is eligible for ARPA funding under the category of Public Health Negative Economic Impact – Assistance to Low or Moderate Income Households

**WHEREAS**, your Finance Committee recommends the following budget modification to adopt a multi-year budget to reflect this ARPA spending plan;

GL Code		>	Description	Period	Amount
158	158997571		CATHOLIC CHARITIES WARMING	09	\$540,000.00
158	158782390		FEDERAL GRANTS	09	-\$540,000.00

**NOWTHERE BE IT RESOLVED**, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to modify the 2022 Budget as outlined above.

**BE IT FURTHER RESOLVED**, that the proper City officials are directed to encumber funds and complete the projects and purchases in accordance with the American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund

Approved:

\_\_\_\_\_  
Katie Rosenberg, Mayor

## **FINANCE COMMITTEE**

Date and Time: Tuesday, August 23, 2022 @ 5:30 pm., Council Chambers

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

Others Present: Maryanne Groat, Jeremy Kopp, Ben Bliven, Eric Lindman, Anne Jacobson, Anne Keenan, Katie Rosenberg, Jamie Polley, Solomon King, Dustin Kraege

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

Rasmussen stated there is a new request from the Police Department to rank and score for the next meeting. She commented there is demand and interest in the community for a year-round night-time shelter option that is not winter only. She indicated the Mayor and Police Chief have been in touch with our partners at Catholic Charities who run the winter program to investigate the options for a 12-month center. The request is to seed it with ARPA funding to get it up and running for two years 2023 – 2024. She noted the Homelessness Task Force has also had discussion with United Way and the Mayor with the County.

Chief Ben Bliven confirmed this would be dollars that would allow Catholic Charities to expand their operations to 365 days per year. Currently they operate November 1<sup>st</sup> through April 30<sup>th</sup> during the colder weather months. He felt this is a need for the community.

Roberto Partarrieu, Executive Director Catholic Charities, Lacrosse, reviewed his report and the operating budget numbers provided in the online committee packet at the link below:

[https://www.ci.wausau.wi.us/Portals/0/Departments/Council/Archives/Standing%20Committees/Finance%20Committee/2022/FINC\\_20220823\\_Packet.pdf](https://www.ci.wausau.wi.us/Portals/0/Departments/Council/Archives/Standing%20Committees/Finance%20Committee/2022/FINC_20220823_Packet.pdf)

Mayor Katie Rosenberg indicated she talked to the Deputy County Administrator about what the city is considering, inviting them to participate. She stated she has meetings lined up to talk to the United Way and with the County Administrator to discuss partnership with the county.

Sarah Watson questioned what the bottom-line total cost for a year-round day and night shelter. Partarrieu stated the total cost is \$638,000 and the deficit they have for that is \$388,000 annually.

Mayor Rosenberg stated she would like to collect data as we are doing this to understand who we are helping. She commented she learned an interesting statistic that unhoused individuals cost the city/county system \$70,000 - \$200,000 per year.

Watson requested a completed ARPA application that shows what the ask is and what the timeframe is for the spend down. Rasmussen stated after the information is emailed to the committee, they can use it to rank both proposals of either a night-time only shelter or a day and night shelter.

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

**RESOLUTION OF THE FINANCE COMMITTEE**

*(Correction to Original Resolution adopted 9/27/2022)* Approving and Adopting the Budget for American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund Funded Projects – Catholic Charities Year-Round Warming Center

Committee Action: Approved 5-0

Fiscal Impact: \$777,991

File Number: 21-1109

Date Introduced: September 27, 2022

Date Amended: December 13, 2022

**FISCAL IMPACT SUMMARY**

		Yes	No		
<b>COSTS</b>	Budget Neutral	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
	Included in Budget:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Budget Source: ARPA funding	
	One-time Costs:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Amount: \$777,991	
	Recurring Costs:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Amount:	
<b>SOURCE</b>	Fee Financed:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Amount:	
	Grant Financed:	<input checked="" type="checkbox"/>	<input type="checkbox"/>	Amount: \$777,991	
	Debt Financed:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Amount	Annual Retirement
	TID Financed:	<input type="checkbox"/>	<input checked="" type="checkbox"/>	Amount:	
	TID Source: Increment Revenue <input type="checkbox"/> Debt <input type="checkbox"/> Funds on Hand <input type="checkbox"/> Interfund Loan <input type="checkbox"/>				

**RESOLUTION**

**WHEREAS**, your Finance Committee received two different service level applications for a two-year contract with Catholic Charities for Warming Center Services; and

**WHEREAS**, your Finance Committee recommended the year round Warming Center services at a cost of \$777,991; and

**WHEREAS**, the Common Council received, considered and approved a resolution for year round Warming Center Services but the fiscal impact and budget amendment erroneously reported the amount of \$540,000; and

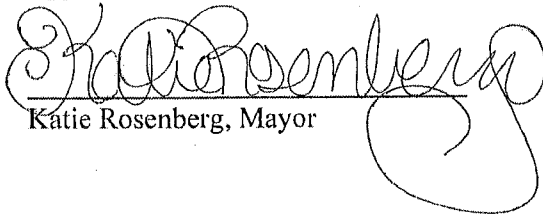
**WHEREAS**, the correcting budget amendment will provide for the required year round Warming Center services;

GL Code	Description	Period	Amount
158 158997571	CATHOLIC CHARITIES WARMING HOU	12	\$237,991.00
158 158782390	FEDERAL GRANTS	12	-\$237,991.00

**NOW THERE BE IT RESOLVED**, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to modify the 2022 Budget as outlined above.

**BE IT FURTHER RESOLVED**, that the proper City officials are directed to encumber funds and complete the projects and purchases in accordance with the American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund

Approved:

A handwritten signature in black ink, appearing to read 'Katie Rosenberg', written over a horizontal line. The signature is cursive and includes a large, decorative flourish at the end.

Katie Rosenberg, Mayor



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

<b>RESOLUTION OF THE FINANCE COMMITTEE</b>	
Approving and Adopting the Budget Amendment for American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund Funded Projects –Year-Round Warming Center – Catholic Charities and Open Door	
Committee Action:	Approved 5-0
Fiscal Impact:	\$51,129
<b>File Number:</b>	22-1109B
<b>Date Introduced</b>	March 14, 2023

FISCAL IMPACT SUMMARY			
<b>COSTS</b>	<i>Budget Neutral</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	
	<i>Included in Budget:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Budget Source: ARPA funding</i>
	<i>One-time Costs:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$51,129</i>
	<i>Recurring Costs:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
<b>SOURCE</b>	<i>Fee Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount:</i>
	<i>Grant Financed:</i>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	<i>Amount: \$51,129</i>
	<i>Debt Financed:</i>	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	<i>Amount</i> <span style="float: right;"><i>Annual Retirement</i></span>
	<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 Common Council has previously authorized the ARPA funding for Catholic Charities to operate a 365 day nighttime warming center and day center with a financial allocation of \$777,991; and

**WHEREAS**, Catholic Charities has reviewed the project and recommends a partnership with Open Door operating the day center with additional costs of \$51,129; and

**WHEREAS**, your Finance Committee has reviewed and recommends the program and budget modifications necessary to put the programming in action; and

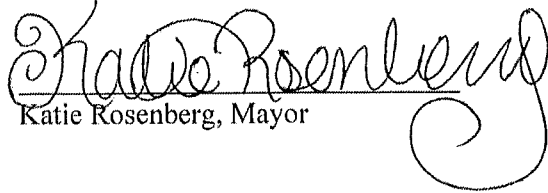
*Ledger Account Summary	*Fund	*Cost Center	Revenue Category	Spend Category	Program	Grant	Debit Amount	Credit Amount
90260:Special Services	215 ARPA Fund	ARPA Grants		52980 Other Special Services	ARPA Warming Center	GR-000035 Coronavirus State and Local Fiscal Recovery Funds	\$51,129.00	\$0.00
43200:Federal Grants - General Government	215 ARPA Fund	ARPA Grants	43210 Federal Grants - General Government		ARPA Warming Center	GR-000035 Coronavirus State and Local Fiscal Recovery Funds	\$0.00	\$51,129.00

**WHEREAS**, contracts for the programming have been drafted and provide for a reimbursement of expenses;

**NOW THERE BE IT RESOLVED**, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to modify the 2023 Budget as outlined above.

