

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



## OFFICIAL NOTICE AND AGENDA

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

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

Meeting of the: **COMMUNITY DEVELOPMENT AUTHORITY BOARD OF THE CITY OF WAUSAU**  
Date/Time: **Tuesday, September 26, 2023 at 12:00 pm**  
Location: **550 E Thomas Street, Wausau, Wisconsin 54403**  
Members: **Sarah Napgezok (C), David Welles, John Wagman, Patrick Gosz, Carol Lukens, Chad Henke, Rachael Hass**

AGENDA ITEMS FOR CONSIDERATION (All items listed may be acted upon)

1. Call the Meeting to Order
2. Approval of Minutes from 08/22/2023
3. Discussion and Possible Action on Proposal Received for the Project-Based Vouchers - Housing Choice Voucher (HCV) Program
4. Discussion and Possible Approval of 2024 Fair Market Rents and Payment Standards - HCV Program
5. Discussion and Possible Approval of 2024 Flat Rents, Utility Allowances and Passbook Rates - Public Housing Program
6. Discussion and Possible Action on Resolution #23-005 - Annual PHA Plan for Fiscal Year 2024
7. Operational Issues & Current Activities
  - Occupancy Overview
  - HOME Monitoring Close Out - 1901 Bopf Street
  - CDA Staffing Update

Adjournment

**Sarah Napgezok, Chair**

This Notice was posted at City Hall and emailed to the Media on Thursday, September 21, 2023 at 1:30 pm. Questions regarding this agenda may be directed to Liz Brodek, Community Development Director at 715-261-6685

Any person wishing to offer public comment who does not appear in person to do so, may e-mail Juli Birkenmeier at [juli.birkenmeier@ci.wausau.wi.us](mailto:juli.birkenmeier@ci.wausau.wi.us) with "Community Development Authority Board Meeting Public Comment" in the subject line a minimum of 2 hours prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The message related to agenda items received prior to the meeting will be provided to the Chair.

In accordance with the requirements of Title II of the Americans with Disabilities Act of 1990 (ADA), the City of Wausau will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs or activities. If you need assistance or reasonable accommodations in participating in this meeting or event due to a disability as defined under the ADA, please call the ADA Coordinator at (715) 261-6590 or [ADAServices@ci.wausau.wi.us](mailto:ADAServices@ci.wausau.wi.us) to discuss your accessibility needs. We ask your request be provided a minimum of 72 hours before the scheduled event or meeting. If a request is made less than 72 hours before the event the City of Wausau will make a good faith effort to accommodate your request.

It is possible that members of, and possible a quorum of members of other committees of the City of Wausau may be in attendance at the above mentioned meeting to gather information. No action will be taken by any such group at the above mentioned meeting other than the committee specifically referred to in this notice.

Other Distribution: City Website, Alderpersons, Board Members, Mayor

**COMMUNITY DEVELOPMENT AUTHORITY**  
**MINUTES**

08/22/23

**MEMBERS PRESENT:** Sarah Napgezok, John Wagman, Patrick Gosz, Rachael Hass

**MEMBERS ABSENT:** David Welles, Chad Henke, Carol Lukens

**OTHERS PRESENT:** Liz Brodek, Betty Noel, Juli Birkenmeier, Anne Jacobson, Jon Trautman, CliftonLarsonAllen, Ted Matkom, Gorman & Co.

**(1.) Call the Meeting to Order**

Meeting was called to order at 12:04 pm at 550 E. Thomas Street, Wausau, Wisconsin.

**(2.) Approval of Minutes from 06/27/2023**

Wagman made a motion to approve the 06/27/23 minutes. Hass seconded. Motion was approved unanimously.

**(3.) Finance Committee Report**

Noel reviewed the Chair report from the August 9, 2023, Finance Committee meeting as well as the WCDA's investment balances as of June 30, 2023. She then gave an update on the 2022 and 2023 CFP grants highlighting their obligation and expenditure deadlines, current fund balances and budget detail. Noel concluded by stating the 2022 grant was fully expended in July, following completion of the Bopf Street roof replacement project.

Noel reviewed the 2023 second quarter financials for the WCDA's budgeted programs summarizing the *Year-To-Date* versus *Budget* line items and explained any budget variances.

Noel then reviewed the 2023 second quarter financials for Riverview Towers LLC, summarizing *Year-To-Date* versus *Budget* line items and further explained any budget variances.

Noel concluded by announcing Patrick Gosz as the newly elected Finance Committee Chairperson.

**(6.) Operational Issues & Current Activities**

**Occupancy Overview** – Noel reported 98% occupancy at Riverview Towers, 97% at Riverview Terrace and 97% at the Scattered Sites and said staff is currently administering 307 monthly Housing Choice Vouchers.

**Public Housing Assessment System (PHAS) Score** – Noel reviewed the WCDA's Public Housing Assessment System (PHAS) score report for FYE 12/31/22, which reflected a score of 95, achieving High Performer status. She explained that the WCDA was scored on indicators relative to physical, financial, management, occupancy, and capital fund administration.

**Project Based Voucher (PBV) Request for Proposals Update** – Birkenmeier reiterated the project-based voucher RFP was open for a period from July 13 - August 18, 2023. She reported receiving just one proposal from Gorman & Company for The Landmark Apartments. She said the proposal will be reviewed by staff ensuring it meets all requirements reflected in the RFP and the results will be brought back to the board in September.

**NEF LIHTC Tenant File Review – Riverview Towers LLC** – Noel reviewed the results of National Equity Fund's 2023 LIHTC tenant file review for Riverview Towers. She said the purpose of a tenant file review is to assess current procedures for tenant compliance and income verification documentation to

ensure that qualified occupancy was achieved. Noel congratulated Juli Birkenmeier for her diligence and hard work in achieving another exceptional rating with zero findings.

**(5.) Presentation of the 2022 Riverview Towers LLC and the Wausau Community Development Authority Audits – Jon Trautman, CliftonLarsonAllen LLP**

Jon Trautman presented the 2022 Wausau Community Development Authority (WCDA) and Riverview Towers audits to the full board and answered any questions arising from his presentation. He furthered that both audits received the issuance of an unmodified opinion. Noel noted the Corrective Action Plan submitted to CLA relative to the financial statement finding for the late unaudited REAC reporting submittal and explained the safeguards management has in place, working closely with the WCDA's outside accountant, to ensure timely REAC reporting going forward.

**(4.) Consideration and Possible Action on a Loan Proposal from Gorman & Company for the Redevelopment of the West Side Battery Property, 415 S First Avenue, Wausau – Ted Matkom, Gorman & Company**

Noel introduced Ted Matkom, Wisconsin Market President for Gorman & Company, who was present to review details of the initial feasibility model for their proposed 56-unit affordable housing development on the West Side Battery property. Matkom also gave a brief history of the successful partnership Gorman and the WCDA have had over the past 15 years in providing quality affordable housing.

Matkom further detailed the proposed redevelopment of the 415 S First Street property using WHEDA tax credits awarded to them through the Low-Income Housing Tax Credit (LIHTC) program. He explained the function of tax credits, the proposed capital stack for the project and the potential financing gap. Matkom stated he has been working with Tammy Stratz, Community Development Department, on the potential use of federal HOME funds on the project however the environmental test reflected minimally exceeding the train acoustical threshold, therefore jeopardizing the use of those federal funds. He furthered Stratz is currently seeking to obtain a waiver from HUD but her efforts have thus far been unsuccessful. Matkom said while they continue to work through these issues, he sought a board commitment for a \$650,000, 3%, 15-year note from the WCDA which would provide Gorman with the necessary gap financing in the event federal funds cannot be used. Napgezek said she has been very pleased with the ongoing partnership between Gorman and the WCDA. Hass made a motion to commit to lend \$650,000 to Gorman & Company with a preference to use federal funds first. Wagman seconded. Motion was approved unanimously. Noel thanked Matkom for Gorman's continued interest in providing affordable housing in the city of Wausau.

**Adjournment**

Respectively submitted,

Sarah Napgezek  
Vice Chair

**Wausau CDA RFP**

**August 18<sup>th</sup>, 2023**



**RFP Subject:**

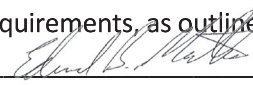
**Project-Based Voucher Program**

**Gorman & Company**

**EXHIBIT F: Wausau Community Development Authority Project Based Voucher Application** (See Page 7 of Request for Proposals for Instructions)

<b>Project/Property Name</b>	The Landmark Wausau
<b>Owner Name</b> (attach separate sheet to list all individuals)	The Landmark Wausau, LLC
<b>Project Street Address &amp; City</b>	221 Scott Street, Wausau, WI 54403
<b>Main Contact</b> (Name, Email & Phone Number)	Ted Matkom Email: tmatkom@gormanusa.com Phone Number: 414-617-9997
<b>Description of General Location</b>	Historic Downtown Wausau
<b>Existing, Rehab, or New Construction and Date</b>	Existing
<b>Description of Building Type</b>	8 Story elevator
<b>Total Number of Buildings and Units per Building</b>	1 building with 94 residential apartments
<b>Total Units by Bedroom Size, including square footage</b>	Please see Exhibit A for the unit mix
<b>Proposed Project Based Units by Bedroom Size</b>	19 Units - 15 One-Bedroom and 4 Two-Bedroom Units
<b>Specific Units or Floating? Indicate Apartment Numbers</b>	Floating, please see attached Exhibit B for the apartment numbers
<b>Initial PBV Contract Term Requested</b>	20 Years
<b>Proposed Contract Rent by Unit Type</b>	1-Bedroom: \$779 2-Bedroom: \$1,025
<b>Utility Responsibilities</b>	Tenant Utilities: Gas Boiler  Owner Utilities: Water/Sewer, Electric, Gas, Trash, Hot Water

I certify that all information included in this application is accurate and complete to the best of my knowledge and believe. I further certify that this application and the property are in conformity with HUD program regulations and requirements, as outlined in this Request for Proposals.

  
\_\_\_\_\_  
Owner's Signature

9/13/2023  
\_\_\_\_\_  
Date

## BEDROOM SIZE – 1

	Single Family Detached	Two Family Duplex/Rowhouse/ Townhouse	High Rise	Mobile Home	Calculation Column
<b>Heating</b>					
Natural Gas	41	38	21	47	21
Bottle Gas	84	78	42	95	0
Electric	64	54	42	89	0
Oil/Coal/Other	168	160	84	170	0
<b>Cooking</b>					
Natural Gas	20	20	20	20	0
Bottle Gas	9	9	9	9	0
Electric	0	9	9	9	0
Other	0	0	0	0	0
<b>Water Heating</b>					
Natural Gas	9	9	9	9	0
Bottle Gas	19	19	19	19	0
Electric	22	22	22	22	0
Oil/Coal/Other	42	42	42	42	0
<b>Other Electric</b>	57	49	46	52	0
<b>Water / Sewer</b>					
	47	47	47	47	0
<b>Central Air</b>					
	2	2	2	2	0
<b>Fridge (add if tenant owns)</b>					
	4	4	4	4	0
<b>Stove (add if tenant owns)</b>					
	6	6	6	6	0

## BEDROOM SIZE – 2

	Single Family Detached	Two Family Duplex/Rowhouse/ Townhouse	High Rise	Mobile Home	Calculation Column
<b>Heating</b>					
Natural Gas	55	53	24	49	24
Bottle Gas	114	108	49	100	0
Electric	87	74	60	92	0
Oil/Coal/Other	226	241	98	196	0
<b>Cooking</b>					
Natural Gas	21	21	21	21	0
Bottle Gas	11	11	11	11	0
Electric	12	12	12	12	0
Other	0	0	0	0	0
<b>Water Heating</b>					
Natural Gas	13	13	13	13	0
Bottle Gas	26	26	26	26	0
Electric	30	30	30	30	0
Oil/Coal/Other	57	57	57	57	0
<b>Other Electric</b>	69	60	55	65	0
<b>Water / Sewer</b>	93	93	93	93	0
<b>Central Air</b>	4	60	3	4	0
<b>Fridge (add if tenant</b>	4	4	4	4	0
<b>Stove (add if tenant</b>	6	6	6	6	0

### **Project Narrative:**

The Landmark is a historic hotel that has been rehabilitated into 94 apartment units in downtown Wausau. This property was on a downward trajectory due to its age and the large amount of deferred maintenance that had accumulated over the years. This rehabilitation project transformed the outdated, obsolete apartment building into high quality housing that is affordable to households making 30%, 50%, and 60% of the CMI. All units were updated with new kitchens, bathrooms, mechanicals, appliances, paint, trim, and flooring. Even with these upgrades, the rent limits that are put in place on this project ensure that the residents of The Landmark will be paying an affordable amount to live in these newly renovated apartment units. The affordable nature of this project allows residents to keep more of their income instead of their monthly budgets being taken up by their housing expense. With this extra expendable income, residents can live in a decent, safe home at without struggling to pay for necessities. They are also able to save their income to reinvest into their families and education which will increase their prospects for finding higher paying jobs and receiving promotions at their current place of work. Any extra income will either be saved for emergencies or recirculated through the local economy through the purchasing of goods and services from business owners in the community. This dynamic allows for self-sufficiency, ensures fiscal integrity, and improves the quality of life for residences. Creating accessible housing can be a challenge with historic preservation projects. However, The Landmark still features 19 visitable units and two of the units at The Landmark comply with section 504. From a safety standpoint, there is controlled access that only allows residents to enter the building with their key fob. There is also an onsite property manager and security cameras.

### **Site Selection Standards Narrative:**

There is significant Local, State and Federal funding that has recently been invested in this census tract, and more funding that is proposed. For the Landmark development itself, the project received Wausau CDA funds, HOME funds, AHP, and ARPA along with a competitive Low Income Housing Tax Credit (LIHTC) award which provided the majority of the funding for the project. For the proposed Westside Battery project, both competitive LIHTC's and \$1,750,000 of ARPA funds have been awarded to the project. The Wausau Center Mall redevelopment project will also receive local funds in the form of a TIF.

Along with these funds being invested, there is also planned market rate units to be developed in 2024. Both the Riverlife project and the Wausau Center Mall redevelopment projects will feature market rate housing which will decrease the concentration of poverty in the census tract that The Landmark is located in.

### **Experience:**

Please see Exhibit C for Gorman's property management, compliance, and asset management experience.



**Financial Capacity:**

The Landmark Wausau, LLC does not have any accounts payable that are greater than 90 days. Please see Appendix D for the 2022 audited financials.

**Amenities and services:**

- Community Room
- Lounge
- On-Site/Shared Laundry
- Tenant Storage
- Bike Storage
- Elevator
- On-Site Maintenance
- Access to retail on first floor

**Photos:**

Please see Exhibit E for photos.

**Handicapped Accessibility Features:**

Units 324 and 345 are Type A accessible units which comply with section 504 requirements. There are an additional 18 VISIBLE Units which are units 232, 237, 228, 245, 305, 445, 424, 505, 524, 539, 624, 639, 630, 722, 739, 830, 836, 839.

**Tenant Selection Plan:**

Please see the attached Exhibit F.

**Rent and Occupancy Status:**

If awarded, the PBV's would only be applied to units where the tenants meet the WCDA's criminal screening requirements, are income eligible, and are not otherwise ineligible for the Housing Choice Voucher Program. More than 19 (the requested number of HCV's) of these units are available at The Landmark.

**Description of other Governmental Assistance:**

There are not currently any PBV's on this project.

Exhibit A – Unit Mix



### Unit Mix

# Bed room(s)	Description (optional)	Set Aside	# Units	Area (Sq. Ft.)
1		30%	15	628
1		50%	33	628
1		60%	5	628
1		60%	20	628
2		30%	4	920
2		50%	5	920
2		60%	3	920
2		60%	9	920
			94	

Exhibit B – Apartment Numbers



## Apartment Numbers

202	302	402	502	602	702	802
208	303	405	505	605	705	805
212	306	406	506	606	706	808
218	312	412	512	612	712	812
222	318	418	518	618	718	818
232	322	422	522	622	722	822
236	324	424	524	624	725	825
237	325	425	525	625	728	828
240	330	430	530	630	732	830
245	336	436	536	636	736	836
246	337	437	539	639	739	839
	340	440	540	640	740	842
	345	445	545	645	745	845
	346	446	546	646	746	

Exhibit C – Experience



A blue circular graphic with a white border, containing the text "Gorman Property Management, Property Manager Relocation Services" in white, bold, sans-serif font, arranged in four lines.

**Gorman Property  
Management  
Property Manager  
Relocation  
Services**

Gorman & Company formed its property management division in 1991. The property management division has earned high marks from local communities and state agencies for its professional criteria in resident selection, as well as its capacity to work with complicated compliance issues. Gorman & Company manages 80+ apartment communities, totaling over 6,000 units, and nearly 1,000 of these units utilize project based rental subsidy. Controlling our management company within the Gorman & Company umbrella allows us to customize our tenant selection criteria to our specific target population while conforming to investor and Section 42 compliance regulations. The philosophy of the management division is to create an environment where regional managers are accountable for the operations of their portfolio, and property managers are expected to operate their property as a small business within authorized budgets and guidelines.