**BE IT FURTHER RESOLVED**, that the proper City officials are directed to encumber funds and enter into the contracts attached in accordance with the American Rescue Plan Coronavirus State and Local Fiscal Recovery Fund

Approved:

  
Katie Rosenberg, Mayor

**AMERICAN RESCUE PLAN ACT SUBRECIPIENT AGREEMENT**

**CITY OF WAUSAU – AMERICAN RESCUE PLAN ACT FUNDS**

This Subrecipient Grant Agreement (“Agreement”) is made and entered into between the **City of Wausau**, a municipal corporation in and of the State of Wisconsin (“The City”), and **The Open Door a registered 501(c)3 non-profit organization** (“Subrecipient”).

**WITNESSETH THAT:**

**WHEREAS**, On March 11, 2021, President Biden signed the U.S. Senate-amended H.R. 1319 (P.L. 117-2) known as the American Rescue Plan Act (hereinafter “ARPA”) and on May 10, 2021, the U.S. Treasury issued the Interim Final Rule (“IFR”) to implement ARPA in Title 31, Part 35 of the Code of Federal Regulations (“CFR”) describing eligible and ineligible uses of funds (as well as other program provisions). Under ARPA Section 603 (c)(1)(A) and (3) and the Interim Final Rule 31 CFR 35.6(b)(7) Subrecipients may use Coronavirus State and Local Fiscal Recovery Fund (“CSLFRF”) Funds to award grants to organizations that are responding to the negative impact of the COVID-19 public health emergency.

On January 6, 2022 the Treasury issued the Final Rule which took effect on April 1, 2022; and

**WHEREAS**, the United States Department of Treasury has adopted guidance regarding the use of ARPA funds to respond to the COVID-19 public health emergency and its economic impacts through four categories:

- To respond to the public health emergency or its negative economic impacts, including assistance to households, small business, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
- To respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
- For the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
- To make necessary investments in water, sewer, and broadband infrastructure; and

**WHEREAS** The City is in receipt of funding under the American Rescue Plan Act (“ARPA Act”) and wants to support local projects that will benefit neighborhoods, business and communities who have been adversely impacted by COVID-19 by making grants available for associated project costs; and,

**WHEREAS** Subrecipient has been awarded a City of Wausau – American Rescue Plan Act Funds Grant (“ARPA Grant”) in the amount of Two Hundred and Thirty-Nine Thousand One Hundred Nineteen Dollars and Thirty-One Cents (\$239,119.31); and,

**WHEREAS** The City believes it is in its best interest to award Subrecipient an ARPA Grant.

**NOW, THEREFORE**, in consideration of the foregoing promises, the parties hereto agree that the use of American Rescue Plan Funds be conveyed to Subrecipient by the City

subject to the following award information, conditions, and limitations indicated in this Agreement.

**A. Award Information**

**Awarding Agency:** City of Wausau  
**Point of Contact:** Katie Rosenberg  
Mayor  
407 Grant Street, Wausau, WI 54403  
715-261-6803  
Katie.Rosenberg@ci.wausau.wi.us

**Subrecipient Name:** The Open Door  
**Point of Contact:** Anne Drow  
Executive Director  
319 N 4<sup>th</sup> Street #2  
Wausau WI 54403  
715-848-4044  
Opendoor319@gmail.com

**Federal Awarding Agency:** US Department of Treasury  
**CFDA #:** 21.027 – Coronavirus State and Local Fiscal Recovery (CSLFRF)  
**Treasury Interim Final Rule Eligibility Activity:** Expenditure Categories (EC) 2.1 Household Assistance: Food Programs; 2.2 Household Assistance: Rent, Mortgage and Utility Aid.  
**Treasury Final Rule Eligible Activity:** 2: Negative Economic Impacts  
2.16 Long-Term Housing Security: Services for Unhoused persons  
**Period of Performance:** March 1, 2023 to December 31, 2024  
**Amount of Award and Budget Not To Exceed:** \$239,119.31

**B. Project Description**

See *Exhibit A* for the approved Project Description.

**C. Project Budget**

Subrecipient must submit to the City a comprehensive project budget listing all proposed expenses under the Grant using the Budget vs. Actual format in the ARPA Grant **Budget Template in Attachment 1**. At a minimum, the budget must include salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/equipment, marketing, and indirect costs, as applicable to Subrecipient. All expenses must be itemized, and all Grant Funds must be accounted for in this Projected Budget.

**D. Uniform Administrative Requirements**

**1. § 200.302 Financial management.**

(a) Each non-Federal entity must expend and account for the Federal award in accordance with state laws and procedures for expending and accounting for the state's own funds. In addition, the state's and the other non-Federal entity's financial management systems, including records documenting compliance with Federal statutes, regulations, and the terms and conditions of the Federal award, must be sufficient to permit the preparation of reports required by general and program-specific terms and conditions; and the tracing of funds to a level of expenditures adequate to establish that such funds have been used according to the Federal statutes, regulations, and the terms and conditions of the Federal award. See also § 200.450.

(b) The financial management system of each non-Federal entity must provide for the following (see also §§ 200.334, 200.335, 200.336, and 200.337):

(1) Identification, in its accounts, of all Federal awards received and expended and the Federal programs under which they were received. Federal program and Federal award identification must include, as applicable, the Assistance Listings title and number, Federal award identification number and year, name of the Federal agency, and name of the pass-through entity, if any.

(2) Accurate, current, and complete disclosure of the financial results of each Federal award or program in accordance with the reporting requirements set forth in §§ 200.328 and 200.329. If a Federal awarding agency requires reporting on an accrual basis from a Subrecipient that maintains its records on other than an accrual basis, the Subrecipient must not be required to establish an accrual accounting system. This Subrecipient may develop accrual data for its reports on the basis of an analysis of the documentation on hand. Similarly, a pass-through entity must not require a subrecipient to establish an accrual accounting system and must allow the subrecipient to develop accrual data for its reports on the basis of an analysis of the documentation on hand.

(3) Records that identify adequately the source and application of funds for federally funded activities. These records must contain information pertaining to Federal awards, authorizations, financial obligations, unobligated balances, assets, expenditures, income and interest and be supported by source documentation.

(4) Effective control over, and accountability for, all funds, property, and other assets. The non-Federal entity must adequately safeguard all assets and assure that they are used solely for authorized purposes. See § 200.303.

(5) Comparison of expenditures with budget amounts for each Federal award.

(6) Written procedures to implement the requirements of § 200.305.

(7) Written procedures for determining the allowability of costs in accordance with subpart E of this part and the terms and conditions of the Federal award.

## **2. § 200.307 Program income.**

Generally, program income includes, but is not limited to, income from fees for services performed, the use or rental of real or personal property acquired under Federal awards and principal and interest on loans made with Federal award funds. Program income does not include interest earned on advances of Federal funds, rebates, credits, discounts, or interest on rebates, credits, or discounts. Subrecipients of SLFRF funds should calculate, document, and record the organization's program income. Additional controls that your organization should implement

include written policies that explicitly identify appropriate allocation methods, accounting standards and principles, compliance monitoring checks for program income calculations, and records.

**3. § 200.303 Internal controls.**

The non-Federal entity must:

- (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).
- (b) Comply with the U.S. Constitution, Federal statutes, regulations, and the terms and conditions of the Federal awards.
- (c) Evaluate and monitor the non-Federal entity's compliance with statutes, regulations and the terms and conditions of Federal awards.
- (d) Take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings.
- (e) Take reasonable measures to safeguard protected personally identifiable information and other information the Federal awarding agency or pass-through entity designates as sensitive or the non-Federal entity considers sensitive consistent with applicable Federal, State, local, and tribal laws regarding privacy and responsibility over confidentiality.

**Table 1. Internal controls best practices.**

<b>Best Practice</b>	<b>Description</b>	<b>Example</b>
<b>Written policies and procedures</b>	Formal documentation of Subrecipient policies and procedures	Documented procedure for determining worker eligibility for premium pay
<b>Written standards of conduct</b>	Formal statement of mission, values, principles, and professional standards	Documented code of conduct / ethics for subcontractors
<b>Risk-based due diligence</b>	Pre-payment validations conducted according to an assessed level of risk	Enhanced eligibility review of subrecipient with imperfect performance history
<b>Risk-based compliance monitoring</b>	Ongoing validations conducted according to an assessed level of risk	Higher degree of monitoring for projects that have a higher risk of fraud, given program characteristics
<b>Record maintenance and retention</b>	Creation and storage of financial and non-financial records	Storage of all subrecipient payment information

**E. General Conditions**

- 1. Nothing contained in this Agreement is intended to, or shall be construed in any manner, as creating, or establishing the relationship of employer/employee between the parties. The Subrecipient shall at all times remain an “independent contractor” with respect to the services to be performed under this Agreement. The City of Wausau shall be exempt from payment of all unemployment compensation, FICA, retirement, life and/or medical

insurance and Workers' Compensation Insurance as the Subrecipient is an independent entity.

2. Subrecipient shall hold harmless and indemnify the City of Wausau from any and all claims, actions, suits, charges, and judgments whatsoever that arise out of the Subrecipient's performance or nonperformance of the services or subject matter called for in this Agreement.
3. City of Wausau or Subrecipient may amend this Agreement at any time provided that such amendments make specific reference to this Agreement, and are executed in writing, and signed by a duly authorized representative of both organizations. Such amendments shall not invalidate this Agreement, nor relieve or release City of Wausau or Subrecipient from its obligations under this Agreement.
  - o City of Wausau may, in its discretion, amend this Agreement to conform with federal, state, or local governmental guidelines, policies and available funding amounts, or for other reasons. If such amendments result in a change in the funding, the scope of services, or schedule of the activities to be undertaken as part of this Agreement, such modifications will be incorporated only by written amendment signed by both the City of Wausau and Subrecipient.
4. Either party may terminate this Agreement at any time by giving written notice to the other party of such termination and specifying the effective date thereof at least 30 days before the effective date of such termination. In the event of any termination for convenience, all finished or unfinished documents, data, studies, surveys, reports, or other materials prepared by Subrecipient under this Agreement shall, at the option of the City of Wausau, become the property of the City of Wausau.
  - o City of Wausau may also suspend or terminate this Agreement, in whole or in part, if Subrecipient materially fails to comply with any term of this Agreement, or with any of the rules, regulations, or provisions referred to herein; and the City of Wausau may declare Subrecipient ineligible for any further participation in City of Wausau's award agreements, in addition to other remedies as provided by law. In the event there is probable cause to believe Subrecipient is in noncompliance with any applicable rules or regulations, City of Wausau may withhold funding.

#### **F. Award Assurances**

A signature on this Agreement indicates that Subrecipient is capable of and agrees to meet the following requirements, and that all information contained in this proposal is true and correct.

2. Adopt and maintain a system of internal controls which results in the fiscal integrity and stability of the organization, including the use of Generally Accepted Accounting Principles (GAAP).
3. Compliance with insurance requirements for general, professional, and automobile liability; workers' compensation and employer's liability; and, if advance funds are required, commercial crime insurance.
4. These award funds will not be used to supplant existing financial support for current programs.

5. No portion of these award funds will be subcontracted without prior written approval unless expressly identified in the award agreement.
6. Compliance with the requirements of the Civil Rights Act of 1964, as amended, and the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee for employment because of race, national origin, creed, color, sex, religion, age, disability, or handicap condition (including AIDS and AIDS-related conditions).
7. Compliance with the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 CFR 26.101-36.999 inclusive, and any relevant program-specific regulations.
8. Compliance with Title 2 of the Code of Federal Regulations (CFR) and any guidance in effect from the Office of Management and Budget (OMB) related (but not limited to) audit requirements for Subrecipients that expend \$750,000 or more in Federal awards during the Subrecipient's fiscal year must have an annual audit prepared by an independent auditor in accordance with the terms and requirements of the appropriate circular. Certifications that neither Court Appointed Advocates for Children nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. This certification is made pursuant to regulations implementing Executive Order 12549, Department and Suspension, 28 C.F.R. pt. 67 §67.510, as published as pt. VII of May 26, 1988, Federal Register (pp. 19150-19211). No funding associated with this award will be used for lobbying.
9. Disclosure of any existing or potential conflicts of interest relative to the performance of services resulting from this award.
10. Provision of a work environment in which the use of tobacco products, alcohol, and illegal drugs will not be allowed.
11. An organization receiving award funds through the City of Wausau shall not use these funds for any activity related to the following:
  - i) Any attempt to influence the outcome of any federal, state, or local election, referendum, initiative, or similar procedure, through in-kind or cash contributions, endorsements, publicity, or a similar activity.
  - ii) Establishing, administering, contributing to, or paying the expenses of a political party, campaign, political action committee or other organization established for the purpose of influencing the outcome of an election, referendum, initiative, or similar procedure.
  - iii) Any attempt to influence:
    - (1) The introduction or formulation off federal, state, or local legislation; or
    - (2) The enactment or modification of any pending federal, state, or local legislation, through communication with any member or employee of Congress, the Wisconsin Legislature or a local governmental entity responsible for enacting local legislation, including, without limitation, efforts to influence State or local officials to engage in a similar lobbying activity, or



through communication with any governmental official or employee in connection with a decision to sign or veto enrolled legislation.

- iv) Any attempt to influence the introduction, formulation, modification or enactment of a federal, state, or local rule, regulation, executive order or any other program, policy or position of the United States Government, the State of Wisconsin or a local governmental entity through communication with any officer or employee of the United States Government, the State of Wisconsin or a local governmental entity, including, without limitation, efforts to influence state or local officials to engage in a similar lobbying activity.
  - v) Any attempt to influence:
    - (1) The introduction or formulation of federal, state, or local legislation;
    - (2) The enactment or modification of any pending federal, state, or local legislation; or
    - (3) The introduction, formulation, modification or enactment of a federal, state, or local rules, regulation, executive order, or any other program, policy, or position of the United States Government, the State of Wisconsin or a local governmental entity, by preparing, distributing or using publicity or propaganda, or by urging members of the general public or any segment thereof to contribute to or participate in any mass demonstration, march, rally, fundraising drive, lobbying campaign or letter writing or telephone campaign.
  - vi) Legislative liaison activities, including, without limitation, attendance at legislative sessions or committee hearings, gathering information regarding legislation and analyzing the effect of legislation, when such activities are carried on in support of or in knowing preparation for an effort to engage in an activity prohibited pursuant to subsections 1 to 5, inclusive.
  - vii) Executive branch liaison activities, including, without limitation, attendance at hearings, gathering information regarding a rule, regulation, executive order or any other program, policy or position of the United States Government, the State of Wisconsin or a local governmental entity and analyzing the effect of the rule, regulation, executive order, program, policy, or position, when such activities are carried on in support of or in knowing preparation of an effort to engage in an activity prohibited pursuant to subsections 1 to 5, inclusive.
12. An organization receiving award funds through the City of Wausau may, to the extent and in the manner authorized in its award, use award funds for any activity directly related to educating persons in a nonpartisan manner by providing factual information in a manner that is:
- i) Made in a speech, article, publication, or other material that is distributed and made available to the public, or through radio, television, cable television or other medium of mass communication; and
  - ii) Not specifically directed at:
    - (1) Any member or employee of congress, the Wisconsin Legislature, or a local governmental entity responsible for enacting local legislation;

- (2) Any governmental official or employee who is or could be involved in a decision to sign or veto enrolled legislation; or
- (3) Any officer or employee of the United States Government, the State of Wisconsin, or a local governmental entity who is involved in introducing, formulating, modifying, or enacting a Federal, State, or local rule, regulation, executive order, or any other program, policy, or position of the United States Government, the State of Wisconsin, or a local governmental entity.