Gorman & Company also provides Asset Management services for projects. The scope of services provided by Gorman for asset management includes asset financial monitoring, performance review, tracking loans and reimbursements, stakeholder reporting, and reserve tracking. Asset management also tracks month to date, year to date, and quarterly NOI and DCR tracking. They also review and approve budgets for assets.

Gorman & Company provides thorough training for both tenured team members and new team members. The training is completed through different methods including webinars, seminars, individual training, and online programs through a third party. Our in-house Training Manager, as well as third party resources, administer the training. Several of the third-party resource provided trainings are subsequently certified. All team members attend a two-tiered in-house training for LIHTC as well as classes offered by state agencies, seminars at state agency conferences, and third-party programs and classes.

All compliance, upper management, and several key site team members have certifications such as COS, HCCP, RAD PBV and Multifamily Housing Specialist. Third parties such as Theopro and Nan McKay provide training for these certifications. Continuing education is provided for staff to keep abreast of changes throughout the year.

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## OPERATIONS

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### **LAURA NARDUZZI | DIRECTOR OF OPERATIONS**

Laura received her degree in Hotel and Restaurant Management from the University of Wisconsin – Stout in 1989. She began her hotel career with The North Central Group, a hotel management and development company. She held various positions in her 20-year tenure with that company including the Vice President of Operations. In that role, she was responsible for a \$90 million highly reputable hotel portfolio of Hilton and Marriott brands, which received several brand awards. She joined Gorman & Company in 2009 and now is the Director of Operations.

She directly oversees the operations of Gorman & Company's management division as well as supervises several corporate functions including facilities, marketing, training, and compliance. She works closely with the third-party management companies ensuring Gorman & Company's standards are synonymous across all markets. Laura works closely with Development, Design and Construction in the development process to insure strong viability and long-term sustainability.



### **THOMAS PIACENTINE | FACILITIES MANAGER**

Upon Graduation from the Milwaukee School of Engineering, he worked in the electrical contracting field as a project manager for over 10 years, focusing on large construction, retail, housing, and low voltage projects. During that time, he also completed his Master's in Engineering Management from the Milwaukee School of Engineering. Moving into the General contracting field after that, he has worked as a project manager and Vice President on a wide variety of residential, office, and retail construction over a 20-year period throughout the United States. During that time, he was also active as the owner's representative on many of the projects. He joined Gorman as the Facilities Manager to bring a unique and diverse background of management, operations, and construction management to the property management division. Focusing on preventative maintenance projects, overall asset protection, and working with the design and construction teams to develop first-rate high-quality projects.



### **SONJA DROSTE | REGIONAL DIRECTOR OF PROPERTY MANAGEMENT**

Sonja Droste joined Gorman & Company in 1998 and leads the Wisconsin, IL, MS, and FL Multifamily Market. Responsible for the supervision of the total operations of individual apartment communities in her 3,500+ unit portfolio. She oversees all facets of property operations for the portfolio to achieve financial goals and ownership objectives while adhering to all Gorman & Company policies, all applicable laws, and ordinances, including Fair Housing and equal employment laws. Prior to joining Gorman & Company, Sonja was a regional manager for 12 years with a National Company. She brings a wealth of experience of affordable housing experience, market rate housing and Section 8 housing. She has served in roles as compliance supervisor, regional manager, and new development specialist.

### **KYLE CULOTTA | DIRECTOR OF ASSET MANAGEMENT**

Kyle joined Gorman & Company in 2018 as the Director of Asset Management. In his role he is responsible for developing and maintaining strategic asset management, financial management and risk management activities for the company's portfolio. In his role, he oversees portfolio performance, stakeholder reporting, and insurance administration. Working with external and internal partners, his responsibilities include multi-state oversight of third-party management companies, capital planning, and refinancing/disposition of assets.

Prior to joining Gorman, Mr. Culotta most recently worked with the Wisconsin Housing and Economic Development Authority where he was responsible for overseeing the Authority's Tax-Exempt Bond Portfolio. He has over 10 years of experience in asset management, valuation, development, acquisition/disposition and the aggregation and deployment of capital for high density multifamily, office, hotel, and retail properties. Mr. Culotta received his bachelor's degree in Economics as well as his MBA with an emphasis in Commercial Real Estate Finance from the University of Colorado's Leeds School of Business.



### **WENDY WEISKE | COMPLIANCE MANAGER**

Wendy Weiske is Gorman & Company's Compliance Manager and is responsible for the Compliance performance of all Affordable Housing in the company. She supervises a team of Compliance Specialists that ensure accuracy and provide reporting for all Federal, State and Local Housing Agencies as well as Compliance audits and investors reporting. She and all the Compliance Specialists hold numerous Compliance Certifications and Designations including COS®, COS-P®, HCCP®, TCS® and C3P®. Wendy has over 25-year experience in Compliance oversight working with companies and agencies nationwide to ensure ongoing file and reporting accuracy and quality.

Exhibit D – Financial Capacity

**GORMAN**  
**& COMPANY**

*Integrity. Innovation. Community.*

**The Landmark Wausau, LLC  
WHEDA Project No. 6582**

Financial Statements and  
Supplementary Information

December 31, 2022 and 2021

The following name is the independent auditor  
contact regarding the above project:

Tina Huisman, CPA, Partner  
Baker Tilly US, LLP  
P.O. Box 7398  
Madison, Wisconsin 53707-7398  
608 249 6622  
EIN: 39-0859910

# The Landmark Wausau, LLC

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## **Independent Auditors' Report**

To the Members of  
The Landmark Wausau, LLC

### **Opinion**

We have audited the financial statements of The Landmark Wausau, LLC (the Company), which comprise the balance sheets as of December 31, 2022 and 2021 and the related statements of operations, members' equity and cash flows for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2022 and 2021 and the results of its operations and its cash flows for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021 in accordance with accounting principles generally accepted in the United States of America (GAAP).

### **Basis for Opinion**

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Responsibilities of Management for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with GAAP and for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are available to be issued.

### **Auditors' Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings and certain internal control-related matters that we identified during the audit.

### **Supplementary Information**

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, as identified in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

*Baker Tilly US, LLP*

Madison, Wisconsin  
June 28, 2023

## The Landmark Wausau, LLC

### Balance Sheets

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Assets</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$ 98,965	\$ 97,698
Accounts receivable, tenant	23,469	2,196
Accounts receivable, related party	9,023	-
Prepaid expenses	2,908	7,650
Prepaid lease-up incentive management fee, related party	-	75,000
	<u>134,365</u>	<u>182,544</u>
Total current assets		
<b>Deposits Held In Trust</b>		
Tenant security deposits	<u>33,878</u>	<u>28,576</u>
<b>Restricted Cash</b>		
Rent up reserve	17,000	-
Construction cash	<u>275,004</u>	<u>5,801</u>
	<u>292,004</u>	<u>5,801</u>
Total restricted cash		
<b>Net Property and Equipment</b>		
	<u>22,575,819</u>	<u>8,839,797</u>
<b>Intangible Assets, Net of Accumulated Amortization</b>		
	<u>121,341</u>	<u>-</u>
Total assets	<u>\$ 23,157,407</u>	<u>\$ 9,056,718</u>

See notes to financial statements

# The Landmark Wausau, LLC

## Balance Sheets

December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
<b>Liabilities and Members' Equity</b>		
<b>Current Liabilities</b>		
Current maturities of long-term debt	\$ 11,876,203	\$ -
Accounts payable	7,135	9,163
Construction payables	138,627	16,207
Construction payables, related party	3,495,719	1,687,545
Accrued expenses	8,044	12,158
Accrued property taxes	72,338	71,850
Accrued interest	33,854	10,139
Accrued investor services fee	7,050	-
Due to related party	193,100	55,680
Prepaid tenant rents	52,541	2,977
	<u>15,884,611</u>	<u>1,865,719</u>
<b>Deposits Held in Trust</b>		
Tenant security deposits	33,236	18,304
	<u>33,236</u>	<u>18,304</u>
<b>Long-Term Liabilities</b>		
Long-term debt	3,541,639	3,802,633
Development fee payable	2,047,113	1,074,287
	<u>5,588,752</u>	<u>4,876,920</u>
Total long-term liabilities	<u>5,588,752</u>	<u>4,876,920</u>
Total liabilities	21,506,599	6,760,943
<b>Members' Equity</b>		
	<u>1,650,808</u>	<u>2,295,775</u>
Total liabilities and members' equity	<u>\$ 23,157,407</u>	<u>\$ 9,056,718</u>

See notes to financial statements



# The Landmark Wausau, LLC

## Statements of Operations

Year Ended December 31, 2022 and Period From July 30, 2021 Through December 31, 2021

	<u>2022</u>	<u>2021</u>
<b>Revenues</b>		
Net rental revenue	\$ 263,822	\$ 170,374
Other revenue	7,074	10,675
Total revenues	<u>270,896</u>	<u>181,049</u>
<b>Rental Expenses</b>		
General and administrative	247,224	62,446
Utilities	62,456	13,514
Operating and maintenance	210,191	58,425
Taxes and insurance	104,666	27,502
Total rental expenses	<u>624,537</u>	<u>161,887</u>
Net rental income (loss)	<u>(353,641)</u>	<u>19,162</u>
<b>Financial Income (Expense)</b>		
Interest expense	<u>(152,881)</u>	<u>-</u>
Income (loss) before other expenses	<u>(506,522)</u>	<u>19,162</u>
<b>Other Expenses</b>		
Depreciation	87,366	36,342
Investor services fee	7,050	-
Organizational costs	19,806	-
Total other expenses	<u>114,222</u>	<u>36,342</u>
Net loss	<u>\$ (620,744)</u>	<u>\$ (17,180)</u>

See notes to financial statements

# The Landmark Wausau, LLC

## Statements of Members' Equity

Year Ended December 31, 2022 and Period From July 30, 2021 Through December 31, 2021

	<u>Managing Member</u>	<u>State Credit Member</u>	<u>Investor Member</u>	<u>Total Members' Equity</u>
<b>Members' Equity</b>				
<b>Balances, July 30, 2021</b>	\$ -	\$ -	\$ -	\$ -
Net loss	(2)	-	(17,178)	(17,180)
Capital contributions	10	-	11,814,725	11,814,735
<b>December 31, 2021</b>	8	-	11,797,547	11,797,555
Net loss	(62)	(6,207)	(614,475)	(620,744)
Capital contributions	-	2,852,500	2,127,324	4,979,824
<b>Balances, December 31, 2022</b>	<u>\$ (54)</u>	<u>\$ 2,846,293</u>	<u>\$ 13,310,396</u>	<u>\$ 16,156,635</u>
<b>Subscription Receivable</b>				
<b>Balances, July 30, 2021</b>	\$ -	\$ -	\$ -	\$ -
Capital contributions	10	-	11,814,725	11,814,735
Subscription receipts	(10)	-	(2,362,945)	(2,362,955)
<b>December 31, 2021</b>	-	-	9,451,780	9,451,780
Capital contributions	-	2,852,500	2,127,324	4,979,824
Subscription receipts	-	(1,000)	-	(1,000)
<b>Balances, December 31, 2022</b>	<u>\$ -</u>	<u>\$ 2,851,500</u>	<u>\$ 11,579,104</u>	<u>14,430,604</u>
Less syndication costs				<u>(75,223)</u>
<b>Members' Equity</b>				<u>\$ 1,650,808</u>
<b>Percentage Interest, December 31, 2021</b>	<u>0.01 %</u>	<u>0.00 %</u>	<u>99.99 %</u>	<u>100.00 %</u>
<b>Percentage Interest, December 31, 2022</b>	<u>0.01 %</u>	<u>1.00 %</u>	<u>98.99 %</u>	<u>100.00 %</u>

See notes to financial statements

## The Landmark Wausau, LLC

### Statements of Cash Flows

Year Ended December 31, 2022 and Period From July 30, 2021 Through December 31, 2021

	<u>2022</u>	<u>2021</u>
<b>Cash Flows From Operating Activities</b>		
Cash received from tenants, agencies and other sources	\$ 448,562	\$ 241,762
General and administrative expenses paid	(169,246)	(123,394)
Utilities paid	(66,570)	(1,356)
Operating and maintenance expenses paid	(221,243)	(49,262)
Taxes and insurance paid	(132,532)	(13,909)
Interest paid	(163,020)	-
Organization costs paid	(19,806)	-
	<u>(323,855)</u>	<u>53,841</u>
Net cash flows from operating activities		
	<u>(323,855)</u>	<u>53,841</u>
<b>Cash Flows From Investing Activities</b>		
Capital expenditures	<u>(10,853,018)</u>	<u>(5,727,467)</u>
<b>Cash Flows From Financing Activities</b>		
Proceeds from issuance of debt	11,643,140	3,976,414
Cash paid for debt issuance costs	(27,931)	(173,781)
Cash paid for tax credit fees	(121,341)	-
Payment of development fee payable, related party	-	(309,887)
Subscription receipts	1,000	2,362,955
Cash paid for syndication costs	(25,223)	(50,000)
	<u>11,469,645</u>	<u>5,805,701</u>
Net cash flows from financing activities		
	<u>11,469,645</u>	<u>5,805,701</u>
Net change in cash, cash equivalents and restricted cash	292,772	132,075
<b>Cash, Cash Equivalents and Restricted Cash, Beginning</b>	<u>132,075</u>	<u>-</u>
<b>Cash, Cash Equivalents and Restricted Cash, Ending</b>	<u>\$ 424,847</u>	<u>\$ 132,075</u>

See notes to financial statements

# The Landmark Wausau, LLC

## Statements of Cash Flows

Year Ended December 31, 2022 and Period From July 30, 2021 Through December 31, 2021

	<u>2022</u>	<u>2021</u>
<b>Reconciliation of Net loss to Net Cash Flows from Operating Activities</b>		
Net loss	\$ (620,744)	\$ (17,180)
Adjustments to reconcile net loss to net cash flows from operating activities:		
Depreciation	87,366	36,342
Bad debt expense	2,977	14,052
Changes in noncash components of working capital:		
Accounts receivable, tenant	(24,250)	(16,248)
Accounts receivable, related party	(9,023)	-
Prepaid expenses	4,742	(7,650)
Prepaid lease-up incentive management fee, related party	75,000	(75,000)
Accounts payable	(2,028)	9,163
Accrued expenses	(4,114)	12,158
Accrued property taxes	(32,608)	21,243
Accrued interest	(10,139)	-
Accrued investor services fee	7,050	-
Due to related party	137,420	55,680
Prepaid tenant rents	49,564	2,977
Tenant security deposits	14,932	18,304
	<u>(323,855)</u>	<u>53,841</u>
Net cash flows from operating activities	<u>\$ (323,855)</u>	<u>\$ 53,841</u>
<b>Noncash Investing and Financing Activities</b>		
Development fee payable capitalized to property and equipment	<u>\$ 972,826</u>	<u>\$ 1,384,174</u>
Construction payable capitalized to property and equipment	<u>\$ 1,930,594</u>	<u>\$ 1,703,752</u>
Accrued interest capitalized to property and equipment	<u>\$ 33,854</u>	<u>\$ 10,139</u>
Accrued property taxes capitalized to property and equipment	<u>\$ 33,096</u>	<u>\$ 50,607</u>

See notes to financial statements

# The Landmark Wausau, LLC

Notes to Financial Statements  
December 31, 2022 and 2021

## 1. Summary of Significant Accounting Policies

### Nature of Operations

The Landmark Wausau, LLC (the Company) was organized on January 18, 2019, as a limited liability company formed under the Wisconsin Limited Liability Company Act, to acquire, rehabilitate and operate a 94-unit low income housing project known as The Landmark Wausau (the project), located in Wausau, Wisconsin. The rehabilitated building was placed in service on December 21, 2022. The project is regulated by the Wisconsin Housing and Economic Development Authority (WHEDA). The project qualifies for low-income housing tax credits pursuant to Section 42 of the Internal Revenue Code (IRC) and Section 234.45 of the Wisconsin Statutes.

The project also qualifies as a certified historic structure under Section 47(c)(1) of the IRC. The state and federal historic tax credits will be allocated among the members in accordance with their respective shares of the Company.

### Reporting Period

The accompanying financial statements are shown as of December 31, 2022 and 2021 and for the year ended December 31, 2022 and for the period from July 30, 2021 (investor member entry and asset acquisition date) through December 31, 2021.

### Cash and Cash Equivalents

The Company considers depository accounts, money market accounts and investments with a maturity at the date of acquisition and expected usage of three months or less to be cash and cash equivalents.

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the balance sheets that sum to the total of the same such amounts shown in the statements of cash flows:

	<u>2022</u>	<u>2021</u>
Cash and cash equivalents	\$ 98,965	\$ 97,698
Tenant security deposits (Note 2)	33,878	28,576
Rent up reserve (Note 3)	17,000	-
Construction cash (Note 3)	<u>275,004</u>	<u>5,801</u>
Total cash, cash equivalents and restricted cash	<u>\$ 424,847</u>	<u>\$ 132,075</u>

### Accounts Receivable

Accounts receivable have been adjusted for all known uncollectible accounts. No allowance for doubtful accounts is considered necessary as of December 31, 2022 and 2021. If amounts become uncollectible, they are charged to operations in the period in which that determination is made. Bad debt expense was \$2,977 and \$14,052 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively.