This provision does not prohibit a Subrecipient or an applicant for the award from providing information that is directly related to the award.

- 13. Subrecipient proposed uses of the funds provided as payment under sections 601, 602 and 603 of the Social Security Act will be used only to cover those costs that:
  - i) Respond to the public health emergency or its negative economic impacts, including assistance to households, small businesses, and nonprofits, or aid to impacted industries such as tourism, travel, and hospitality;
  - ii) Respond to workers performing essential work during the COVID-19 public health emergency by providing premium pay to eligible workers;
  - iii) Are for the provision of government services to the extent of the reduction in revenue due to the COVID-19 public health emergency relative to revenues collected in the most recent full fiscal year prior to the emergency; and
  - iv) Are necessary investments in water, sewer, or broadband infrastructure.
- 14. Subrecipient understands that any funds provided pursuant to this certification cannot be used for depositing funds into any pension fund.
- 15. Subrecipient understands that funds received pursuant to this certification cannot be used for expenditures for which Subrecipient has received any other emergency COVID-19 supplemental funding (whether state, federal or private in nature) for that same expense.

**G. Notices**

All notices to be given under the terms of this Agreement shall be in writing and signed by the person serving the notice and shall be sent registered or certified mail, return receipt requested, postage prepaid, to the addresses of the parties listed below:

FOR CITY OF WAUSAU:                      Katie Rosenberg  
   Mayor  
   407 Grant Street, Wausau, WI 54403  
   715-261-6803  
   Katie.Rosenberg@ci.wausau.wi.us

FOR THE SUBRECIPIENT:                      Anne Drow  
   Executive Director  
   319 N 4<sup>th</sup> Street #2, Wausau WI 54403  
   715-848-4044

**H. Compensation and Method of Payment**

The City provided the Subrecipient an ARPA Grant in the total amount of \$239,119.31 (“Grant Amount”). This grant is awarded in the amount of \$114,267.86 for 2023, and \$124,851.45 for 2024 as approved by the Wausau City Council.

Subrecipient hereby acknowledges and agrees that they shall only use the ARPA Grant for Eligible Expenses, as defined herein. Any expenses incurred by Subrecipient in an amount which exceeds the Grant Amount shall be the sole responsibility of Subrecipient and Subrecipient shall not seek reimbursement of such expenses from the City.

The City will pay to Subrecipient an amount up to that specified in Section A. Award Information, as full compensation for all services and work to be performed or undertaken by Subrecipient under this Agreement. Payment of funds to Subrecipient is subject to all of the following requirements, which shall be conditions precedent to payment:

- (i) that Subrecipient has expended funds for eligible approved expenditures,
- (ii) that Subrecipient is not in default of any material provision of this Agreement nor applicable law or regulation,
- (iii) that Subrecipient has timely submitted requests for payment or reimbursement detailing the eligible payment or reimbursement items in a format approved by City,
- (iv) that Subrecipient has certified with each payment or reimbursement request compliance with the requirements identified in Exhibit “A” and that all expenditures for which reimbursement is sought were made for and in furtherance of the approved Project and are an eligible use of federal assistance under ARPA and federal regulations as described in Exhibit B.

Payment hereunder is also subject to and may only be disbursed in accordance with applicable Federal regulations, as presently promulgated and as same may be revised from time to time in the future, all other terms of this Agreement, and any special provisions in the Scope of Services. All payments received by Subrecipient hereunder are subject to repayment by Subrecipient.

The aggregate of all payments made hereunder shall not exceed \$239,119.31.

**a. Reimbursements**

Subrecipient shall receive reimbursements according to the following annual schedule:

2023 – up to \$114,267.86

2024 – up to \$124,851.45

Open Door may request reimburs<sup>ement</sup>able on a bi-weekly basis. Payment requests will include a breakdown of expenses along with required back up documentation as described in Exhibit C. The City’s payment of reimbursements is subject to annual budgetary appropriation by the Wausau Common Council. The City shall not be obligated to provide reimbursements

beyond the amounts authorized by the Common Council.

**b. Drawdown Reporting**

Subrecipient shall comply with the applicable regulations at 2 C.F.R. §200.305 for cost reimbursement agreements. See Section J.1 Reporting Requirements, for the required financial reporting for the advanced grant proceeds.

### **c. Funds Recapture**

The City shall recapture any unspent funds or funds for expenses that were determined to be ineligible and/or unallowable. Subrecipients are required to cooperate with recapture requests, including any paperwork requests. See Section J.2 Final Report for additional information concerning the funds recapture.

#### **I. Eligible Expense**

The City and Subrecipient agree that the items identified as “Eligible Expenditures” in Exhibit B, attached hereto and incorporated herein, shall be considered “Eligible Expenses” that Subrecipient may use the ARPA Grant for. The City and Subrecipient agree that the items identified as “Ineligible Expenditures” in Exhibit B are expenses that Subrecipient is not permitted to use the ARPA Grant funds on. In the event there is a question about whether an expense is an Eligible Expense, Subrecipient shall reach out to the City for clarification prior to spending any funds on the expense in question.

Subrecipient shall provide the City with supporting documentation in accordance with Exhibit C attached hereto and incorporated herein. All supporting documentation requested in Exhibit C shall be attached at the time of submission of the Financial Reports discussed in Section J. Reporting Requirements and the City retains the right to ask Subrecipient for any additional documentation as necessary to satisfy this requirement and Subrecipient agrees to comply with said request. Failure to satisfy this requirement shall be considered a breach of this Agreement and the City shall have the right to pursue Subrecipient accordingly.

#### **J. Reporting Requirements**

Open Door shall operate the Day Services program and will report to City quarterly for the duration of this agreement. A Final Report will be due as discussed in paragraph H below. All reports are due to Community Development within thirty (30) days of the close of the period. The report will include number of beneficiaries including sex, Ethnicity, and Nationality information detailing all individuals who benefited the project activities. All employees paid in whole or in part from ARPA funds will prepare and sign a timesheet for each pay period with includes ALL the following:

- a. Description of work performed
- b. Location of work performed
- c. Specific times & hours worked on ARPA funded projects
- d. Supervisor signature.

Quarterly reports will also include funding amounts expended and reimbursed that quarter along with balance of grant left to draw. The quarterly reports will be provided by Community Development for Open Door to complete.

The ARPA Grant **Annual Report in Attachment 2** is due annually by the 31<sup>st</sup> day of January following each calendar yearend as detailed in the schedule below:

Performance Period	Report Due Date
2023	January 31, 2024
2024	January 31, 2025
Final Report	60 days after all funds are exhausted but no later than March 31, 2025

If the Grant has been fully expended, the Subrecipient must submit a final report as described in Section J.2 Final Reporting below.

If there is no activity that quarter, the Subrecipient must submit the report with \$0 for the current quarter and the prior quarterly reports cumulative totals.

*The first report is due the first quarter following execution of this agreement unless otherwise indicated by the City.*

### 1. Financial Reports

Subrecipients must submit the ARPA Grant **Annual Report in Attachment 2** which contains the following items.

1. Subrecipient's name, address, and Grant number as they appear on the Grant document.
2. Start and end dates of the report period.
3. Hourly rate. Identify each employee or consultant whose time/activity is being billed to the Grant, the individual's title, and the hourly billing rate used to calculate reimbursement from the City for that individual's time/activity. Explain the method used for calculating hourly rates, e.g. whether benefits are included in the rate.
4. Staff hours. Indicate for each employee the total number of hours being billed to the Grant cumulatively and for the quarter. For each individual whose work time will be reimbursed from the Grant, multiply the relevant hours by the relevant hourly rate (see item #3) and indicate the cumulative total and total for the quarter.
5. Budget vs. Actual Costs. Submit a detailed budget vs. actual report by budgetary line item for each quarter and cumulatively for the Grant period to date. At a minimum, the accounting must include the following as applicable: salaries, fringe and other benefits, training, travel, rent, phone, postage, supplies, technology/equipment, marketing, and indirect costs. The accounting must itemize the expenditure of each dollar being billed to the Grant. Any deviation between the budgeted and actual costs must be explained in detail and approved by the City.
6. Supporting Documentation. Supporting documentation discussed in **Exhibit C** must be submitted quarterly with the financial report and reconcile to the expended amount for the quarter being reported.
7. Required Certification. In accordance with 2 C.F.R. § 200.415(a), include a certification, signed by an individual who is authorized to execute the certification on behalf of the Subrecipient, which reads as follows: "By signing this report, I certify to the best of my knowledge and belief that the report is true, complete, and accurate, and the expenditures,

disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the Federal award. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise. (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729 – 3730 and 3801 – 3812).”

## 2. Final Report

A final report for the entire period of performance is due 60 days after the Subrecipient has completed all Grant activities that will be funded under the Grant, but not later than March 31, 2025.

- a. **Programmatic Report.** The final report must cover all activity conducted under the Grant. The report must be not more than five (5) single-spaced letter-sized pages using a font size of no smaller than 12 or larger than 14. In the narrative report, Subrecipient must briefly summarize the outcomes of the activities that Subrecipient proposed in the Project Description in Section B. Additionally, Subrecipient should also include in this narrative report items such as problems encountered by the Subrecipient, items for which the Subrecipient needs additional guidance, and developments having a significant impact on the award supported activities, such as delays or adverse conditions which materially impair the ability to meet the objectives of the awards. The final report shall also describe any action taken or contemplated, and any assistance needed to resolve the situation.
- b. **Financial Report.** The Subrecipient must also submit final Budget vs. Actual report by budgetary line item consistent with the approved project budget. If there are any funds not expended, they must be returned to the City along with the final report.

The Subrecipient must also submit with the final report a certification, signed by an individual who is authorized to execute the certification on behalf of the Subrecipient, which states that all applicable closeout activities required in 2 CFR § 200.343 have been completed.

## 3. Delinquent Reports

Submission of any reports required in this Agreement beyond the stated due dates will be considered delinquent unless the City grants a written extension.

## K. Records and Retention

All Records, including any and all supporting documentation for invoices submitted to City, shall be retained by Subrecipient, and made available for review by City, the Auditor of the State of Wisconsin, the federal government and any of its departments and agencies, and any of their designees for a minimum of five (5) years after the termination or expiration of this Agreement. Notwithstanding the foregoing, if there is litigation, claims, audits, negotiations, or other actions that involve any of the Records pertaining to this Agreement, which commences prior to the expiration of the period of performance documentation shall be retained while such action is pending.

Subrecipient shall comply with the requirements for record retention and access to records specified in the applicable regulations 24 C.F.R. §§ 214.315, 2 C.F.R. §§200.333-200.337, and other applicable record retention requirements. Subrecipient may also be subject to record retention requirements under other applicable laws and regulations, including but not

limited to, the nondiscrimination regulations cited in Section F Award Assurances.

**L. Oversight and Monitoring**

Subrecipient must cooperate with all the City oversight activities, requests for access to facilities, requests for information, including, but not limited to, complete files, financial data, financial management system, and data. Oversight may include, but is not limited to, on-site or remote audit and/or review of financial records, on-site or remote review of the financial management system, and/or on-site or remote performance reviews by City staff or designee. Subrecipient must take measures to ensure that City has access to all related files, financial management system, financial records, and information for audit and oversight purposes that demonstrates to the satisfaction of City that the Subrecipient is in compliance with 24 C.F.R. Part 214 and the requirements of this Grant Agreement.

**M. Audit Requirements**

Non-Federal entities that expend \$750,000 or more during a year in Federal awards shall have a single or program-specific audit conducted for that year in accordance with the Single Audit Act Amendments of 1996 (31 U.S.C. § 7501–7507) and 2 CFR Part 200, Subpart F , which is available at

<http://www.ecfr.gov/cgi-bin/text-idx?SID=fd6463a517ceea3fa13e665e525051f4&node=sp2.1.200.f&rgn=div6>

Non-Federal entities that expend less than \$750,000 for a fiscal year in Federal awards are exempt from Federal audit requirements for that year, but records must be available for review or audit by appropriate officials of the Federal agency, pass-through entity, and General Accounting Office (GAO).

Audits shall be made by an independent auditor in accordance with generally accepted government auditing standards covering financial audits. Additional audit requirements applicable to this agreement are found at 2 CFR Part 200, Subpart F, as applicable. Additional information on single audits is available from the Federal Audit Clearinghouse at <http://harvester.census.gov/sac/> .

**N. Representation by Subrecipient.**

Subrecipient certifies that, as of the date of execution, it does not owe any delinquent taxes to the City and/or does not owe delinquent taxes or fees for which Subrecipient is liable.

Or, if such delinquent taxes or fees are owed to the City, Subrecipient currently is paying such delinquent taxes pursuant to an undertaking enforceable by the State of Wisconsin or an agent or instrumentality thereof, or Subrecipient filed a petition in bankruptcy under 11 U.S.C. Section 101. et seq., or such a petition has been filed against Subrecipient.

**O. Disputes**

**1. Disputes**

During performance of this Agreement, disagreements may arise between the Subrecipient and the City on various issues. If a dispute concerning a question of fact arises and cannot be resolved through negotiation, the City shall prepare a written decision, taking into account all facts and documentation presented. The



decision shall be mailed by return receipt requested to the Subrecipient. Subrecipient may appeal the decision within thirty (30) calendar days of receipt of the City's decision by submitting a written appeal.

Subrecipients shall submit their appeal to: Katie Rosenberg, Mayor, 407 Grant Street, Wausau WI 54403.

**2. False Statements.**

A false statement in the Subrecipient's Project Description or Grant-related documents and reports, may be grounds for denial or termination of the Grant and punishable as provided in 18 U.S.C. §1001.

**P. AUTHORITY.**

**IN WITNESS WHEREOF**, City and Subrecipient, each by a duly authorized representative, have executed this Agreement as of the date set forth below. The parties hereto have set their hands at Wausau, Wisconsin.


**The Open Door**  
a charitable non-profit organization

By: 

Date: 4-27-23

(Print Name): ANNE DROW

Title: EXECUTIVE DIRECTOR

By: 

Date: 4/27/23

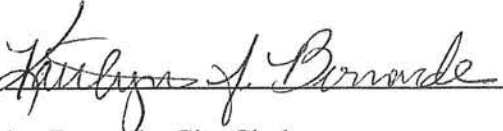
(witness)

**CITY OF WAUSAU, WISCONSIN**  
a municipal corporation:

By: 

Katie Rosenberg, Mayor

Date: 1 May 2023

By: 

Kaitlyn Bernarde, City Clerk

APPROVED AS TO FORM

By: 

Anne Jacobson, City Attorney

Date: 4/28/23

## EXHIBITS

Exhibit A	Project Description
Exhibit B	Eligible Expenses
Exhibit C	Supporting Documentation
Exhibit D	Treasury Final Rule Programmatic Reporting Requirements

**EXHIBIT A – PROJECT DESCRIPTION**

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# **The Open Door of Marathon County**

**A Day Services Program for the Homeless Community  
Wausau Wisconsin  
(ARPA Funded)**

# NARRATIVE OVERVIEW

## **Founding Mission Statement (2010) & Added Scope of Services Intention**

“The Open Door is organized to provide charitable and educational services to meet the immediate and long term needs of individuals who are incarcerated and/or who have been released from jail or prison.”