### Capitalized Interest, Insurance and Property Taxes

The Company capitalized interest, insurance and property taxes incurred during the construction period. Total capitalized interest, insurance and property taxes were \$67,729, \$13,182 and \$33,096, respectively, for the year ended December 31, 2022 and \$61,023, \$44,195 and \$11,830, respectively, for the period from July 30, 2021 through December 31, 2021.

## The Landmark Wausau, LLC

Notes to Financial Statements  
December 31, 2022 and 2021

### Property and Equipment

Property and equipment are being depreciated using the straight-line method over the following estimated useful lives:

	<u>Years</u>
Land improvements	15
Building and improvements	30
Furnishings and equipment	7

Property and equipment are stated at cost. Major expenditures for property and equipment are capitalized. Maintenance, repairs and minor renewals are expensed as incurred. When assets are retired or otherwise disposed of, their costs and related accumulated depreciation are removed from the accounts and resulting gains or losses are included in income or loss.

### Impairment of Long-Lived Assets

The Company reviews long-lived assets, including property and equipment and intangible assets, for impairment whenever events or changes in business circumstances indicate that the carrying amount of an asset may not be fully recoverable. An impairment loss would be recognized when the estimated future cash flows from the use of the asset are less than the carrying amount of that asset. To date, there have been no such losses.

### Intangible Assets

Intangible assets consist of tax credit fees of \$121,341 and \$0 as of December 31, 2022 and 2021, respectively, which have been capitalized and will be amortized using the straight-line method over the tax credit compliance period (15 years). Accumulated amortization of the tax credit fees was \$0 as of December 31, 2022 and 2021.

Amortization expense for years ending after December 31, 2022 is estimated as follows:

Years ending December 31:	
2023	\$ 8,089
2024	8,089
2025	8,089
2026	8,089
2027	8,089
2028 and thereafter	<u>80,896</u>
Total	<u>\$ 121,341</u>

### Debt Issuance Costs

Debt issuance costs consist of permanent financing fees of \$201,712 and \$173,781 as of December 31, 2022 and 2021, respectively. Upon establishment of permanent financing, the financing fees will be amortized using the effective interest method over the life of the related loan. As of December 31, 2022 and 2021, permanent financing has not occurred. Amortization expense related to debt issuance costs will be included in interest expense on the accompanying statements of operations. Unamortized debt issuance costs are shown net of long-term debt as described in Note 5.

# The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

## Leases

Effective January 1, 2022, the Company adopted Financial Accounting Standards Board (FASB) Accounting Standards Update (ASU) No. 2016-02, *Leases (Topic 842)*, and all related amendments using the modified retrospective approach. The Company's financial statements for the period from July 30, 2021 through December 31, 2021 continue to be accounted for under the FASB's Topic 840 and have not been adjusted.

Under ASU No. 2016-02, leases in which the Company is the lessor are classified as sales-type, direct-financing leases or operating leases.

The application of Topic 842 did not have a material effect on the Company's accounting for leases as the lessor.

The new standard provides for several optional practical expedients. Upon transition to Topic 842, the Company elected:

- The package of practical expedients permitted under the transition guidance which does not require the Company to reassess prior conclusions regarding whether contracts are or contain a lease, lease classification and initial direct lease costs.
- The Company has elected the policy not to separate lease and nonlease components for all asset classes in which the nonlease components would otherwise be accounted for under ASC 606 and both of the following criteria are met: (1) the timing and pattern of transfer for the lease component and nonlease components are the same, and (2) the lease component, if accounted for separately, would be classified as an operating lease. As a result, rental income as well as tenant reimbursements of operating expenses such as utilities, repairs and maintenance and common area expenses, are accounted for as lease revenue under ASC 842.

Additional required disclosures for Topic 842 are contained in Note 8.

## Revenue Recognition

The rental property is generally leased to tenants under one year noncancellable rental leases. Rental revenue is recognized on a straight-line basis over the terms of the leases.

## Advertising

Advertising costs are charged to operations when incurred. Advertising expenses were \$15,557 and \$2,882 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively.

## Income Taxes

The Company is a limited liability company treated as a partnership for federal and state income tax purposes. As such, the Company's income, losses and credits are included in the income tax returns of its members. Accordingly, no provision or benefit has been made for income taxes in the accompanying financial statements. While the Company is not taxed for federal or state income tax purposes, the Company's policy is to evaluate and review its tax positions on an ongoing basis to ensure compliance with the applicable portions of the IRC and the respective state laws and regulations.

# The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

## Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

## Subsequent Events

The Company has evaluated subsequent events occurring through June 28, 2023, the date that the financial statements were available to be issued, for events requiring recording or disclosure in the Company's financial statements. No events requiring recording or disclosure were noted.

## 2. Tenant Security Deposits

The tenant security deposits are maintained in an interest bearing savings account separate from the operating account of the project. Withdrawals are restricted to reimbursements of tenants' security deposits.

## 3. Restricted Cash

### Operating Reserve

The Company is required to fund an operating reserve in order to fund operating deficits incurred by the Company. As defined in the operating agreement, an initial deposit of \$349,389 shall be funded into a segregated bank account upon receipt of the third installment of the investor member's capital contribution. Any payments not made when due shall bear interest at an annual rate of 2% over the prime rate. The managing member shall be entitled to withdraw funds from the company operating reserve, any amounts requested by the managing members in excess of \$10,000 shall be approved by the investor member. Pursuant to the operating deficit reserve and security agreement, the Company shall notify WHEDA of any operating deficit and shall be accompanied by a written request for WHEDA to release the amount of the operating deficit from the reserve. The unused portion of the reserve will remain in place until the maturity date of the Subordinated Loan. Beginning in the thirteenth year, an amount equal to one-third of the balance shall be disbursed annually to the managing member subject to available cash flow, as described in Note 11. Upon disposition of the Company or the investor member's interest, all unused funds will be released to the Company to pay the investor member's exit taxes and then be distributed to the members. As of December 31, 2022 and 2021, the third equity installment was not received and the operating reserve had not been funded.

### Reserve for Replacement

The Company is required to fund a replacement reserve to fund major repairs, capital expenditures and replacement of capital items of the Company. Commencing upon the later of completion of construction or qualified occupancy, but no later than one year following delivery of 100% of the certificates of occupancy, the Company shall deposit \$300 per unit per year into a segregated account. This amount shall be increased 3% per year. During the period of the operating deficit guaranty described in Note 7, if the Company is unable to make the required deposits, the managing member is required to make these deposits. Pursuant to the replacement reserve and security agreement, the Company shall submit a written request to WHEDA to release the amount of the replacement project from the reserve. Any amounts withdrawn in excess of \$5,000 on an aggregate annual basis requires approval of the investor member. As of December 31, 2022 and 2021, the construction completion and qualified occupancy have not occurred and the replacement reserve has not been funded.



# The Landmark Wausau, LLC

Notes to Financial Statements  
December 31, 2022 and 2021

## Rent-Up Reserve

The Company is required to fund a rent-up reserve for initial rent-up and marketing expenses. As defined in the operating agreement, an initial deposit of \$75,000 shall be funded into a segregated bank account upon receipt of the second installment of the investor member's capital contribution. Any payments not made when due shall bear interest at an annual rate of 2% over the prime rate. The managing member shall be entitled to make withdrawals to fund operating deficits during the initial rent-up period, any amounts requested shall be approved by WHEDA pursuant to the loan agreement. Upon achievement of underwritten operations, any remaining funds up to \$20,000 will be used pursuant to the terms of the WHEDA subordinate loan and the remaining balance shall be used to pay any deferred development fee and then distributed in accordance with cash flow, as described in Note 11. The rent-up reserve balance was \$17,000 and \$0 as of December 31, 2022 and 2021, respectively.

## Construction Cash

The Company had construction cash of \$275,004 and \$5,801 as of December 31, 2022 and 2021, respectively, which is to be used to pay expenses resulting from construction.

## 4. Property and Equipment

The change in the major categories of property and equipment for the year ended December 31, 2022 is summarized as follows:

Assets	Cost			Balance 12/31/2022
	Balance 1/1/2022	Additions	Reductions	
Land	\$ 890,000	\$ 9,342	\$ -	\$ 899,342
Land improvements	-	4,389	-	4,389
Buildings and improvements	2,610,000	19,011,250	-	21,621,250
Furnishings and equipment	2,567	171,979	-	174,546
Construction in progress	5,373,572	-	5,373,572	-
Total	<u>\$ 8,876,139</u>	<u>\$ 19,196,960</u>	<u>\$ 5,373,572</u>	<u>\$ 22,699,527</u>

Assets	Accumulated Depreciation			Balance 12/31/2022
	Balance 1/1/2022	Additions	Reductions	
Buildings and improvements	\$ 36,250	\$ 87,000	\$ -	\$ 123,250
Furnishings and equipment	92	366	-	458
Total	<u>\$ 36,342</u>	<u>\$ 87,366</u>	<u>\$ -</u>	<u>\$ 123,708</u>
Net property and equipment	<u>\$ 8,839,797</u>			<u>\$ 22,575,819</u>

## The Landmark Wausau, LLC

Notes to Financial Statements  
December 31, 2022 and 2021

### 5. Long-Term Debt

Long-term debt consists of the following at December 31:

	<u>2022</u>	<u>2021</u>
Construction loan payable to WHEDA, dated July 30, 2021 with a maximum amount of \$10,250,000. The note bears interest at a fixed rate of 1.5%. Monthly installments of interest are payable the first day of each month commencing August 1, 2021. The note matures October 1, 2023, at which time all remaining principal and interest shall be due. The note is secured by a mortgage on the rental property and is guaranteed by an affiliate of the managing member.	\$ 10,250,000	\$ 1,376,414
Note payable to WHEDA, dated July 30, 2021 in the original principal amount of \$2,600,000. The note bears interest at a fixed rate of 3.93%. Monthly installments of interest are payable the first day of each month commencing August 1, 2021. Monthly installments of principal and interest in an amount sufficient to fully amortize the outstanding principal balance of the note are payable commencing November 1, 2023. The note matures October 1, 2058, at which time all remaining principal and interest shall be due. If the loan is prepaid at any time prior to the conversion date, a prepayment penalty is due. The note is secured by a mortgage on the rental property and is guaranteed by an affiliate of the managing member.	2,600,000	2,600,000
Note payable to WHEDA (Subordinate Loan), dated July 30, 2021 in the original principal amount of \$249,137. The note bears simple interest at a fixed rate of 3%. Monthly installments of interest are payable the first day of each month commencing October 1, 2022. Annual installments of principal and interest in an amount sufficient to fully amortize the outstanding principal balance of the note are payable commencing January 1, 2024, subject to cash flow as described in Note 11. The note matures October 1, 2040, at which time all remaining principal and interest shall be due. The note is secured by a mortgage on the rental property.	249,137	-
Note payable to Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (LSS), an affiliate of the managing member, dated July 30, 2021 in the original principal amount of \$900,000. The note is non-interest bearing. The note matures July 31, 2061, at which time all principal shall be due. The note is secured by a mortgage on the rental property.	900,000	-

## The Landmark Wausau, LLC

Notes to Financial Statements  
December 31, 2022 and 2021

	<u>2022</u>	<u>2021</u>
Note payable to Cinnaire Lending Corporation dated October 27, 2022 in the maximum principal amount of \$2,852,500. The note bears interest at a fixed rate of 5.5%. Quarterly installments of interest are payable commencing January 1, 2023. The note matures October 27, 2023, at which time all remaining principal and interest shall be due.	\$ 1,620,417	\$ -
Total long-term debt	15,619,554	\$ 3,976,414
Less unamortized debt issuance costs	(201,712)	(173,781)
Less current portion	<u>(11,876,203)</u>	<u>-</u>
Long-term portion	<u>\$ 3,541,639</u>	<u>\$ 3,802,633</u>

Principal requirements on long-term debt for years ending after December 31, 2022 are as follows:

Years ending December 31:	
2023	\$ 11,876,203
2024	35,521
2025	36,943
2026	38,421
2027	39,959
2028 and thereafter	<u>3,894,195</u>
Total	<u>\$ 15,619,554</u>

The Company entered into an agreement for a note payable to the Community Development Authority of the City of Wausau (CDA Loan), dated July 30, 2021 in the original principal amount of \$900,000. The note is expected to bear simple interest at a fixed rate of 3%. Annual payments of interest are expected to be payable commencing June 1, 2024, subject to cash flow as described in Note 11. The note is expected to mature July 30, 2039, at which time all remaining principal and interest shall be due. The note is secured by a mortgage on the rental property. As of December 31, 2022, the loan has not been funded.

The Company entered into an agreement for a note payable to the City of Wausau (City Loan), dated July 30, 2021 in the original principal amount of \$550,000. The note is expected to bear simple interest at a fixed rate of 2%. Annual payments of interest are expected to be payable commencing June 1, 2024, subject to cash flow as described in Note 11. The note is expected to mature July 30, 2039, at which time all remaining principal and interest shall be due. The note is secured by a mortgage on the rental property. As of December 31, 2022, the loan has not been funded.

The Company entered into an agreement for a note payable to LSS, dated July 30, 2021 in the original principal amount of \$350,000. The note is expected to bear interest at a fixed rate of 2%. No payments are expected to be required until July 31, 2061, the note's expected maturity date. The note is secured by a mortgage on the rental property. As of December 31, 2022, the loan has not been funded.

The Company entered into an agreement for a note payable to Landmark Wausau MT, LLC, dated October 27, 2022 in the original principal amount of \$1,000,000. The note is expected to bear interest at a fixed rate of 3.43% compounding annually. No payments are expected to be required until October 31, 2062, the note's expected maturity date. The note is secured by a mortgage on the rental property. As of December 31, 2022, the loan has not been funded.

## The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

### 6. Management Fees

The Company entered into a management agreement with Gorman Property Management USA, LLC (the Manager), an affiliate of the managing member. The agreement requires that a management fee of 6% of gross receipts or \$3,600, whichever is greater, be payable on a monthly basis to the Manager. Management fees incurred under this agreement were \$43,200 and \$14,400 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively. Accrued management fees payable to the Manager were \$0 as of December 31, 2022 and 2021.

In addition to monthly management fees, a one-time lease-up incentive fee in the amount of \$75,000 shall be payable to the Manager for lease-up of the property. Lease-up incentive fees were \$75,000 and \$0 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively. Prepaid lease-up incentive management fees were \$0 and \$75,000 as of December 31, 2022 and 2021, respectively.

In the event that the Manager is engaged for supervision of fire restoration, casualty loss or other major insurance loss repairs, a fee of 10% of the total restoration cost shall be paid to the Manager. There were no supervision fees earned for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021.

### 7. Related-Party Transactions

#### Long-Term Debt

The Company has entered into agreements for notes payable to an affiliate of the the managing member as discussed in Note 5.

#### Management Fees

An affiliate of the the managing member manages the Company's rental property. Management fees were incurred as discussed in Note 6.

#### Master Lease

The Company entered into a master lease agreement with an affiliate of the managing member as discussed in Note 8.

#### Development Fee

Pursuant to the development services agreement, the Company shall pay a development fee totaling \$2,357,000 to the developer, Gorman & Company, LLC (Gorman), an affiliate of the managing member. The development fee shall be earned and paid according to the schedules provided in the development agreement. Any deferred development fee shall be payable from available cash flow, as defined in Note 11. The deferred development fee shall not bear interest and is due on the 14th anniversary of the construction completion date. As of December 31, 2022 and 2021, development fees incurred were \$2,357,000 and \$1,384,174, respectively, all of which have been capitalized. Development fees payable to Gorman were \$2,047,113 and \$1,074,287 as of December 31, 2022 and 2021, respectively.

# The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

## **Operating Deficit Guaranty**

Pursuant to the operating agreement, the managing member is obligated to fund operating deficits of up to \$339,994 in excess of funds available from the operating reserve. Funds advanced under this operating deficit guaranty shall be in the form of a non-interest bearing loan, which is payable from available cash flow, as defined in Note 11. The managing member's obligation to fund operating deficits under this operating deficit guaranty shall expire five years from the date the project achieves 93% economic occupancy, the Company has a minimum 1.15 debt service coverage ratio for a period of 12 consecutive months and no default exists in any of the loan documents. No operating deficit loans have been made as of December 31, 2022 and 2021.

## **Incentive Management Fee**

Pursuant to the incentive management fee agreement, the Company is obligated to pay an annual, noncumulative incentive management fee to the managing member for their services in maximizing the efficiency of operations. The incentive management fee shall be 90% of available cash flow as described in Note 11. No incentive management fees were incurred for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021.

## **Investor Services Fee**

Pursuant to the investor services agreement, the Company is obligated to pay an annual investor services fee to the investor member in the amount of \$7,050 beginning in 2022 and increasing 3% annually thereafter. The fee shall be payable only to the extent of available cash flow and unpaid fees accrue without interest until there is sufficient cash flow. Investor services fees incurred were \$7,050 and \$0 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively. Accrued investor services fees were \$7,050 and \$0 as of December 31, 2022 and 2021, respectively.