Over the past year The Open Door of Marathon County Board of Directors, while keeping its Original Vision intact has embraced the actual statistics of those, we are already serving on a daily basis to include the unhoused and/or homeless populations of the Wausau Community regardless of whether or not the individual has a criminal justice history.

To this end, The Open Door is seeking funding to operate a Day Services Program (with non-mandated ancillary programming) for all individuals who fall into **ANY** of these categories.

The guidelines of operation will be consistent, and shall not exclude entry based upon any prohibited reason under Federal Guidelines provided for the operation of a low barrier shelter or warming center

## **Property Description**

### **Location**

Open Door’s physical address is 319 4<sup>th</sup> Street, Wausau, WI 54403

### **Description & Capacity**

We are in the back of the parking lot for St. Paul’s United Church of Christ. the entrance to the parking lot is on 5<sup>th</sup> Street. Based on the total square footage proposed we are able to facilitate up to 40 guests at any given time. This is subject to having an adequate amount of paid & volunteer staffing.

### **Zoning**

Commercial

### **Miscellaneous**

See provided floor layout!

## **Amended Hours of Operation:**

Monday through Friday: 5:00AM- 11:00 AM. and then 1:00PM – 6:00 PM.

Saturday and Sunday: 5:00AM to 2:00 PM.

## **NUMBERS OF PEOPLE SERVED:**

- In 2022 we had 8586 visits from 574 unduplicated guests. In the first 6 weeks of 2023, we already have had 1670 visits comprised of 270 different individuals.
- In 2022, we provided clothing 1243 times (797 the last 6 months of the year).
- In the first 6 weeks of 2023 we have already provided clothing 282 times.
- The distribution of personal hygiene products to individuals continues to soar though the precise data cannot be properly expressed.

## **History:**

Open Door is a non-profit based in downtown Wausau and serves Marathon County. Our focus when we first began in November of 2010 was to provide an initial safe haven (out of the elements) for those being released from incarceration at 5 AM. In many cases, simultaneous with their release, these individuals became the newest members of the Wausau Homeless population.

In addition to providing a safe environment with coffee and food available we are able to provide weather appropriate clothing, personal hygiene products, directions, and initial referrals to services and shelters if needed.

Further we provide access to preliminary things necessary to move forward in their journey with dignity. These services include access to Bus Tokens, accompaniment in applying for Foodshare & Badger Care, obtaining State Id's, Social Security Cards, & Government issued phones. We also offer free of charge, a place for their mail to be sent as well as (on an individual basis) limited storage of their belongings if clearly unfeasible to navigate around with.

Our current staffing consists of only one paid position (Executive Director), and a combination of Guest Volunteers (15) and Community Volunteers (20)

## **OVERVIEW OF PAST/ CURRENT LONG-TERM PROGRAMMING:**

### **Case Management 2019 – Present**

We work(ed) with people either currently incarcerated (letters) and/or recently released from incarceration. This included those defined as being homeless but presented with a justice involved history. (A current study showed this to be 83.4% of the demographic) The team consisted of a Certified Case Manager, a Certified Peer Specialist, Case Manager Assistants, and Resource Specialists. Initial contact was often established while the client was still incarcerated. The Team met monthly to discuss clients and any challenges they may have found. Consistent with current trends in the community, the biggest challenge in achieving lowered recidivism rates and housing retention was one of sustainability. The largest number of clients served was in 2021,

between July & December, when 103 clients provided with Case Management. *(see Case Management under "Growth" section of this document.*

### **Family Support Group 2018 – 2021**

The Family Support Group was created to provide for the family and friends of incarcerated persons and met twice per month in the evening. Childcare was available. Facilitators and Counselors were paid through a Community Development Block Grant (CDGB)

### **Challenge Program 2017 – 2018**

The Challenge Program was facilitated by a volunteer from the Community and was a program for men only utilizing a Cognitive Thinking model.

### **What's Next 2017- 2019**

This was a program just for women just coming out of incarceration as well as anyone from the community who were still justice involved. We met for 8 consecutive weeks & childcare was provided. This program was run a total of 4 times. The focus of the group centered around supporting participants in finding housing and employment as well as addressing both acute and chronic health concerns. The facilitators and Childcare Person were paid a stipend from a CDGB Grant. Participants also received a stipend if they attended at least 7 of the 8 classes.

### **Life Skills and Job Readiness 2014 - 2017**

This was a highly structured course taught by professionals in the community during the evening. The curriculum was based on life skills and getting ready to become employed. It was how to dress for success, how to act in an interview, etc. This was all on a volunteer basis.

### **Partner Project 2011 – 2013**

Partner Project was a program pairing people in the community with guests to act as mentors. We had as many as 8 pairs of people working together during a given cycle. Each cycle ran for a six-month duration. Many of the participants built lasting relationships beyond the program end date.

## **GROWTH:**

Based on the still unmet needs of both guests as well as the Wausau community this past year has been one of tremendous growth and expansion!

In August of 2022, Open Door became a participant in HMIS (Homeless Management Information System) enabling access to both Clarity and the BOS/COC (Balance of State and Continuum of Care systems) thus allowing us to converse with other providers with an implied ROI as well as making and assisting in referrals to the Housing Prioritization List.

In the Fall of 2022, we coordinated with Catholic Charities as they prepared to move into the CPC, transferring over all but a skeletal amount of their clothing to Open Door. We have more than doubled the amount of in-kind donations we have available as well as tripling the amount of clothing and hygiene distributions made in the 4<sup>th</sup> quarter of 2022 from the same period the year prior.

In response to a sharp increase in the number of individuals being released from jail in the afternoon, plus the gap between when lunch programs at the Salvation Army & Bridge Street close and overnight sheltering services open, The Open Door increased weekday hours of operation by 4 hours per day and weekend hours by 4 hours on Saturday & Sunday. (In the event of severe cold these hours are further expanded by yet another 4 hours).

### **Future Case Management:**

In addition to providing a Day Services Program Open Door is continually writing new Grants in the hopes of being able to partner with other agencies as well as the Community Outreach Specialist of the WPD in being able to provide future longer term “boots on the ground” styles of Case Management. The target population will be for those who have been recently released from incarceration, the chronically homeless who have been moved from being unhoused. The intent will be one of achieving greater sustainability and reducing the overall numbers of individuals returning to being unhoused and to achieve lower recidivism.

### **Policies & Procedures: Safety Rules for Open Door Guests**

Open Door strives to create an environment which is safe for guests, volunteers and staff. We are trying to create a positive environment that is respectful of one another without too many rules. Guests are encouraged to ask a staff member for clarification of any rule which they do not understand. Most are common sense. We have implemented the following RULES, which is not an exhaustive list and shall not be limited to:

1. Alcohol, Illegal Drugs, Weapons, and Pornography are not allowed inside the building, or to be brought on the Church Property.
2. Beginning on March 1<sup>st</sup>, 2023 (or sooner) Guests will be required to check in their coats, backpacks and any other hand carried bags, and under no circumstances are guests allowed in any of the bathrooms before checking these items or after they have received them back prior to leaving for the day. Check-in frequency will be monitored, and guests should limit the # of in/outs to no more than two times on any given day.
3. Due to liability, The Open Door will not allow these items to be stored overnight. On an individual basis to be determined by management arrangements may possibly be made to temporarily hold a client's belongings in a secured area of the basement. Open Door shall be held harmless of any responsibility for these belongings, and this privilege may be rescinded in the event of a client violating rules in a chronic manner.
4. Guests will be allowed to get clothing during their visit and bathrooms will be provided to try things on. Only **TWO** of any items may be given out per visit. Exceptions are coats, gloves, hats, shoes and winter footwear (**One only**) Guests may receive like kind items every 30 days



but may receive different items as needed if they have not received the same item in the past 30 days. (Exceptions may be made at the direction of the Executive Director or the Program Manager. Or, in their absence a paid staff member only!)