## **Reimbursable Expenses**

The Company is obligated to reimburse Gorman for expenses that are paid on the Company's behalf by Gorman. The reimbursable expenses include maintenance expenses, payroll and insurance and total approximately \$241,000 and \$60,000 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively. As of December 31, 2022, the Company had overpaid Gorman \$9,023.

## **Construction Contract**

The Company entered into a construction contract agreement with an affiliate of the managing member, dated July 19, 2021, in the amount of \$15,717,585, including change orders, for construction services in connection with the project. Construction in the amount of \$15,717,585 and \$3,017,723 has been completed as of December 31, 2022 and 2021, respectively. The Company had construction payables, including retainage, of \$3,495,719 and \$1,687,545 as of December 31, 2022 and 2021, respectively.

## **Architect Agreement**

The Company entered into an architect agreement with an affiliate of the managing member, dated July 19, 2021, in the amount of \$311,245, including change orders, for architect services in connection with the project. Services in the amount of \$311,245 and \$296,245 have been completed as of December 31, 2022 and 2021, respectively.

## The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

### 8. Master Lease

The Company entered into a master lease agreement with the Landmark Wausau MT, LLC (the Master Tenant), an affiliate of the managing member, to lease the project's commercial spaces. The lease, which expires on July 30, 2036, is deemed an operating lease under U.S. GAAP. The lease requires that base rent of \$1 be payable on a monthly basis to the Company. Additionally, the lease requires all insurance premiums, operating charges, maintenance charges, capital expenditures, construction costs and rental equipment be payable on a monthly basis to the Company as additional rent.

Lease revenue totaled \$12 and \$5 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021, respectively.

The Company collected rents on Master Tenants behalf totaling \$193,100 and \$55,680 for the year ended December 31, 2022 and for the period from July 30, 2021 through December 31, 2021. The total amount due to Master Tenant on demand was \$193,100 and \$55,680 as of December 31, 2022 and 2021, respectively and is recorded as due to related party on the balance sheets.

### 9. Concentrations, Commitments and Contingencies

#### Land Use Restriction

The Company has signed land use restriction agreements with the WHEDA as a condition to receiving an allocation of low-income housing tax credits, Wisconsin low-income housing tax credits and financing sourced from tax-exempt bonds. Under these agreements, the Company must continuously comply with Section 42 and other applicable sections of the IRC. The agreements place occupancy restrictions on rents and the minimum percent of units which shall be occupied by individuals or families whose income meets the requirements set under IRC Section 42. If the Company fails to comply with these agreements or with the IRC, it may be ineligible for low-income housing tax credits and the partners may be required to recapture a portion of the tax credits previously claimed on their income tax returns.

#### Loan Restrictions

The Company entered into an agreement with the City of Wausau (the City) to receive funds provided to the City through the federal Home Investment Partnerships Program (HOME program). As part of the agreement, the Company will designate eleven units at the project as HOME-assisted units. Proceeds furnished to the Company from the City shall be used for the purpose of assisting low-income persons and families in obtaining affordable homeownership opportunities. Under this agreement, housing provided through HOME program funding assistance must be secured for low-income households for a period of 15 years. If the Company fails to comply with this agreement, it will be required to repay all of the funds previously provided.

The Company entered into an agreement with LSS to receive funds provided to LSS through the federal AHP program. Under this agreement, housing provided through AHP program funding assistance must be secured for low-income households for a period of 15 years. If the Company fails to comply with this agreement, it will be required to repay all of the funds previously provided.

#### Cash Concentration

The Company maintains its cash accounts in a federally insured institution where the maximum insurable amount of customers' deposits is \$250,000. At certain times during the year, the account balances may exceed the federally insured limit. The Company has not incurred any losses in these accounts and management has determined that the risk of loss is minimal.

# The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

## Operating Environment

The Company's operations are concentrated in the multifamily real estate market. In addition, the Company operates in a heavily regulated environment. The operations of the Company are subject to the administrative directives, rules and regulations of federal, state and local regulatory agencies. Such administrative directives, rules and regulations are subject to change by any of these authorities. Such changes may occur with little notice or inadequate funding to pay for the related cost, including the additional administrative burden, to comply with a change.

## Buyout Option

Commencing the expiration date of the 10 year tax credit compliance period, the managing member shall have the right and option to purchase the interest of the investor member for a purchase price equal to fair market value. As of the effective date of the closing, the investor member shall have no further interest in the Company.

## Put Option

Commencing the expiration date of the 10 year tax credit compliance period, the investor member shall have the right and option to require the managing member to purchase the interest of the investor member for a purchase price of \$100 plus all amounts then due and owing to the investor member. As of the effective date of the closing, the investor member shall have no further interest in the Company.

## 10. Members

As of December 31, 2021, the managing member was The Landmark Wausau MM, LLC and the investor member was Cinnaire Fund for Housing Limited Partnership 36 with interests in the Company of 0.01% and 99.99%, respectively.

As of December 31, 2022, the managing member is The Landmark Wausau MM, LLC, the state credit member is EHCP Wisconsin Fund IV, LLC, and the investor member is Cinnaire Fund for Housing Limited Partnership 36 with interests in the Company of 0.01%, 1.00% and 98.99%, respectively.

## 11. Company Profits, Losses and Distributions

All profits and losses are allocated to the managing member, state credit member and investor member at 0.01%, 1.00% and 98.99%, respectively.

Net operating cash flow as defined in the operating agreement is to be distributed as follows:

1. To pay the investor services fee;
2. To WHEDA for the annual payment of the Subordinate Loan;
3. To developer in the amount of any unpaid development fee payable;
4. 50% of the balance, if any, to make payment on the Subordinate Loan until fully repaid;
5. To the investor member in the amount equal to any unpaid loans or any other payments due to the investor member;
6. To the state credit member in the amount any outstanding special tax distribution and any accrued special tax distributions;

## The Landmark Wausau, LLC

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Notes to Financial Statements  
December 31, 2022 and 2021

7. To the managing member for any outstanding operating deficit loans or any other loans made by the manager with the approval of the investor member;
8. To pay accrued interest on the CDA Loan;
9. To pay accrued interest on the City Loan;
10. Prior to January 1 of the first calendar year after the historic tax credit compliance period ends, the remaining balance to be distributed to the managing member, state credit member, and investor member of .01%, 1.0% and 99.99%, respectively; and
11. After January 1 of the first calendar year after the historic tax credit compliance period ends, 89% of the balance, if any, to the managing member as a non-cumulative incentive management fee and the remaining balance to be distributed to the state credit member and investor member of 1.00% and 10.00%, respectively.

Gains or losses from a sale, exchange or other disposition of the property owned by the Company is allocable per the operating agreement.



## The Landmark Wausau, LLC

Supplementary Information  
December 31, 2022 and 2021

### Delinquent Tenants' Accounts Receivable

	<u>Number of Tenants</u>	<u>Amounts Past Due</u>
Delinquent 1 - 30 days	23	\$ 22,208
Delinquent 31 - 60 days	3	1,007
Delinquent 61 - 90 days	2	174
Delinquent over 90 days	2	80
	<u>30</u>	<u>\$ 23,469</u>

### Computation of Surplus Cash

#### Current Assets

Cash and cash equivalents		\$ 98,965
MEMO, tenant security deposits	33,878	<u>          </u>
Total current assets		<u>98,965</u>

#### Current Liabilities

Accounts payable (due within 30 days only)		7,135
Mortgage interest payable		33,854
Prepaid tenant rents		52,541
Accrued expenses		8,044
Accrued property taxes		72,338
MEMO, tenant security deposits	33,236	<u>          </u>
Total current obligations		<u>159,642</u>
Surplus cash at December 31, 2022		<u>\$ (60,677)</u>



# BALANCE SHEET

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

6582 The Landmark Wausau, LLC

Date of Statement: 12/31/2022

	Account	Description of Account	Amount	Comment
<b>1100 CURRENT ASSETS</b>	1120.01	Cash - Operations	\$ 98,965	
	1121.01	Construction Cash Account	\$ 275,004	
	1125.11	Cash - Entity	\$	
	1130.01	Tenant Accounts Receivable	\$ 23,469	
	1130.02	Allowance for Doubtful Accounts (enter a negative amount)	\$	
	1140.01	Accounts and Notes Receivable-Operations	\$	
	1140.91	Accounts Receivable-WHEDA	\$	
	1145.01	Accounts and Notes Receivable-Entity	\$ 9,023	
	1160.01	Accounts Receivable-Interest	\$	
	1160.11	Interest Reduction Payment Receivable	\$	
	1170.11	Short Term Investments- Operations	\$	
	1170.21	Short Term Investments-Entity	\$	
	1190.01	Misc Current Assets	\$	
	1191.01	Tenant Security Deposits	\$ 33,878	
	<b>1100</b>	<b>Total Current Assets</b>	<b>\$ 440,339</b>	
<b>1200 PREPAID EXPENSES</b>	1210.01	Misc Prepaid Expenses	\$ 2,908	*
	<b>1200</b>	<b>Total Prepaid Expenses</b>	<b>\$ 2,908</b>	
<b>1300 FUNDED RESERVES</b>	1310.01	Escrow Deposits	\$	
	1310.21	Insurance Escrow	\$	
	1310.22	Real Estate Tax or PILOT Escrow	\$	
	1320.01	Reserve for Replacements	\$	
	1330.01	Other Reserve	\$ 17,000	Rent-up Reserve
	1340.01	Residual Receipts Reserve	\$	
	1360.01	Development Cost Escrow	\$	
	1360.41	FHA Insurance Reserve	\$	
	1380.01	Management Improvement and Operating Plan	\$	
	<b>1300</b>	<b>Total Funded Reserves</b>	<b>\$ 17,000</b>	
<b>1400 FIXED ASSETS</b>	1410.01	Land	\$ 903,731	
	1420.01	Building	\$ 21,591,609	
	1440.01	Building Equipment (portable)	\$	
	1450.01	Furnishings	\$ 174,546	
	1450.31	Furniture for Project/Tenant Use	\$	
	1450.91	Office Furniture and Equipment	\$	
	1470.01	Maintenance Equipment	\$	
	1480.01	Motor Vehicles	\$	
	1490.01	Misc Fixed Assets	\$	
	1490.11	Accumulated Depreciation (enter a negative amount)	\$ (123,708)	
	<b>1400</b>	<b>Total Fixed Assets</b>	<b>\$ 22,546,178</b>	
<b>1500 INVESTMENTS</b>	1510.01	Investments-Operations	\$	
	1515.01	Investments-Entity	\$	
	1530.01	Intangible Assets	\$ 121,341	Tax Credit Fees
	<b>1500</b>	<b>Total Investment Long-term</b>	<b>\$ 121,341</b>	
<b>1900 MISC ASSETS</b>	1910.01	Misc Other Assets	\$	
	<b>1900</b>	<b>Total Other Assets</b>	<b>\$ -</b>	
		<b>TOTAL ASSETS</b>	<b>\$ 23,127,766</b>	



# BALANCE SHEET

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

**6582 The Landmark Wausau, LLC**

**Date of Statement: 12/31/2022**

	Account	Description of Account	Amount	Comment
<b>2100 CURRENT LIABILITIES</b>	2105.01	Bank Overdraft-Operations	\$	
	2110.01	Accounts Payable-Operations	\$ 15,179	
	2110.11	Accounts Payable-Construction/Development	\$ 3,555,774	
	2110.91	Accounts Payable-30 Days	\$	
	2112.01	Accounts Payable-Project Improvements Items	\$	
	2113.01	Accounts Payable-Entity	\$ 200,150	**
	2115.11	Accounts Payable-236 Excess Income Due HUD	\$	
	2115.21	Accounts Payable-WHEDA/HUD	\$	
	2120.01	Accrued Wages Payable	\$	
	2120.11	Accrued Payroll Taxes Payable	\$	
	2120.31	Accrued Management Fee Payable	\$	
	2130.01	Accrued Interest Payable-First Mortgage	\$ 8,515	
	2130.31	Accrued Interest Payable-Second Mortgage	\$	
	2130.41	Accrued Interest Payable-Section 236	\$	
	2131.11	Accrued Interest Payable-Other Loans (Surp Cash)	\$	
	2131.12	Accrued Interest Payable-Other Loans and Notes	\$ 13,425	
	2131.21	Accrued Interest Payable-Flexible Subsidy Loan	\$	
	2131.31	Accrued Interest Payable-Capital Improvement Loan	\$	
	2131.32	Accrued Interest Payable-Operating Loss Loan	\$	
	2150.11	Accrued Real Estate & Property Tax Payable	\$ 72,338	
	2160.01	Short Term Notes Payable	\$	
	2160.31	Other Loans and Notes Payable, Surplus Cash ST	\$	
	2160.32	Other Loans and Notes (Short Term)	\$ 1,620,417	
	2160.41	Flexible Subsidy Loan Payable (Short Term)	\$	
	2160.51	Capital Improvement Loan Payable (Short Term)	\$ 10,250,000	
	2160.52	Operating Loss Loan Payable (Short Term)	\$	
	2170.11	Mortgage Payable-First Mortgage (Short Term)	\$ 5,786	
	2170.31	Mortgage Payable-Second Mortgage (Short Term)	\$	
	2180.01	Utility Allowances	\$	
	2190.01	Misc Current Liabilities/Preservation Fee	\$	
2191.01	Tenant Security Deposits	\$ 33,236		
2210.01	Prepaid Revenue	\$ 52,541		
	<b>2100</b>	<b>Current Liabilities</b>	<b>\$ 15,827,361</b>	
<b>2300 LONG-TERM LIABILITIES</b>	2310.01	Notes Payable-Long Term	\$	
	2310.31	Notes Payable-Surplus Cash	\$	
	2310.32	Other Loans and Notes Payable	\$	
	2310.33	Other Loans and Notes Payable-Surplus Cash	\$ 1,149,137	
	2310.41	Flexible Subsidy Loan Payable	\$	
	2310.51	Capital Improvement Loan Payable	\$	
	2310.52	Operating Loss Loan Payable	\$	
	2320.11	Mortgage Payable-First Mortgage	\$ 2,392,502	
	2320.31	Mortgage Payable-Second Mortgage	\$	
	2390.01	Misc Long Term Liabilities	\$ 2,047,113	Accrued Developer Fee
		<b>2300</b>	<b>Long-Term Liabilities</b>	<b>\$ 5,588,752</b>
		<b>TOTAL LIABILITIES</b>	<b>\$ 21,416,113</b>	
	3110.11	Total Equity/Retained Earnings	\$ 1,711,653	
		<b>TOTAL EQUITY</b>	<b>\$ 1,711,653</b>	
		<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>\$ 23,127,766</b>	
		<i>Balance Sheet in balance?</i>	YES	

**Additional Comments:**

\* Prepaid expenses - \$2,673; Prepaid insurance - \$235  
 \*\* Due to related party - \$193,100; Accrued investor services fee - \$7,050



# PROFIT & LOSS STATEMENT

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

**6582 The Landmark Wausau, LLC**

**Statement Period:**

**01/01/2022 - 12/31/2022**

	Account	Description of Account	Amount	Comment	
<b>5100 RENT REVENUE</b>	5120.11	Rent Revenue-Gross Potential	\$ 471,026		
	5120.21	Tenant Assistance Payments	\$ 17,138		
	5140.01	Rent Revenue - Commercial/Stores @ 100%	\$ 12		
	5170.01	Rent Revenue-Garage/Parking @ 100%	\$ -		
	5180.01	Flexible Subsidy Revenue	\$ -		
	5190.01	Misc Rent Revenue	\$ -		
	5190.11	Excess Rent	\$ -		
	5190.12	Rent Revenue/Insurance	\$ -		
	5190.13	Special Claims Revenue	\$ -		
	5190.14	Retained Excess Income	\$ -		
	<b>5100</b>	<b>Rent Revenue</b>	<b>\$ 488,176</b>		
	<b>5200 VACANCY</b>	5220.01	Apartment Vacancies (enter a negative amount)	\$ (148,910)	
		5240.01	Stores/Commercial Vacancies or Concessions (enter a negative amount)	\$ -	
		5250.01	Rental Concessions (enter a negative amount)	\$ (75,444)	
5270.01		Garage/Parking Vacancies or Concessions (enter a negative amount)	\$ -		
5290.01		Miscellaneous Vacancies (enter a negative amount)	\$ -		
<b>5200</b>		<b>Vacancies</b>	<b>\$ (224,354)</b>		
<b>5300 ELDERLY SERVICE REVENUE</b>	5310.14	Priv Pay Room / Board	\$ -		
	5310.24	Medicare Room / Board	\$ -		
	5310.34	Medicaid Room / Board	\$ -		
	5310.44	VA Room / Board	\$ -		
	5320.34	Food	\$ -		
	5320.51	Housekeeping	\$ -		
	5320.71	Laundry / Linen	\$ -		
	<b>5300</b>	<b>Elderly Service Revenue</b>	<b>\$ -</b>		
<b>5400 FINANCIAL REVENUE</b>	5410.01	Financial Revenue-Project Operations	\$ -		
	5430.01	Revenue from Investments-Residual Receipts	\$ -		
	5440.01	Revenue from Investments-Replacement Reserve	\$ -		
	5490.01	Revenue from Investments-Miscellaneous	\$ -		
	<b>5400</b>	<b>Financial Revenue</b>	<b>\$ -</b>		
<b>5900 OTHER REVENUE</b>	5910.01	Laundry/Vending Income (Net)	\$ 4,075		
	5920.01	Tenant Charges	\$ 2,999		
	5990.01	Miscellaneous Revenue	\$ -		
	<b>5900</b>	<b>Other Revenue</b>	<b>\$ 7,074</b>		
		<b>TOTAL REVENUE</b>	<b>\$ 270,896</b>		
<b>6200-6300 RENT/ADMIN EXPENSES</b>	6210.01	Advertising/Marketing Expense	\$ 13,351		
	6250.01	Other Rent Expense	\$ 3,409		
	6310.01	Office Salaries	\$ 43,280		
	6311.01	Office Expenses	\$ 13,878		
	6311.21	Office or Model Apartment Rent	\$ -		
	6320.01	Management Fees All	\$ 43,200		
	6330.11	Manager/Superintendent Salaries	\$ 31,832		
	6330.21	Administrative Rent-Free Unit	\$ 2,843		
	6340.01	Legal Expense-Project Only	\$ 2,001		
	6350.01	Audit Expense - Project Only	\$ -		
	6351.01	Bookkeeping Fees/Accounting Services	\$ 9,002		
	6370.01	Bad Debt Expense	\$ 2,977		
	6390.01	Misc Administrative Expenses	\$ 79,245 *		
	<b>6200</b>	<b>Administrative Expense</b>	<b>\$ 245,018</b>		
<b>6400 UTILITY EXPENSE</b>	6420.01	Fuel Oil	\$ -		
	6450.11	Electricity	\$ 22,107		
	6450.21	Gas	\$ 31,484		
	6450.32	Water	\$ 3,184		
	6450.33	Sewer	\$ 5,681		
	<b>6400</b>	<b>Utility Expense</b>	<b>\$ 62,456</b>		
<b>6500 OPERATING &amp; MAINTENANCE EXPENSE</b>	6510.01	Payroll	\$ 97,791		
	6510.31	Operating and Maintenance Rent Free Unit	\$ -		
	6515.01	Supplies	\$ 4,294		
	6520.01	Contracts	\$ 89,022		
	6525.01	Garbage & Trash Removal	\$ 8,171		
	6530.11	Security Payroll/Contract (incl taxes and benefits)	\$ -		
	6530.21	Security Rent Free Unit	\$ -		
	6540.11	Heating/Cooling Repairs & Maintenance	\$ -		
	6540.21	Snow Removal	\$ 410		
	6570.01	Vehicle/Maintenance Equipment Operation & Repairs	\$ 194		
	6580.01	RR releases to reimburse expensed items (enter a negative amount) (MEMO ONLY)	\$ -		
	6590.01	Misc Operating & Maintenance Expense	\$ 10,309 **		
	<b>6500</b>	<b>Operating and Maintenance Expense</b>	<b>\$ 210,191</b>		



# PROFIT & LOSS STATEMENT

STANDARDIZED FINANCIALS TEMPLATE (Rev. 2022.10.01)

6582 The Landmark Wausau, LLC

Statement Period:

01/01/2022 - 12/31/2022

	Account	Description of Account	Amount	Comment
6700 TAXES AND INSURANCE	6710.01	Real Estate & Personal Property Taxes	\$ (16,552)	
	6711.01	Payroll Taxes - Project Share	\$ -	
	6720.01	Property & Liability Insurance (Hazard)	\$ 22,785	
	6723.01	Health Insurance and Other Employee Benefits	\$ 29,353	
	6723.11	Fidelity Bond Insurance	\$ -	
	6723.21	Workmens Compensation	\$ 1,349	
	6790.01	Misc Taxes, Licenses, Permits, and Insurance	\$ -	
	6700	<b>Tax and Insurance Expense</b>	<b>\$ 36,935</b>	
6900 ELDERLY SERVICE EXPENSE	6930.11	Dietary Salaries	\$ -	
	6930.21	Food	\$ -	
	6930.22	Dietary Prchsd Serv	\$ -	
	6940.11	Regstrd Nurse Salary	\$ -	
	6950.11	Housek ping Salary	\$ -	
	6950.21	Housek ping Supply	\$ -	
	6950.31	Other Housek ping	\$ -	
	6960.22	Medical Supplies	\$ -	
	6960.29	Medical Prchsd Serv	\$ -	
	6970.01	Laundry Expenses	\$ -	
	6975.01	Medical Records	\$ -	
	6980.11	Recreation/Rehab	\$ -	
	6980.21	Activity Supplies	\$ -	
	6990.01	Elderly Service Other	\$ -	
6900	<b>Elderly Service Expense</b>	<b>\$ -</b>		
RR DEPOSITS	11320.01	Annual Replacement Reserve Deposits (MEMO ONLY)	\$ -	
		<b>TOTAL OPERATING EXPENSES</b>	<b>\$ 554,600</b>	
		<b>NET OPERATING INCOME (NOI)</b>	<b>\$ (283,704)</b>	
6800 FINANCIAL EXPENSE	6810.01	WHEDA Senior Hard Debt Interest	\$ 161,973	
	6820.01	WHEDA Junior Hard Debt Interest	\$ -	
	6825.01	Other Mortgage Interest	\$ -	
	6850.01	Mortgage Insurance Premium/Service Charge	\$ -	
	6890.01	Misc Financial Expense/Preservation Fee	\$ -	
	6800	<b>Financial Expense</b>	<b>\$ 161,973</b>	
DEPRECIATION AMORTIZATION	6610.01	Depreciation Expense	\$ 87,366	
	6620.01	Amortization Expense	\$ -	
		<b>OPERATING PROFIT OR LOSS</b>	<b>\$ (533,043)</b>	
7100 CORPORATE OR MORTGAGOR EXPENSE	7110.01	Officer's Salaries	\$ -	
	7120.01	Legal Expense	\$ -	
	7130.01	F deral, State, and Other Income Taxes	\$ -	
	7140.01	Interest Income	\$ -	
	7140.11	Interest on Notes Payable	\$ -	
	7140.21	Interest on Mortgage Payable	\$ -	
	7190.01	Other Expense	\$ 26,856 ***	
	7100	<b>Net Entity Expenses</b>	<b>\$ 26,856</b>	
TOTAL PRINCIPAL PAYMENTS	16810.01	WHEDA Senior Hard Debt Principal	\$ -	
	16820.01	WHEDA Junior Hard Debt Principal	\$ -	
	16825.01	Other Debt Principal	\$ -	

## Additional Comments:

\* Auto Expense & Travel - \$1,617; Licenses and Permits - \$137; Education - \$591; Miscellaneous Admin Expenses - \$1,900; Lease-up fee expense - \$75,000  
 \*\* Apartment Repair Expense - \$5,495; Exterior Building Expense - \$526; Interior Common Area Expense - \$1,356; Exterior Common Area Expense - \$92; Fire Alarm/Extinguishers - \$114; Turnover Carpet Cleaning - \$1,161; Turnover Cleaning - \$232; Other Turnover Expense - \$700; Uninsured Casualties - \$633  
 \*\*\* Investor services fee - \$7,050; Organization costs - \$19,806

Exhibit E – Photos

**GORMAN**  
**& COMPANY**

*Integrity. Innovation. Community.*











**Exhibit F – Tenant Selection Plan**



# Tenant Selection Plan

Landmark Apartments  
Wausau, WI

Landmark Wausau, LLC

& Gorman & Company,

LLC with

Gorman Property Management USA, LLC

**INTRODUCTION:**

This Tenant Selection Plan (this "Plan") outlines the procedures that will be followed in selecting tenants for the Development. Management is responsible for implementing these procedures.

**DEVELOPMENT DESCRIPTION**

The Development is a 100% LIHTC Project with both Federal and State Tax Credits through WHEDA. The 94-unit Project consists of one and two bedroom units restricted between 30%-60% AMI.

**UNIT DISTRIBUTION**

	30%	50%	60%	TOTAL
1-bedroom	15	33	25	73
2-bedroom	4	5	12	21
TOTAL	19	38	37	94

**TENANT TYPE**

The Development is designated as housing for: *(check all that apply)*

Elderly & Disabled

Family & Special Needs

Special Needs Family

Family

**STATEMENT OF NON-DISCRIMINATION**

Federal civil rights laws addressing fair housing prohibit discrimination against applicants or tenants on the basis of race, color, national origin, sex, disability, religion, and familial status. Landmark Wausau, LLC prohibits discrimination against applicants or tenants on the basis of race, color, religion, sex, national origin, ancestry, age, order of protection status, marital status, physical or mental disability, military status, sexual orientation, gender identity or unfavorable discharge from military service. HUD's Office of General Counsel issued a memo dated April 4, 2016, which is guidance concerning how the Fair Housing Act applies to the use of criminal history by providers or operators of housing and real-estate related transactions.

The remaining paragraphs in this section provide brief descriptions of key federal civil rights laws regarding fair housing and accessibility. Owner and Management shall be familiar and comply with the regulations implementing these applicable federal civil rights laws and any state civil rights laws or local ordinance regarding fair housing and accessibility.

**FAIR HOUSING ACT**

Fair Housing Act Amendments of 1988 ("Fair Housing Act") prohibits discrimination in housing on the basis of race, color, religion, sex, disability, familial status and national origin regardless of any federal financial assistance.

Under the Fair Housing Act and Wisconsin law, Owner and Management shall not take any of the actions listed below based on race, color, religion, sex, disability, familial status, national origin and sexual orientation:

- a. Deny anyone the opportunity to apply to rent housing, or deny to any qualified applicant the opportunity to lease housing suitable to his or her needs;
- b. Provide anyone housing that is different from that provided to others;
- c. Subject anyone to segregation, even if by floor or wing;
- d. Restrict anyone's access to any benefit enjoyed by others in connection with housing program;
- e. Treat anyone differently in determining eligibility or other requirements for admission, in use of the housing amenities, facilities or programs, or in the terms and conditions of a lease;
- f. Deny anyone access to the same level of services;

- g. Deny anyone the opportunity to participate in a planning or advisory group that is an integral part of the housing program;
- h. Publish or cause to be published an advertisement or notice indicating the availability of housing that prefers or excludes persons; and
- i. Retaliate against, threaten, or act in any manner to intimidate someone because he or she has exercised rights under the Fair Housing Act.

Fair Housing Act provides additional protections for persons with disabilities. It requires that the Management make reasonable accommodations in rules, policies, practices, or services as may be necessary to afford handicapped persons equal opportunity to use and enjoy a dwelling. Moreover, it contains specific accessibility requirements that apply to the design and construction of new multi-household housing.

Owner of federally assisted housing program shall display the Fair Housing poster required by the Fair Housing Act.

#### **Title VI of the Civil Rights Act of 1964**

Title VI of the Civil Rights Act of 1964 prohibits all recipients of federal financial assistance from discriminating based on race, color or national origin.

#### **Age Discrimination Act of 1975**

Age Discrimination Act of 1975 (the “Age Discrimination Act”) prohibits discrimination based upon age in federally assisted and funded program, except in limited circumstances. It is not a violation of the Age Discrimination Act to use age as screening criteria in a particular program if age distinctions are permitted by statute for that program or if age distinctions are a factor necessary for the normal operation of the program or the achievement of a statutory objective of the program or activity.

#### **Section 504 of the Rehabilitation Act of 1973**

Section 504 of the Rehabilitation Act of 1973 (“Section 504”) prohibits discrimination based upon disability in all programs or activities operated by recipients of federal financial assistance. Although Section 504 often overlaps with the disability discrimination prohibitions of the Fair Housing Act, it differs in that it also imposes broader affirmative obligations on the Owner to make their programs, accessible to persons with disabilities. Section 504 obligations include the following:

- a. Making and paying for reasonable structural modifications to units and/or common areas that are needed by applicants and tenants with disabilities, unless these modifications would change the fundamental nature of the project or result in undue financial and administrative burdens;
- b. Operating housing that is not segregated based upon disability or type of disability, unless authorized by federal statute or executive order;
- c. Providing auxiliary aids and services necessary for effective communication with persons with disabilities;
- d. Performing a self-evaluation of Management’s programs and policies to ensure that they do not discriminate based on disability; and
- e. Developing a transition plan to ensure that structural changes are properly implemented to meet program accessibility requirements.
- f. Section 504 also establishes accessibility requirements for newly constructed or rehabilitated housing, including providing a minimum percentage of accessible units.

#### **504 Coordinator Information:**

Name: Wendy Weiske  
 Phone: 608-835-3900  
 TTD: 800-947-3529

#### **Executive Order 13166 – Limited English Proficiency**

Executive Order 13166 requires Owner/Management to take reasonable steps to ensure meaningful access to the information and services they provide for persons with limited English proficiency. This may include interpreter services and/or written materials translated into other languages.

## **Privacy Policy**

It is the policy of the Property to guard the privacy of individuals conferred by the Federal Privacy Act of 1974 and to ensure the protection of such individuals' records maintained by the Property. Therefore, neither the Property nor its agents shall disclose any personal information contained in its records to any person or agency unless the individual about whom information is requested shall give written consent to such disclosure.

This Privacy Policy in no way limits the Property's ability to collect such information as it may need to determine eligibility, compute rent, or determine an applicant's suitability for tenancy. Consistent with the intent of Section 504 of the Rehabilitation Act of 1973, any information obtained on handicap or disability will be treated in a confidential manner.

## **NOTICE TO ALL APPLICANTS: OPTIONS FOR APPLICANTS WITH MOBILITY DISABILITY AND IMPAIRMENTS**

We provide "reasonable accommodations" to applicants if they are otherwise eligible and qualified for admission and if they or any of their family members have a disability or handicap. Applicants who have a family member with a disability must still be able to meet all obligations under the rental agreement, i.e., pay rent, keep the apartment clean, comply with occupancy restrictions, etc. but there is no requirement they be able to do these things without assistance. A "reasonable accommodation" is some modification or change that we can make to the policies or procedures that will assist an otherwise eligible and qualified applicant with a disability or handicap to enjoy more suitable housing conditions. If an applicant or a member of an applicant's family has a mobility disability or handicap, the applicant may request a reasonable accommodation at any time in the application process, or after admission. If an applicant would prefer not to discuss the disability or handicap, that is the applicant's right. In reaching a reasonable accommodation with, or performing structural modifications for otherwise qualified individuals who are physically challenged.

Landmark Wausau, LLC is not required to:

Make structural alterations that require the removal of alteration of a load-bearing structural member; Provide an elevator in any multifamily housing project solely for the purpose of locating accessible units above or below the grade level; Provide support services that are not already part of its housing programs; Take any action that would result in a fundamental alteration in the nature of the Program or service; Take any action that would result in an undue financial and administrative burden on the property (including structural impracticality as defined in the Uniform Federal Accessibility Standards).

If modifications necessary to afford a person with disabilities full enjoyment of the premises are found to be an undue financial and administrative burden, the person with disabilities may modify the premises at their own expense. Any modifications proposed which would detract from the future usability and marketability of the unit will be permitted contingent upon the resident agreeing to restore the interior to its original condition. In this case, an escrow fund must be established for this purpose. Additionally, the resident must provide a reasonable description of the modifications to be made, assurances the work will be done in a workmanlike manner, and that all required building permits will be obtained.

Any person who believes their rights have been violated under the Fair Housing and Equal Opportunity laws should contact HUD's Regional Office of Fair Housing and Equal Opportunity or its Contract Administrator.

The only exceptions permitted to foregoing chronological listing will be conducting unit transfers of residents in accordance with the transfer policy, In-house residents who require transfer will be given preference over applicants on the waiting list for available units.

## **PREFERENCES**

Preferences are not permitted if they in any way negate affirmative marketing efforts or fair housing obligations. The following preferences apply to the Development:

### **Existing Tenant Preferences**

The following actions are always given priority if applicable. If not, State Mandated the below Preferences take precedence.

- a) A unit transfer because of household size or composition.
- b) A unit transfer based on the need for an accessible unit.
- c) A unit transfer for a medical reason certified by a doctor.
- d) A unit transfer due to the need for deeper subsidy.

- e) A unit transfer of a non-handicapped individual living in a handicapped accessible unit to accommodate a handicapped applicant on the Waiting List (as defined below).

## **EXCEPTIONS TO THE PREFERENCE RULE**

### **Relocation and/or Unit Transfers:**

Management must give priority to current households

- i) when their units are designated for rehabilitation and/or
- ii) for current households residing in a unit within the Development that has been designated as uninhabitable by federal, state, local municipalities or Management due to fire, flood or other natural disaster.

### **When a Preference Is Denied**

If it is determined that an applicant does not meet the criteria for receiving a preference, the applicant will promptly receive a written notice of this determination from Management. The notice will contain a brief statement of the reasons for the determination, and state that the applicant has the right to meet with the Management's designee to review this decision. If the applicant requests a meeting, it will be conducted by a person or persons designated by Management.

Denial of a preference does not prevent the applicant from exercising any legal rights the applicant may have against Management and/or Owner.