5. The use of tobacco products, including smoking, chewing, or vapor/e-cigs is prohibited inside the building and may only occur outside the building, and then only in a designated area. Clients are required to dispose of their cigarettes butts in the receptacle provided. Throwing butts on the ground may result in the guest being asked to leave for the day, and subsequent infractions may lead to a ban of up to 30 days. No rolling of cigarettes is permitted inside the building.
6. Guests who act in a manner which is threatening, combative, dangerous or disruptive to other guests, volunteers or staff will be asked to leave for the day. Chronic infractions will be handled on an individual basis and could result in a ban of up to 30 days for repeated violations of this or other rules outlined herein.
7. Unless in a structured group supervised by a facilitator talk about religion, politics, sex, drugs or crimes is prohibited. Out of respect for our neighbors this policy includes the designated smoking area and parking lot. This shall also include the use of profanity either inside or outside the building.
8. No fighting or horseplay (just 'goofing around') will be tolerated.
9. To avoid potential theft Secured charging stations for phones, laptops, tablets will be provided and using wall outlets is strongly discouraged. See a staff person or volunteer if you have any questions.
10. Guests will keep the walkway through the upper kitchen from becoming over crowded or congested to allow for the safe movement of guest & donor traffic.
11. Bathrooms on the lower level shall always remain locked and access must be obtained from a staff person or designated volunteer.
12. Kitchen rules will be clearly posted in the kitchen dining area, and at NO TIME may a guest have food or a beverage at any of the computer workstations designated for guests.
13. Guest are asked to not openly display taking of their medications in view of other guests as this can be triggering or result in medications being stolen. Medications should be checked in the tote room and must be taken with every day and never stored overnight, or longer.
14. NO SLEEPING or putting your feet up on chairs or tables. No laying on the floor.
15. Guests shall store their bikes in designated area(s) and away from the front door.
16. Listening of music on any of your personal devices should be done with earbuds.

## **Professional In-Services & Staff/Volunteer Retention**

Open Door currently partners with The United Way, The Community Outreach Task Force, local churches, social media, and local news outlets to broaden our volunteer and staffing base. We are also undertaking an initiative actively recruiting community volunteers with professional backgrounds in areas of mental health or social services.

Considering the sharp uptick in the number of guests who present with untreated Mental Health issues and/or Methamphetamine addiction, Open Door is developing in-services to more adequately, appropriately & safely address potentially volatile or dangerous situations. These will include AODA Sensitivity & Recognition Training, Narcan Training through Vivent, online modules on de-escalation strategies, as well as our staff participating in the Crisis Intervention Training (CIT) being offered this Spring by the Marathon County Sheriff's Office and NCTC.

## EXPANSION

Over the past year The Open Door of Marathon County Board of Directors, while keeping its Original Vision intact has embraced the actual statistics of those, we are already serving daily to include the unhoused and/or homeless populations of the Wausau Community regardless of whether the individual has a criminal justice history.

To this end, The Open Door is seeking funding to operate a Day Services Program (with non-mandated ancillary programming) for all individuals who fall into ANY of these categories.

The guidelines of operation will be consistent and shall not exclude entry based upon any prohibited reason under Federal Guidelines provided for the operation of a low barrier shelter or warming center.

We are seeking funding to provide low-barrier behavioral based day services. This will necessitate increasing our rental footprint, revamping and repurposing of our existing space, and hiring paid staff to efficiently operate the program with optimal levels of safety for staff, volunteers and guests.

The desired environment will be one which embraces principles of truth, moral goodness, and a sense of spiritual belonging and unity It will also be one allowing for self-expressions of a variety of creative artistic beauty.

The proposed would additionally allow for providing four workstations for clients with access to the internet and phones for the purposes of job searches, seeking out housing and other goal-oriented opportunities empowering our guests as they are motivated to do so.

Staffing will be comprised of paid staff, community volunteers, and guest volunteers.

Revamping of both existing and expanded space will include:

- Repurposing our current entrance area (kitchen) as a more inviting lobby space with an initial reception station for guests, donors, and other visitors to initially check in. (Currently this is a very small, cramped space that rapidly becomes overly congested with guests congregating right inside the entrance way making it at times impossible to navigate one's way through.
- The build out of a coat-tote room for guests to check their coats backpacks and other items they have with them.
- Additional office space for staff to work in as well as meet with clients affording them dignity and privacy.
- Creating a more spacious kitchen and the adding of a dining area with tables and chairs allowing for communal dining and interaction.
- Buildout of previously noted workstations.
- Development of areas for hosting parallel optional programming including semi-weekly job-fairs and a weekly SMART recovery group to name just a couple (this will be an ongoing process to see what works and what doesn't always work but being mindful of partnering with other agencies in the community so as to not duplicate services.
- Creating areas for artistic expression

- Designating space for recreational activities, games, watching movies/TV promoting guests to stay engaged and active.

### **Program Sustainability:**

While Open Door is including in this Proposal the inclusion of several of the one-time startup costs, we are also currently pursuing writing other Grants, Foundation Endowments and in-kind donations to re-direct these monies, in compliance with the ARPA Grant Stipulations into the third year of the program or beyond.

Open Door is creating marketing strategies utilizing social media, a more robust website, and overall community awareness as a result of our efforts to garner increased cash donations.

To improve the favorable outcomes of our grant writing efforts, Open Door is developing a larger, more diversified grant writing team. We are also analyzing the value of Professional Grant Writing Services.

Open Door is engaged in qualifying for federal funding through The Second Chance Act (SCA) which supports state, local, and tribal governments and nonprofit organizations in their work to reduce recidivism and improve outcomes for people returning from state and federal prisons, local jails, and juvenile facilities.

### **Participation in Upcoming RFP's and Grant Writing Cycles**

#### **Include:**

- CDBG Grants
- Community Foundation Funding
- Alkermes Inspiration Grant
- Impact 100j
- Greenheck
- United Way of Marathon County (for 2024 funding)
- EFSP Phase 40 Funds (due 2/17/23)

## EXHIBIT B – ELIGIBLE EXPENSES

### 1. General

The City shall pay Subrecipient, up to the Maximum Grant Amount as stated in this agreement for Allowable Costs. Subrecipient is prohibited from using any part of this Grant to satisfy a delinquent federal debt.

**2 CFR Part 200, Subpart E Allowable Costs/Principles.** As outlined in the Uniform Guidance at 2 CFR Part 200, Subpart E regarding Cost Principles, allowable costs are based on the premise that a Subrecipient is responsible for the effective administration of Federal awards, application of sound management practices, and administration of Federal funds in a manner consistent with the program objectives and terms and conditions of the award. Subrecipients must implement robust internal controls and effective monitoring to ensure compliance with the Cost Principles, which are important for building trust and accountability.

Allowable Costs are those incurred in the performance of this Grant Agreement that are determined by the City to be allowable, allocable, and reasonable in accordance with the:

- (A) Provisions of this Agreement, and
- (B) Applicable Federal cost principles as outlined in Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, 2 C.F.R. Part 200. Subrecipient must obtain prior written approval for certain costs as outlined in 2 C.F.R. §200.407. If these regulations are revised or clarified during the period of performance of this Agreement the most recent revision or clarification shall apply.

### 2. Indirect Cost Rates

The allowable indirect cost rate is either the Negotiated Indirect Cost Rate Agreement (NICRA) or alternatively, any non-Federal entity that has never received a negotiated indirect cost rate, except for those non-Federal entities described in Appendix VII to 2 C.F.R. Part 200 – States and Local Government and Indian Tribe Indirect Cost Proposals, paragraph D.1.b, may elect to charge a de minimis rate of 10 percent of modified total direct costs (MTDC) which may be used indefinitely.

As described in 2 C.F.R. Part 200.403, *Factors affecting allowability of costs*, costs must be consistently charged as either indirect or direct costs but may not be double charged or inconsistently charged as both. If chosen, this methodology once elected must be used consistently for all Federal awards until such time as a non-Federal entity chooses to negotiate for a rate, which the non-Federal entity may apply to do at any time.

### 3. Period of Availability of Funds

Subrecipient may charge to the Grant only Allowable Costs resulting from obligations incurred during the Period of Performance.

### 4. Profits

No fee, profit, or other increment above allowable costs shall be paid to Subrecipient.

## **5. Example of Ineligible COVID Related Expenses**

The following is a list of examples of costs that may *not* be eligible expenditures of payments from the Fund.

1. Damages covered by insurance
2. Payroll or benefits expenses for employees whose work duties are not substantially dedicated to mitigating or responding to the COVID-19 public health emergency
3. Expenses that have been or will be reimbursed under any federal program, such as the reimbursement by the Federal government pursuant to the CARES Act of contributions by State-to-State unemployment funds
4. Reimbursement to donors for donated items or services
5. Workforce bonuses other than hazard pay or overtime
6. Severance Pay
7. Legal settlements.

## EXHIBIT C – SUPPORTING DOCUMENTATION

- A. **Documentation of Expenses.** Subrecipient must maintain source documentation of direct costs, such as invoices, receipts, cancelled checks, documentation of personnel expenses, and indirect cost rate agreements to support all draw requests for payment. In addition, Subrecipient must maintain a list of all clients served, if applicable.

All Subrecipients must be able to demonstrate and document the actual cost of service provision. The amount billed to the Grant cannot exceed the actual cost of providing the service. All information required to document expenses charged to the Grant must be made available to the City upon request and maintained for a period of at least three (3) years after the expiration of the Grant period or date of last payment, whichever occurs first.

- B. **Documentation of Personnel Expenses.** Charges to Federal awards for salaries and wages must be based on records that accurately reflect the work performed and meet the standards required in 2 C.F.R. Part 200.430(i). The records must support the distribution of employee's salaries and wages among specific activities or cost objectives if the employee works on more than one Federal award; a Federal award and non-Federal award; an indirect cost activity and a direct cost activity; two or more indirect activities which are allocated using different allocation bases; or an unallowable activity and a direct or indirect cost activity. Budget estimates (*i.e.*, estimates determined before the services are performed) alone do not qualify as support for charges to this Grant award. Records must reasonably reflect the total activity for which employees are compensated. Adequate documentation includes timesheets/timecards, payroll activity reports, and payroll rosters.

- C. **Standards for Financial Management Systems.** Subrecipient shall maintain and operate financial management systems that meet or exceed the federal requirements for funds control and accountability as established by the applicable regulations in 2 CFR 200, Subpart D.

## EXHIBIT D – TREASURY FINAL RULE PROGRAMMATIC REPORTING REQUIREMENTS

The following represents Subrecipient eligible activity category and the programmatic report requirements under the Treasury Final Rule. This information should be used to prepare the Final Report discussed in [Section J.2](#).



U.S. DEPARTMENT OF THE TREASURY

### Responding to Public Health and Economic Impacts of COVID-19

The Coronavirus State and Local Fiscal Recovery Funds provide resources for governments to meet the public health and economic needs of those impacted by the pandemic in their communities, as well as address longstanding health and economic disparities, which amplified the impact of the pandemic in disproportionately impacted communities, resulting in more severe pandemic impacts.

The eligible use category to respond to public health and negative economic impacts is organized around the types of assistance a recipient may provide and includes several sub-categories:

- public health,
- assistance to households,
- assistance to small businesses,
- assistance to nonprofits,
- aid to impacted industries, and
- public sector capacity.

In general, to identify eligible uses of funds in this category, recipients should (1) identify a COVID-19 public health or economic impact on an individual or class (i.e., a group) and (2) design a program that responds to that impact. Responses should be related and reasonably proportional to the harm identified and reasonably designed to benefit those impacted.

To provide simple, clear eligible uses of funds that meet this standard, Treasury provides a non-exhaustive list of enumerated uses that respond to pandemic impacts. Treasury also presumes that some populations experienced pandemic impacts and are eligible for responsive services. In other words, recipients providing enumerated uses of funds to populations presumed eligible are clearly operating consistently with the final rule.<sup>1</sup>

Recipients also have broad flexibility to (1) identify and respond to other pandemic impacts and (2) serve other populations that experienced pandemic impacts, beyond the enumerated uses and presumed eligible populations. Recipients can also identify groups or “classes” of beneficiaries that experienced pandemic impacts and provide services to those classes.

<sup>1</sup> However, please note that use of funds for enumerated uses may not be grossly disproportionate to the harm. Further, recipients should consult the Capital Expenditures section for more information about pursuing a capital expenditure; please note that enumerated capital expenditures are not presumed to be reasonably proportional responses to an identified harm except as provided in the Capital Expenditures section.

*Coronavirus State & Local Fiscal Recovery Funds: Overview of the Final Rule*



Step	1. Identify COVID-19 public health or economic impact	2. Design a response that addresses or responds to the impact
<b>Analysis</b>	<ul style="list-style-type: none"> <li>• Can identify impact to a specific household, business or nonprofit or to a class of households, businesses, or nonprofits (i.e., group)</li> <li>• Can also identify disproportionate impacts, or more severe impacts, to a specific beneficiary or to a class</li> </ul>	<ul style="list-style-type: none"> <li>• Types of responses can include a program, service, or capital expenditure</li> <li>• Response should be related and reasonably proportional to the harm</li> <li>• Response should also be reasonably designed to benefit impacted individual or class</li> </ul>
<b>Simplifying Presumptions</b>	<ul style="list-style-type: none"> <li>• Final Rule presumes certain populations and classes are impacted and disproportionately impacted</li> </ul>	<ul style="list-style-type: none"> <li>• Final Rule provides non-exhaustive list of enumerated eligible uses that respond to pandemic impacts and disproportionate impacts</li> </ul>

To assess eligibility of uses of funds, recipients should first determine the sub-category where their use of funds may fit (e.g., public health, assistance to households, assistance to small businesses), based on the entity that experienced the health or economic impact.<sup>2</sup> Then, recipients should refer to the relevant section for more details on each sub-category.

While the same overall eligibility standard applies to all uses of funds to respond to the public health and negative economic impacts of the pandemic, each sub-category has specific nuances on its application. In addition:

- Recipients interested in using funds for capital expenditures (i.e., investments in property, facilities, or equipment) should review the Capital Expenditures section in addition to the eligible use sub-category.
- Recipients interested in other uses of funds, beyond the enumerated uses, should refer to the section on “Framework for Eligible Uses Beyond Those Enumerated.”

<sup>2</sup> For example, a recipient interested in providing aid to unemployed individuals is addressing a negative economic impact experienced by a household and should refer to the section on assistance to households. Recipients should also be aware of the difference between “beneficiaries” and “sub-recipients.” Beneficiaries are households, small businesses, or nonprofits that can receive assistance based on impacts of the pandemic that they experienced. On the other hand, sub-recipients are organizations that carry out eligible uses on behalf of a government, often through grants or contracts. Sub-recipients do not need to have experienced a negative economic impact of the pandemic; rather, they are providing services to beneficiaries that experienced an impact.

*Coronavirus State & Local Fiscal Recovery Funds. Overview of the Final Rule*