## **APPLICATIONS**

Applications will be accepted by mail or in person from all interested persons except in the event the waiting list is closed. A signed and completed application form is required of each prospective resident. We accept, reject and process applications in accordance with applicable occupancy requirements for affordable housing programs. We will be prepared to assist any Applicant and its family members in meeting the Project Tenant Selection Criteria. This assistance might take the form of answering questions about the application, helping applicants who might have literacy, vision or language problems and, in general making it possible for interested parties to apply for assisted housing. Unless there are compelling reasons for not being able to do so, all applications and accompanying questionnaires and certifications must be signed on-site by the applicant's head of household the spouse of the head of household, if any, and each additional adult who will live in the apartment, all of whom are considered co-applicants. After an application has been properly completed, it is placed on file. Applications will be given a preliminary review to determine if the applicant is eligible for admittance to the property. If the application is eligible and has an income within the current income limits, the application will be added to the appropriate waiting list. Applicants who indicate they are requesting an accessible apartment will be asked to provide verification of need for the unit (with or without amenities for ADA) prior to being added to the waiting list for accessible units. All applications will be subject to a final determination of eligibility (based on third party verification) and passing the screening criteria (acceptable landlord references, etc.) at the time the applicant is offered an apartment. Applicants who appear to meet the eligibility requirements will be sent a notification that they are being added to the waiting list, but that final eligibility will not be determined until an apartment is offered. Being placed on a waiting list does not guarantee that an applicant will be offered an apartment. Applicants who do not appear to meet the eligibility requirements will be sent rejection letters.

Any additional adult who desires to live in an apartment after a family has moved in will not be admitted unless he or she:

Successfully complete the application process; determined to be both eligible and qualified; the apartment is of a size that will accommodate the adult without violating occupancy Standard, or he or she qualifies as a live-in Attendant.

## **WAITING LIST**

Any applicant, who is eligible, qualified and meets Tenant Selection Criteria and the appropriate size apartment exists but is not available at time of application will be placed on the Waiting List. The applicant is to be advised of how long this wait may be and that the applicant is required to contact the Project every six- (6) months to update the application. This follow-up contact may be initiated in the form of a routine letter/card, sent to all applicants on the Waiting List, requesting updated information, asking if they wish to remain on the Waiting List, and stating that if the letter or card is not returned within an appropriate time frame, the applicant's name will be dropped from the Waiting List without further notice. Applicants are selected in the same order as applications are received, as established by the date and time of application.

## **TRANSFER POLICY**

Residents requiring unit transfer will be given priority over applicants on the waiting list for available units. Residents must put their transfer request in writing. Residents will be added to the waiting list according to the date that they have requested a transfer. The waiting list may be closed when there is an average wait of over one-year for applicants.

When a vacancy occurs, the Manager will generally have thirty days advance notice. During that time, the Manager will attempt to make contact by telephone or in writing to the appropriate person(s) listed on the waiting list for that unit size.

Managers will also contact the next two applicants on the appropriate list and notify them of their possibility they could be



offered a unit in the near future if the first applicant declines the unit. Applicants will always be selected from the appropriate waiting list except in the case of persons qualifying for an accessible unit if an applicant on the Waiting List is offered housing/assistance and refuses the offered unit, the applicant may remain on the Waiting List if the refusal is for a verifiable medical reason. Any other refusal reasons are considered valid reasons for refusal at management's reasonable discretion, in any event, upon a second refusal for any reason the Project will offer the option of either being placed at the end of the Waiting List or being deleted from the Waiting List, so the Project does not have to carry names on a Waiting List if the applicant is no longer interested in subsidized housing.

However, if the manager is unable to contact an applicant and must move on to the next applicant on the list, this will not be counted as a refusal. All attempts to reach an applicant and the applicants' response will be documented in the applicant's file and on the waiting list. The waiting list will be updated at least annually. A letter will be mailed to each person on the list asking them to indicate if they are still interested in residing at the property. The letter provides a response sheet for the applicant to return within 14 days stating their continued interest in the property. Applicants who do not respond are taken off the list and notified in writing that they are being removed from the list. Applicants who can demonstrate they were not able to respond to the purge letter due to absence from the home will be reinstated to their original position. Such Applicants must demonstrate this within 30 days of the date of the letter notifying them that they are being removed from the list.

## **INTERVIEWS**

Interviews are conducted on site or at a location of convenience for persons with disabilities. The applicant, his or her spouse, if any, and any other co-applicants must personally come into the office to be interviewed about the application and the applicant's and all co-applicants' satisfaction of the Tenant Selection Criteria. During the interview, the applicant and co-applicants must also supply all requested information and sign all required verifications and certifications as a condition of eligibility and qualification for the housing and/or assistance offered. Verification forms authorize the property to verify all information in writing directly from third parties (i.e., income, credit history, and social security number). Until all information is verified, eligibility and qualification for the housing or assistance offered cannot be determined. After (1) all third-party verifications and documentation of income, assets, family composition, marital status, deductions (if applicable) and priority status have been received, (2) all other documents which bear on the applicant's and any co-applicant's eligibility and qualification for the type of housing and assistance offered has been provided, and (3) if, and only if, the applicant and any co-applicants meet the current Tenant Selection Criteria requirements, can a final determination of eligibility and qualification be made.

## **CREDIT CHECKS**

Credit checks will be processed through approved credit bureaus with an approved credit rating for all applicants who are 18 years old or older. Exception include:

- a. Medical collections
- b. Proof of satisfactory dispute of credit rating
- c. Applicant shows period of credit problems which have been corrected
- d. Applicant has proof of repayment of debt. Proof must be statement of satisfaction from creditor, court, or other legal proof.

Credit checks will be run at the time of move in, when a minor in the household turns 18, or when a new applicant is applying for the unit.

## **LIHTC FULL-TIME STUDENT RULE**

The LIHTC program defines a "student" as an individual who is enrolled in an educational organization during at least 5 months in the calendar year. An education organization includes: kindergarten, elementary, junior and senior high schools, colleges, universities, technical, trade and mechanical schools. The five months need not be consecutive and just one day in any month counts as enrollment for the entire month. Whether a student is part-time or full-time is determined by the educational organization in which they are enrolled.

In the LIHTC program, as long as at least one member (including an unborn child) of a household is not a full time student, the household complies with the Full-time Student Rule. However, if a household is comprised entirely of full-time students, the household is ineligible to occupy a tax credit unit unless one or more of the following criteria is met. When one or more of these exceptions is used to qualify a household, management must obtain verification.

### **For Individual Residents:**

1. The student receives assistance under Title IV of the Social Security Act, also known as Temporary Assistance to Needy Families (TANF).
2. The student is enrolled in a job training program receiving assistance under the Workforce Innovation and Opportunity Act (WIOA) of 2014 (which superseded the Workforce Investment Act of 1998, which superseded the Job Training Partnership Act of 1982), or under a similar federal, state or local program.
3. The student was previously under the care and placement responsibility of the state agency responsible for

administering a plan under Title IV of the Social Security Act (i.e. Foster Care).

**For Households Comprised Entirely of Full-time Students:**

1. The students are a single parent with children, and the parent is not a dependent of another individual, and the children are not dependents of anyone other than a parent. The household qualifies if either parent claims and children as dependents for tax purposes, regardless of whether or not the parent claiming the dependents resident in the unit.
2. The students are married and eligible to file a joint tax return.

**VERIFICATIONS**

Final decision on eligibility and qualification for admission to the Project cannot be made until all required information is disclosed, verified and documented, including:

1. The identity of the head of household, the spouse of the head of household, if any, all other members of the household, if any and all additional adults who will live in the apartment;
2. All eligibility information called for in the application; Social Security Number Requirements – the head of household/spouse/co- head must disclose SSNs for all family members. An acceptable form of ID is a social security card. If applicant(s) does not have a card but does have a number, applicant may submit the number and certify that the number is accurate. However, prior to moving into project, applicant must supply adequate documentation. Applicant will not be allowed to participate without adequate documentation. Applicant will have 60 days to supply documentation. If the applicant does not have a SSN during the processing of the application, applicant will have 30 days to obtain said documentation, if documentation is not given to the Owner, applicant may be deemed to have submitted an incomplete application. Applications deemed as incomplete are rejected and applicant is notified in writing.

**TENANT SELECTION CRITERIA INFORMATION**

Where applicable, six (6) consecutive months of rent receipts for the period immediately preceding the application; if receipts are unavailable, verification must be obtained from the previous landlord(s); if an applicant is living with his or her parent(s), other relative(s) or friend(s) and paying rent, the applicant must provide proof of payment of rent to such parent, relative or friend for at least three (3) Consecutive months in the form of photocopies of money orders or canceled checks. Where applicable, satisfactory references from both current and most recent previous landlord; Satisfactory evidence of ability and willingness to maintain reasonably regular and sanitary housekeeping habits, so that the health and safety of other residents in the Project will be protected and the Project will not be exposed to unreasonable risks of insect infestation, fire and safety hazards, extraordinary maintenance and the like; Credit history; Any other documentation or verifications reasonably necessary to determine the qualification and eligibility of the applicant and co-applicants, and Clear screening for criminal and drug activity (including registration as a sex offender).

Applicants are required to sign appropriate forms authorizing verification of all factors, which affect the applicant's eligibility and qualifications, the rent that the applicant will pay, or the assistance he/she may receive. An applicant is not entitled to consideration for housing or rent assistance until an application is accepted (if a waiting list is involved) re-verified when an apartment becomes available.

**Social Security Number Requirements**

All applicant and tenant household members, including live-in aides, must disclose and provide verification of the complete and accurate SSN assigned to them. Exception: Those individuals who do not contend eligible immigration status or tenants who were aged 62 or older as of January 31, 2010, and whose initial determination of eligibility was begun before January 31, 2010. Failure to disclose and provide documentation and verification of SSNs as required will result in an applicant not being admitted or the tenancy of a current resident being terminated.

**MOVING IN**

Once all required documentation is provided, screened and approved, the applicant household will be scheduled for move in. At move in, required lease and certifications documents are signed as detailed below.

- Rental Lease
- Addendums
- Tenant Income Certification (TIC)
- Community Policies
- Any and all other documents that are required for occupancy

Once all documents have been signed, keys will be issued. A member of the office staff will accompany the resident to their new

unit and an initial unit inspection will be performed. Once completed, the resident will sign a Unit Inspection Form where results of the unit inspection will be recorded. This Unit Inspection Form will be retained in the resident's file throughout the course of their residency.

### **APARTMENT INSPECTIONS**

Apartment Inspections will be performed up to 4 times per year and no fewer than 2 times per year throughout the household's residency. Appropriate notice will be given to the resident upon scheduling of the annual inspection. Notice is normally given at least 48 hours in advance. A move out inspection will also be performed at the end of the household's residency.

### **ANNUAL RECERTIFICATIONS**

The LIHTC program requires annual recertifications for which each household is required to cooperate.

### **APARTMENT OCCUPANCY STANDARDS**

Our apartments are rented in accordance with these reasonable occupancy standards that promote health and safety and avoid overcrowding. These standards may be subject to additional restrictions set out in the Project's rental agreement.

Number of Bedrooms - 1	Maximum Occupants	2
Number of Bedrooms - 2	Maximum Occupants	4

For the purpose of determining the unit size for which a household may be eligible; the following will be counted as members of the household:

- a. Fulltime household members
- b. Unborn children
- c. Children in the process of being adopted
- d. Children whose custody is being determined
- e. Foster children
- f. Children temporarily in a foster home
- g. Children in joint custody 50% of the year or more
- h. Children away at school but home for recess
- i. Live in aides
- j. Foster adults

Subject to the above, any time a resident is housed in an inappropriately-sized unit, the resident and its family may be required to transfer if a unit of more appropriate size later becomes available. Upon request, we will make reasonable accommodations to families with handicapped members, who have a documented need for the services of a live-in aide, care-giving assistant or medical equipment that cannot be otherwise accommodated in the unit size provided in these occupancy standards.

### **NOTIFICATION/ REJECTION OF APPLICATION.**

When an application is approved for admission, management will notify the applicant promptly and indicate the approximate date that the family could be offered a unit (to the extent that the date can be estimated).

When an application is rejected by management, the applicant will be provided a notice of the rejection. The applicant may choose to request a meeting to discuss the rejection. All of this material (original application, rejection letters applicant's request for a meeting, any minutes or summary of the meeting and the formal letter) are to be kept for three (3) years in the Project's management files.

### **VIOLENCE AGAINST WOMEN ACT (VAWA)**

The Violence Against Women Act (VAWA) was reauthorized in 2013 by Congress and Signed into law by President Obama. HUD has issued its Final Rule on implementation of the 2013 VAWA which is effective December 16, 2016. The law even though called the Violence Against Women Act (VAWA) it covers all victims of *domestic violence, dating violence, sexual assault or stalking* regardless of sex, gender identity, or sexual orientation. The LIHTC program recognizes all rights granted under VAWA.

The 2013 VAWA now covers many Federal Housing Projects, Hill Street School, LLC as an LIHTC property is one of the projects covered by the 2013 VAWA. This law provides that a victim of *domestic violence, dating violence, sexual assault or stalking* with several protections such as denial of housing and eviction as defined by the law. The housing provider is given several tools to deal with *domestic violence, dating violence, sexual assault or stalking* under the 2013 VAWA.

HUD (U.S. Department of Urban Development) has provided to PHA's, state LIHTC monitoring agencies and Agents/Owners of

such housing a HUD form labeled HUD-55382 for the purpose of victims of *domestic violence, dating violence, sexual assault or stalking* to make certification that he or she is victim of *domestic violence, dating violence, sexual assault or stalking*. The purpose of the certification is to verify that the victim falls under the protection of the **Violence Against Women Act**.

Any information provided to a service provider, an owner/agent or housing agency that an individual is a victim of *domestic violence, dating violence or stalking*, must be kept confidential. Information will be kept in separate files and stored in secure file cabinets.

To ensure requirements are met, Landmark Wausau, LLC will put into place proper verification procedures in accordance to the current HUD 4350.3 Handbook and other applicable Federal, State and Local Laws. All applicants at the time of the certification interview or rejection will be provided a copy of the latest HUD Document Notice of Occupancy Rights under the Violence Against Women Act. All residents will receive a copy at their annual re-certification. All lease termination and or eviction notices will have the Notice of Occupancy Rights under the Violence Against Women Act attached to them.

Landmark Wausau, LLC will also employ an Emergency Transfer Plan as required by the 2013 VAWA. This Emergency Transfer Plan will be available in the Management Office and upon request to any resident. Lease addendums will be signed by all new residents and in place residents.

**2024 PAYMENT STANDARDS  
EFFECTIVE 01/01/2024  
Marathon County, Wisconsin**

**SECTION 8 HOUSING CHOICE VOUCHER PROGRAM  
(Between 107.81% and 108.25% OF 2024 FAIR MARKET RENT)**

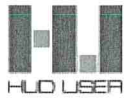
	0 BR	1 BR	2 BR	3 BR	4 BR	5 BR
2024 Proposed Payment Standard	\$745	\$840	\$1100	\$1430	\$1470	\$1685
2024 FMR	\$691	\$776	\$1020	\$1324	\$1358	\$1561
<b>SECTION 8 HOUSING CHOICE VOUCHER PROGRAM – CDA (107.34% to 107.83% OF 2023 FAIR MARKET RENT)</b>						
2023 Current Payment Standard	\$670	\$760	\$1005	\$1285	\$1370	\$1575
2023 FMR	\$623	\$708	\$932	\$1192	\$1271	\$1462

Payment Standards must fall between 90.00% and 110.00% of FMR.

Staff has reviewed the 2024 Fair Market Rents as indicated by the Administrative Plan for Section 8 HCV and has determined that the Payment Standard for the zero through five-bedroom units needs to increase to align with the rent increases in the current local rental market. Our aim is to keep a sufficient amount of housing stock within reach of our participants and new voucher holders seeking to lease up.

Calculated as of 9/6/2023

Reviewed by Board: 9/26/2023



# FY 2024 FAIR MARKET RENT DOCUMENTATION SYSTEM

## The FY 2024 Wausau, WI HUD Metro FMR Area FMRs for All Bedroom Sizes

Final FY 2024 & Final FY 2023 FMRs By Unit Bedrooms					
Year	Efficiency	One-Bedroom	Two-Bedroom	Three-Bedroom	Four-Bedroom
FY 2024 FMR	\$691	\$776	\$1,020	\$1,324	\$1,358
FY 2023 FMR	\$623	\$708	\$932	\$1,192	\$1,271

Marathon County, WI is part of the Wausau, WI HUD Metro FMR Area, which consists of the following counties: Marathon County, WI. All information here applies to the entirety of the Wausau, WI HUD Metro FMR Area.

### Fair Market Rent Calculation Methodology

— *Show/Hide Methodology Narrative* —

Fair Market Rents for metropolitan areas and non-metropolitan FMR areas are developed as follows:

1. **Calculate the Base Rent:** HUD uses 2017-2021 5-year American Community Survey (ACS) estimates of 2-bedroom adjusted standard quality gross rents calculated for each FMR area as the new basis for FY2024, provided the estimate is statistically reliable. For FY2024, the test for reliability is whether the margin of error for the estimate is less than 50% of the estimate itself and whether the ACS estimate is based on at least 100 survey cases. HUD does not receive the exact number of survey cases, but rather a categorical variable known as the count indicator indicating a range of cases. An estimate based on at least 100 cases corresponds to a count indicator of 4 or higher.

If an area does not have a reliable 2017-2021 5-year estimate, HUD checks whether the area has had at least 2 minimally reliable estimates in the past 3 years, or estimates that meet the 50% margin of error test described above. If so, the FY2024 base rent is the average of the inflated ACS estimates.

If an area has not had a minimally reliable estimate in the past 3 years, HUD uses the estimate for the area's corresponding metropolitan area (if applicable) or State non-metropolitan area as the basis for FY2024.

2. **Calculate the Basis for Recent Mover Adjustment Factor:** HUD calculates a recent mover adjustment factor by comparing an ACS 2021 1-year 40th percentile

# 2024 FLAT RENT

## PUBLIC HOUSING (SCATTERED SITES)

- Flat rents are reviewed on an annual basis as required by the Admissions and Continued Occupancy Policy (ACOP)
- Flat rent CANNOT be lower than 80% of the Fair Market Rent minus Utility Allowances.
- Staff has reviewed the Flat Rent as indicated by the ACOP and determined that an increase in the one-bedroom, two-bedroom and three-bedroom flat rent is required for 2024. The new 2024 Flat Rents are:
  - Bopf Street 1 Bedroom - \$590.00
  - Bopf Street 2 Bedroom - \$750.00
  - Bopf Street 3 Bedroom - \$965.00
  - Single Family 3 Bedroom - \$910.00
- The following table shows the current Flat Rent and the methodology used to determine if a Flat Rent change is necessary.

### 1901 BOPF STREET

Unit Size	2023 Gross Flat Rent	Utility Allow. Credit	<b>2023 NET FLAT RENT</b>	2024 FMR	Utility Allow. Credit	80% FMR – UA =	Do we need to adjust?	<b>2024 NET FLAT RENT</b>
1 BR	\$575.00	\$35.00	<b>\$540.00</b>	\$776.00	\$35.00	\$586.00	<b>YES</b>	<b>\$590.00</b>
2 BR	\$762.00	\$67.00	<b>\$695.00</b>	\$1020.00	\$67.00	\$749.00	<b>YES</b>	<b>\$750.00</b>
3 BR	\$1016.00	\$71.00	<b>\$945.00</b>	\$1324.00	\$96.00	\$963.00	<b>YES</b>	<b>\$965.00</b>

### SINGLE FAMILY/DUPLEXES ONLY

Unit Size	2023 Gross Flat Rent	Utility Allow. Credit	<b>2023 NET FLAT RENT</b>	2024 FMR	Utility Allow. Credit	80% FMR- UA =	Do we need to adjust?	<b>2024 NET FLAT RENT</b>
3 BR	\$1005.00	\$124.00	<b>\$881.00</b>	\$1324.00	\$150.00	\$909.00	<b>YES</b>	<b>\$910.00</b>
4 BR	\$1174.00	\$172.00	<b>\$1002.00</b>	\$1358.00	\$172.00	\$914.00	NO	<b>\$1002.00</b>

Calculated as of: 9/14/23  
Board Review: 09/26/23

# 2024 UTILITY ALLOWANCES

## Public Housing/Scattered Sites

- The following information was derived from 12 month averages of utilities provided by Wisconsin Public Services for each of the 46 units in the Public Housing Scattered Sites program.
- Staff has reviewed the utility allowances as indicated by the Admissions and Continued Occupancy Policy (ACOP) and has determined that an increase in the three bedroom units is needed for 2024.
- Any rate changes over 15% will result in a change of utility allowance according to bedroom size.
- The utility allowances will be reviewed again for 2025

### BOPF STREET

Unit Size	12 mo. Average	2023 Utility Allowance	Difference of	% Difference	Do we need to adjust?	2024 Utility Allowance
1 Bedroom	\$31.91	\$35.00	-3.09	-9%	NO	\$35.00
2 Bedrooms	\$67.64	\$67.00	\$.64	1%	NO	\$67.00
3 Bedrooms	\$95.73	\$71.00	\$24.73	35%	<b>YES</b>	<b>\$96.00</b>

### SINGLE FAMILY/DUPLEXES

Unit Size	12 mo. Average	2023 Utility Allowance	Difference of	% Difference	Do we need to adjust?	2024 Utility Allowance
3 Bedrooms	\$148.70	\$124.00	\$24.70	20%	<b>YES</b>	<b>\$150.00</b>
4 Bedrooms	\$191.89	\$172.00	\$19.89	12%	NO	\$172.00

Calculation Date: 09/14/2023

Board Review Date: 09/26/2023



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## Bankers Resource Center

# National Rates and Rate Caps

*Revised Rule August 21, 2023*

Last Updated: August 22, 2023

### **National Rates and Rate Caps Home**

#### Previous Rates

#### Monthly Update

On December 15, 2020, the FDIC Board of Directors approved a [Final Rule - PDF](#) making certain revisions to the interest rate restrictions applicable to less than well capitalized institutions (as defined in Section 38 of the Federal Deposit Insurance Act), which are effective on April 1, 2021. The interest rate restrictions generally limit a less than well capitalized institution from soliciting deposits by offering rates that significantly exceed rates in its prevailing market.

The Final Rule redefined the “national rate” as the average of rates paid by all insured depository institutions and credit unions for which data is available, with rates weighted by each institution’s share of domestic deposits. The “national rate cap” is calculated as the higher of: (1) the national rate plus 75 basis points; or (2) 120 percent of the current yield on similar maturity U.S. Department of the Treasury (U.S. Treasury) obligations plus 75 basis points. The national rate cap for non-maturity deposits is the higher of the national rate plus 75 basis points or the federal funds rate plus 75 basis points.

A less than well capitalized institution may use the “local rate cap” in place of the national rate cap for deposits gathered from within the institution’s local market area. The Final Rule redefined the “local rate cap” for a particular deposit product as 90 percent of the highest rate offered on

the deposit product by an institution or credit union accepting deposits at a physical location within the institution's local market area.

In accordance with Section 337.7(d), an insured depository institution that seeks to pay a rate of interest up to its local market rate cap shall provide notice and evidence of the highest rate paid on a particular deposit product in the institution's local market areas to the appropriate FDIC regional director. The institution shall update its evidence and calculations for existing and new accounts monthly unless otherwise instructed by the appropriate FDIC regional director, and retain such information available for at least the two most recent examination cycles and, upon the FDIC's request, provide the documentation to the appropriate FDIC regional office and to examination staff during any subsequent examinations.

### Monthly Rate Cap Information as of August 21, 2023

Deposit Products <sup>1</sup>	National Deposit Rates <sup>2</sup>	National Deposit Rates Rate Cap Adjusted	Treasury Yield <sup>3</sup>	Treasury Yield Rate Cap Adjusted	National Rate Cap
Savings	0.43	1.18	5.33	6.08	<b>6.08</b>
Interest Checking	0.07	0.82	5.33	6.08	<b>6.08</b>
Money Market	0.62	1.37	5.33	6.08	<b>6.08</b>
1 month CD	0.22	0.97	5.48	7.33	<b>7.33</b>
3 month CD	1.33	2.08	5.55	7.41	<b>7.41</b>
6 month CD	1.34	2.09	5.53	7.39	<b>7.39</b>
12 month CD	1.76	2.51	5.37	7.19	<b>7.19</b>
24 month CD	1.50	2.25	4.88	6.61	<b>6.61</b>

Deposit Products <sup>1</sup>	National Deposit Rates <sup>2</sup>	National Deposit Rates Rate Cap Adjusted	Treasury Yield <sup>3</sup>	Treasury Yield Rate Cap Adjusted	National Rate Cap
36 month CD	1.40	2.15	4.51	6.16	<b>6.16</b>
48 month CD	1.34	2.09	4.51	6.16	<b>6.16</b>
60 month CD	1.41	2.16	4.18	5.77	<b>5.77</b>

The FDIC began posting the National Rate and Rate Cap on May 18, 2009. Data is not available prior to May 18, 2009. Data from May 2009 through March 31, 2021, reflects the calculation in effect at that time (averages weighted by branch, and not including credit unions), while data posted after March 31, 2021, reflects the calculation described above.

This historical data can be accessed at [Previous Rates](#).

The monthly rate cap information will be published every 3rd Monday of each month. When the 3rd Monday falls on a Federal holiday, the rate cap information will be published on the next business day. All published rates and yields are based on information available on the last business day of the prior month end (note: rates and yields published on April 1, 2021, are based on information available as of February 26, 2021).

<sup>1</sup> If an institution seeks to offer a product with an off-tenor maturity that is not offered by another institution within its local market area, or for which the FDIC does not publish the national rate cap, the institution will be required to use the rate offered on the next lower on-tenor maturity for that deposit product when determining its applicable national or local rate cap, respectively. For example, an institution seeking to offer a 26-month certificate of deposit must use the rate offered for a 24-month CD to determine the applicable national or local rate cap.

<sup>2</sup> Source: S&P Capital IQ Pro; SNL Financial Data. Calculations: FDIC. Savings and interest checking account rates are based on the \$2,500 product tier, while money market and certificate of deposit rates represent an average of the \$10,000 and \$100,000 product tiers. Account types and maturities published in these tables are those most commonly offered by the banks and branches for which we have data (on-tenor maturities).

<sup>3</sup> As noted above, in determining the National Rate Cap for a particular on-tenor maturity, the Final Rule requires the FDIC to calculate 120 percent of the current yield on similar maturity U.S.

Treasury obligations plus 75 basis points. For on-tenor maturities for which the U.S. Treasury publishes a yield, the [treasury yields](https://www.treasury.gov) (treasury.gov) in this column are those that are published by the U.S. Treasury for the corresponding obligation with the same maturity. For on-tenor maturities for which the U.S. Treasury does not publish a yield, the treasury yields in this column are the published Treasury yields for the obligation with next lowest maturity, which is viewed as a similar rate, as provided for in the Final Rule. For non-maturity deposits, where there is no comparable treasury yield, the yield used is the [effective federal funds](https://www.newyorkfed.org) (newyorkfed.org) rate published by the Federal Reserve Bank of New York.

<sup>4</sup> The Final Rule defines a maturity of 48 months as an on-tenor maturity. Since the U.S. Treasury does not publish a rate for a 48-month Treasury obligation the applicable Treasury Yield is the 36-month Treasury; see footnote 3.

[Get email alerts](#) when the national rates are updated.

# RESOLUTION NO 23-005

## Annual PHA Plan for Fiscal Year 2024

WHEREAS, the Wausau Community Development Authority operates Public Housing and Section 8 Housing Choice Voucher Programs; and

WHEREAS, the Wausau Community Development Authority is required to complete an annual PHA Plan, which is a comprehensive guide to public housing agency (PHA) policies, programs, operations, and strategies for meeting local housing needs and goals. There are two parts to the PHA Plan: the Five-Year Plan, which each PHA submits to HUD once every fifth fiscal year, and the Annual Plan, which is submitted to HUD every year. It is through the Annual Plan that the PHA receives capital funding; and

WHEREAS, the Wausau Community Development Authority must certify by board resolution to approve the submission of the PHA's Annual and 5-Year PHA Plans to the U.S. Department of Housing and Urban Development (HUD).

NOW THEREFORE, BE IT RESOLVED, the Wausau Community Development Authority Commission hereby certifies by the attached PHA Certification of Compliance with PHA Plan and Related Regulations that the Annual PHA Plan for fiscal year 2024, to their knowledge, is completed in compliance with all applicable Federal statutory and regulatory requirements and approves its submission to HUD.

AYES \_\_\_\_\_ NAYS \_\_\_\_\_

Approved Date: \_\_\_\_\_

Community Development Authority  
Of the City of Wausau

\_\_\_\_\_  
Sarah Napgezsek  
Chairperson

\_\_\_\_\_  
Liz Brodek  
Executive Director

<b>Streamlined Annual PHA Plan</b> <i>(High Performer PHAs)</i>	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 03/31/2024
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**Purpose.** The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

**Applicability.** The Form HUD-50075-HP is to be completed annually by **High Performing PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, HCV-Only PHA, Small PHA, or Qualified PHA do not need to submit this form.

**Definitions.**

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, and that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS or SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

**A. PHA Information.**

A.1 PHA Name: Wausau Community Development Authority PHA Code: WI031  
 PHA Type:  High Performer  
 PHA Plan for Fiscal Year Beginning: (MM/YYYY): 01/2024  
 PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above)  
 Number of Public Housing (PH) Units 46 Number of Housing Choice Vouchers (HCVs) 614  
 Total Combined 660  
 PHA Plan Submission Type:  Annual Submission  Revised Annual Submission

**Availability of Information.** In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.

*The 2024 PHA Annual Plan and its elements are available at the Wausau Community Development Authority (WCDA) office located at 550 E. Thomas Street, Wausau, Wisconsin 54403*

*The WCDA's Annual Plan is also available for public review at City Hall located at 407 Grant Street, Wausau, Wisconsin 54403*

PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below)

Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV
Lead PHA:					

**B. Plan Elements**

**B.1 Revision of Existing PHA Plan Elements.**

(a) Have the following PHA Plan elements been revised by the PHA since its last **Annual PHA Plan** submission?

Y N

- Statement of Housing Needs and Strategy for Addressing Housing Needs.
- Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.
- Financial Resources.
- Rent Determination.
- Homeownership Programs.
- Safety and Crime Prevention.
- Pet Policy.
- Substantial Deviation.
- Significant Amendment/Modification

(b) If the PHA answered yes for any element, describe the revisions for each element below:

(c) The PHA must submit its Deconcentration Policy for Field Office Review.

*The WCDA is not subject to deconcentration of poverty and income mixing requirements under 24 CFR 903.2(b)(2)*

**B.2 New Activities.**

(a) Does the PHA intend to undertake any new activities related to the following in the PHA’s current Fiscal Year?

Y N

- Hope VI or Choice Neighborhoods.
- Mixed Finance Modernization or Development.
- Demolition and/or Disposition.
- Conversion of Public Housing to Tenant Based Assistance.
- Conversion of Public Housing to Project-Based Rental Assistance or Project-Based Vouchers under RAD.
- Project Based Vouchers.
- Units with Approved Vacancies for Modernization.
- Other Capital Grant Programs (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

(b) If any of these activities are planned for the current Fiscal Year, describe the activities. For new demolition activities, describe any public housing development or portion thereof, owned by the PHA for which the PHA has applied or will apply for demolition and/or disposition approval under section 18 of the 1937 Act under the separate demolition/disposition approval process. If using Project-Based Vouchers (PBVs), provide the projected number of project-based units and general locations, and describe how project basing would be consistent with the PHA Plan.

*In FY 2023, the WCDA issued an RFP to accept proposals from owners and developers wishing to place PBVs in developments in the Wausau area. From this RFP process the WCDA will be entering into a 20-year Housing Assistance Payment (HAP) contract with a developer that recently completed a Low-Income Housing Tax Credit project on a historical building, in the coming fiscal year. The number of vouchers to be issued is anticipated to be approximately eight (8) but will be dependent on funding awarded in FY 2024. The WCDA reserves the right to allocate up to 20 percent of its Housing Choice Vouchers for potential use under the Project Based Vouchers Assistance Program. This will be consistent with goals of deconcentrating poverty and expanding economic and housing opportunities in accordance with HUD and the WCDA Administrative Plan. The WCDA may re-issue an RFP for PBVs on an annual basis. The WCDA will also continue to apply for additional vouchers should they become available, including special purpose vouchers for targeted groups such as homeless or veterans.*

*In the upcoming fiscal year, the WCDA may create one or more instrumentality/ies and procure one or more development partner(s), in accordance with 2 CFR part 200, to see the mixed-finance redevelopment (disposition) of some or all of WCDA’s public housing units to ensure the long-term sustainability of same by leveraging public and private resources to create vibrant and sustainable “mixed-income” communities intermixed with non-public housing, low-income, and/or market rate housing units with a wide range of family incomes.*

*The WCDA may evaluate its public housing properties for potential disposition and may submit an application to SAC to apply for tenant-based assistance. The WCDA continues to evaluate its public housing scattered site units for conversion to the Rental Assistance Demonstration (RAD) program. The WCDA continues to review opportunities to acquire or new development of public housing units or land on which same could be constructed that would bring the WCDA to its Faircloth Limit, inclusive of replacing any units lost through WCDA’s potential disposition of scattered site units.*

*The WCDA will continue to partner with the Community Development Department (CDD) on collaboratively working to build the affordable housing stock within the City of Wausau through the use of WCDA and CDD funds.*

*Through the many changes that have occurred with 2023 implementations in NSPIRE and HOTMA, the WCDA has/will update necessary policies to ensure continued program compliance in both Housing Choice Voucher and Public Housing.*

*The WCDA may implement a Trespass Policy to better enable the police and the WCDA to control the presence of non-residents in the public housing communities.*

*HUD has proposed the use of Admin Fee to assist HCV tenant-based applicants and participants with the cost of application fees charged by local landlords and property management companies. The WCDA may develop a policy to help offset this cost to HCV tenant-based applicants and/or participants.*

*While these efforts will contribute to social, economic and educational benefits for our families and community, as well as reduce homelessness, these efforts also align well with HUD's Strategic Plan FY 2022-2026.*

**B.3 Progress Report.**

Provide a description of the PHA's progress in meeting its Mission and Goals described in the PHA 5-Year Plan.

**Expand the Supply of Assisted Housing and Increase Affordable Housing Options**

***Initiatives:***

*In 2020, the WCDA incorporated the Fostering Youth to Independence housing assistance initiative into the WCDA's program portfolio; a collaborative effort to reduce and prevent homelessness for youth 18-24, having a current or prior history of child welfare involvement, and provide necessary services for those youth to become self-sufficient*

*Also in 2020, the WCDA adopted a local preference to any applicant family that was determined to be homeless according to HUD's definition of homelessness*

*In 2021, the WCDA committed unrestricted loan funds needed for gap financing for developer, Gorman & Company, to renovate The Landmark Apartments, to not only expand affordable housing, but save a historic building in the City of Wausau*

*Also in 2021, the WCDA partnered with Community Partners Campus (CPC), committing low-interest loan funds (unrestricted) for the purchase and redevelopment of a property to operate as a shared space, nonprofit center. CPC's mission is to help community nonprofits meet client needs with an emphasis on food, clothing, shelter, medical, mental and social well-being*

*The HCV payment standards have an impact on HCV program utilization and requires monitoring on a regular basis. The WCDA took advantage of HUD's regulatory waivers that were initially offered as part of the CARES Act waivers providing continued flexibility during the pandemic and recovery. In 2022, the WCDA adopted an expedited waiver request increasing the HCV payment standard during the HAP contract term, expediting relief to program participants with a rent burden over 30% of their income, as well as improving lease-up success rates for new applicants*

*In 2023, the WCDA committed to unrestricted loan funds needed for gap financing for developer, Gorman & Company, for the redevelopment of The West Side Battery site utilizing Low Income Housing Tax Credits.*

*Also in 2023, the WCDA board approved the acquisition of 703 Fulton Street, a 6-plex of affordable housing units for disabled individuals. This building was previously owned and operated by the Community Development Department. This will be non-HUD financed housing. The effective date of this transfer will be January 1, 2024.*

*In 2023, the WCDA will fully utilize 2023 funding for the HCV tenant-based program and was awarded additional funds to continue to assist with housing low income individuals and families. The WCDA's HCV program is the largest source of affordable housing within the City of Wausau. However, HUD funding does not fully support the utilization of all 589 vouchers that the WCDA is authorized to lease. The WCDA will continue to work to maximize the available funding to expand the supply of this source of assisted housing.*

*WCDA staff is an active participant in the City of Wausau's Affordable Housing Task Force, entitled to provide community-led affordable housing policy and tactic recommendations to the public, the City Council, the greater Wausau area municipal and county governments, and developers on how to meet the affordable housing needs of our community*

*The WCDA continues to explore opportunities to expand its Public Housing portfolio with new construction*

*The WCDA continues to explore and identify public housing repositioning options which may include Section 18, Section 32 or RAD opportunities.*

*The WCDA continues to attend local property management meetings to promote the program to existing and new property management companies and local owners to maximize the HCV lease-up success rates*

**Maintain Fiscally Responsible Operations and Financial Sustainability**

***Initiatives:***

*In 2020, The WCDA amended its By-Laws, updating job titles and authorizing additional officers and staff to conduct financial business and transact financial affairs of the WCDA should the office of Executive Director become vacant*



The WCDA continues to streamline financial management. The WCDA's Finance Committee ensures board oversight by providing commissioners with financial statements and budgetary comparisons as well as the stewardship of the WCDA's resources

The WCDA utilizes its Capital Funding for capital improvements vs. operating costs. In 2023, the WCDA used its capital funding for Public Housing Scattered Site modernization projects. Primarily roof replacement at our 6-plex property, and tree removal at several of the properties. The upcoming 2024 Capital Fund may be used for bathroom and kitchen modernization, installation of smoke detectors as necessary according to NSPIRE which was implemented July 1, 2023, and potential concrete repair at the WCDA office.

To ensure that all policies remain consistent, current and compliant with HUD regulations, the WCDA reviews and updates its Administrative and Admissions and Continued Occupancy Plans on an annual basis, unless a biannual review and update becomes necessary

The WCDA may complete a revision to the current Capitalization Policy increasing the capitalization threshold as recommended by Hawkins Ash CPA.

The WCDA has maintained its High Performer Status for both SEMAP and Public Housing during Plan years to-date

The WCDA continues to maximize its current resources for housing programs and housing expansion

### **Improve Quality of Life for Program Participants**

#### **Initiatives:**

In 2020, the WCDA began offering Riverview Towers, Riverview Terrace and Public Housing participants the ability to pay their rent via ACH as an alternative to paying with a check or money order

The WCDA facilitated COVID-19 vaccine clinics at both Riverview Towers and Riverview Terrace

The WCDA's Resident Advisory Board (RAB) meets annually to review and provide feedback on the WCDA's Annual Plan and Capital Fund Plan. The RAB may meet more frequently however COVID constraints have limited that effort

The WCDA continues to provide information to residents about low cost internet as provided by the new Federal Communications Commission's Affordable Connectivity Program (ACP). The ACP is available to those who participate in low income housing programs. Eligible households can enroll through participating broadband providers or by submitting an application directly to the ACP.

In 2022, the WCDA provided Public Housing participants with school supplies for each school-aged child in their household, utilizing HUD's Resident Participation Funding

In 2023, the WCDA provided Public Housing participants with headphones for school-aged children again utilizing HUD's Resident Participation Funding.

The WCDA reviews and updates its Public Housing Utility Allowances and Flat Rents on an annual basis as required by HUD. The WCDA may implement a change to the Utility Allowance which would include tenant paid water and sewer which is currently paid by the WCDA.

The WCDA provides its program participants with referrals to community agencies related to financial services, mental health, job training and home ownership programs

The WCDA continues to collaborate with the University of Wisconsin Extension to provide nutritional and healthy food choice guidance for our residents

The WCDA continues to cooperatively partner with the Wausau Police and Fire Departments to ensure resident safety and provide crime prevention awareness

### **Ensure Equal Opportunity and Further Non-Discrimination in Housing**

#### **Initiatives:**

The WCDA continues to provide appeal and grievance hearing opportunities for applicants and program participants, including the opportunity to participate remotely

The WCDA continues to affirmatively further fair housing, by taking meaningful actions to address significant disparities in housing needs and in access to opportunity, replacing segregated living patterns with truly integrated and balanced living patterns, transforming racially or ethnically concentrated areas of poverty to areas of opportunity, and fostering and maintaining compliance with civil rights and fair housing laws.

All WCDA staff attend Fair Housing training and are required to follow the City of Wausau's Harassment and Discrimination Policies. Fair Housing posters are prominently displayed in the WCDA offices

### **Violence Against Women Act (VAWA) Compliance**

#### **Initiatives:**

The WCDA continues to follow the Violence Against Women Act (VAWA) provisions, which provide special protections for victims of domestic violence, dating violence, sexual assault, and stalking who are applying for or receiving housing assistance. The WCDA's VAWA polices provide

	<p>for notification, documentation and confidentiality. Specific VAWA policies are provided as related to eligibility, occupancy standards and unit offers, family breakup, leasing and inspections, emergency transfers and termination.</p> <p>The WCDA provides outreach to VAWA protections by notifying applicants and program participants of their rights under VAWA, including VAWA language in the HCV HAP contract and Leases for Public Housing. VAWA notices are provided to applicants who are denied admission to a WCDA housing program, and to program participants when the WCDA issues a notice of termination.</p> <p>The WCDA follows its emergency transfer policies and provides related supportive service referrals to victims of domestic violence, dating violence, sexual assault, or stalking.</p> <p>WCDA staff regularly collaborates with local domestic violence shelters, family service agencies and the local Continuum of Care to continually expand their networks</p>
<p><b>B.4.</b></p>	<p><b>Capital Improvements.</b> Include a reference here to the most recent HUD-approved 5-Year Action Plan in EPIC and the date that it was approved.</p> <p>See Capital Fund 5 Year Action Plan approved by HUD on 10/29/2020</p>
<p><b>B.5</b></p>	<p><b>Most Recent Fiscal Year Audit.</b></p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N  <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p> <p><i>Type of Finding: Significant Deficiency in Internal Control Over Compliance, Other Matter</i></p> <p><i>Compliance Requirements: Reporting</i></p> <p><i>Criteria or specific requirement: The Uniform Financial Reporting Standards (24 CFR section 5.801) require PHAs to submit timely GAAP-based unaudited financial statements electronically to HUD. The unaudited submission was due February 28, 2023.</i></p> <p><i>Condition: During the review of the unaudited submission, it was noted the submission was not completed until April 18, 2023.</i></p> <p><i>Questioned costs: none noted</i></p> <p><i>Context: During the review of the unaudited REAC submission, it was noted the report was not submitted on time. No extensions were granted by HUD.</i></p> <p><i>Cause: The organization relied on their outside accountant to submit the unaudited submission to HUD and did not follow-up to confirm it had been submitted by the due date.</i></p> <p><i>Effect: The unaudited submission was filed late to HUD. The CDA lost rating points from HUD due to the late filing.</i></p> <p><i>Action Taken in Response to Finding: Management will work closely with our outside accountant to ensure timely REAC reporting, securing a submission confirmation email. Management will also further confirm submission via HUD online systems.</i></p>
<p><b>C. Other Document and/or Certification Requirements.</b></p>	
<p><b>C.1</b></p>	<p><b>Resident Advisory Board (RAB) Comments.</b></p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N  <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>
<p><b>C.2</b></p>	<p><b>Certification by State or Local Officials.</b></p>

	Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i> , must be submitted by the PHA as an electronic attachment to the PHA Plan.			
C.3	<p><b>Civil Rights Certification/Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</b></p> <p>Form 50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i> must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>			
C.4	<p><b>Challenged Elements.</b> If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?  Y    N  <input type="checkbox"/>   <input checked="" type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>			
<b>D.</b>	<b>Affirmatively Furthering Fair Housing (AFFH).</b>			
D.1	<p><b>Affirmatively Furthering Fair Housing.</b></p> <p>Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p> <table border="1" style="width: 100%;"> <tr> <td style="padding: 5px;"><b>Fair Housing Goal:</b></td> </tr> <tr> <td style="padding: 5px;"> <p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p><i>The WCDA examines its own programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the WCDA's involvement; and maintains records reflecting these analyses and actions. The WCDA will continue to work with the Community Development Department with implementations to Affirmatively Furthering Fair Housing.</i></p> </td> </tr> <tr> <td style="padding: 5px;"><b>Fair Housing Goal:</b></td> </tr> </table>	<b>Fair Housing Goal:</b>	<p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p><i>The WCDA examines its own programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the WCDA's involvement; and maintains records reflecting these analyses and actions. The WCDA will continue to work with the Community Development Department with implementations to Affirmatively Furthering Fair Housing.</i></p>	<b>Fair Housing Goal:</b>
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<p><u><i>Describe fair housing strategies and actions to achieve the goal</i></u></p> <p><i>The WCDA examines its own programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the WCDA's involvement; and maintains records reflecting these analyses and actions. The WCDA will continue to work with the Community Development Department with implementations to Affirmatively Furthering Fair Housing.</i></p>				
<b>Fair Housing Goal:</b>				

Describe fair housing strategies and actions to achieve the goal

Not Required per HUD-50075-HP Instructions: Section D.1, Paragraph Two

**Fair Housing Goal:**

Describe fair housing strategies and actions to achieve the goal

Not Required per HUD-50075-HP Instructions: Section D.1, Paragraph Two

## Instructions for Preparation of Form HUD-50075-HP Annual Plan for High Performing PHAs

**A. PHA Information.** All PHAs must complete this section. (24 CFR §903.4)

**A.1** Include the full **PHA Name, PHA Code, PHA Type, PHA Fiscal Year Beginning (MM/YYYY), PHA Inventory, Number of Public Housing Units and or Housing Choice Vouchers (HCVs), PHA Plan Submission Type,** and the **Availability of Information,** specific location(s) of all information relevant to the public hearing and proposed PHA Plan. (24 CFR §903.23(4)(e))

**PHA Consortia:** Check box if submitting a Joint PHA Plan and complete the table. (24 CFR §943.128(a))

**B. Plan Elements.**

**B.1 Revision of Existing PHA Plan Elements.** PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the "yes" box. If an element has not been revised, mark "no."

**Statement of Housing Needs and Strategy for Addressing Housing Needs.** Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA's strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA and other families who are on the public housing and Section 8 tenant-based assistance waiting lists. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income); (ii) elderly families (iii) households with individuals with disabilities, and households of various races and ethnic groups residing in the jurisdiction or on the public housing and Section 8 tenant-based assistance waiting lists based on information provided by the applicable Consolidated Plan, information provided by HUD, and other generally available data. The statement of housing needs shall be based on information provided by the applicable Consolidated Plan, information provided by HUD, and generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Once the PHA has submitted an Assessment of Fair Housing (AFH), which includes an assessment of disproportionate housing needs in accordance with 24 CFR §5.154(d)(2)(iv), information on households with individuals with disabilities and households of various races and ethnic groups residing in the jurisdiction or on the waiting lists no longer needs to be included in the Statement of Housing Needs and Strategy for Addressing Housing Needs. (24 CFR §903.7(a).

The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(2)(i)) Provide a description of the ways in which the PHA intends, to the maximum extent practicable, to address those housing needs in the upcoming year and the PHA's reasons for choosing its strategy. (24 CFR §903.7(a)(2)(ii))

**Deconcentration and Other Policies that Govern Eligibility, Selection and Admissions.** Describe the PHA's admissions policy for deconcentration of poverty and income mixing of lower-income families in public housing. The Deconcentration Policy must describe the PHA's policy for bringing higher income tenants into lower income developments and lower income tenants into higher income developments. The deconcentration requirements apply to general occupancy and family public housing developments. Refer to 24 CFR §903.2(b)(2) for developments not subject to deconcentration of poverty and income mixing requirements. 24 CFR §903.7(b) Describe the PHA's procedures for maintaining waiting lists for admission to public housing and address any site-based waiting lists. 24 CFR §903.7(b) A statement of the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for both public housing and HCV. (24 CFR §903.7(b) Describe the unit assignment policies for public housing. 24 CFR §903.7(b)

**Financial Resources.** A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA operating, capital and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support public housing or tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c)

**Rent Determination.** A statement of the policies of the PHA governing rents charged for public housing and HCV dwelling units, including applicable public housing flat rents, minimum rents, voucher family rent contributions, and payment standard policies. (24 CFR §903.7(d)

**Homeownership Programs.** A description of any homeownership programs (including project number and unit count) administered by the agency or for which the PHA has applied or will apply for approval. For years in which the PHA's 5-Year PHA Plan is also due, this information must be included only to the extent that the PHA participates in homeownership programs under section 8(y) of the 1937 Act. (24 CFR §903.7(k) and 24 CFR §903.12(b).

**Safety and Crime Prevention (VAWA).** A description of: **1)** Any activities, services, or programs provided or offered by an agency, either directly or in partnership with other service providers, to child or adult victims of domestic violence, dating violence, sexual assault, or stalking; **2)** Any activities, services, or programs provided or offered by a PHA that helps child and adult victims of domestic violence, dating violence, sexual assault, or stalking, to obtain or maintain housing; and **3)** Any activities, services, or programs provided or offered by a public housing agency to prevent domestic violence, dating violence, sexual assault, and stalking, or to enhance victim safety in assisted families. (24 CFR §903.7(m)(5))

**Pet Policy.** Describe the PHA's policies and requirements pertaining to the ownership of pets in public housing. (24 CFR §903.7(n)

**Substantial Deviation.** PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

**Significant Amendment/Modification.** PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan. For modifications resulting from the Rental Assistance Demonstration (RAD) program, refer to the 'Sample PHA Plan Amendment' found in Notice PIH-2012-32 REV-3, successor RAD Implementation Notices, or other RAD Notices.

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

PHAs must submit a Deconcentration Policy for Field Office review. For additional guidance on what a PHA must do to deconcentrate poverty in its development and comply with fair housing requirements, see 24 CFR 903.2. (24 CFR §903.23(b))

**B.2 New Activities.** If the PHA intends to undertake any new activities related to these elements or discretionary policies in the current Fiscal Year, mark "yes" for those elements, and describe the activities to be undertaken in the space provided. If the PHA does not plan to undertake these activities, mark "no."

**HOPE VI.** 1) A description of any housing (including project name, number (if known) and unit count) for which the PHA will apply for HOPE VI; and 2) A timetable for the submission of applications or proposals. The application and approval process for Hope VI is a separate process. See guidance on HUD's website at: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/hope6](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6). (Notice PIH 2011-47)

**Mixed Finance Modernization or Development.** 1) A description of any housing (including name, project number (if known) and unit count) for which the PHA will apply for Mixed Finance Modernization or Development; and 2) A timetable for the submission of applications or proposals. The application and approval process for Mixed Finance Modernization or Development is a separate process. See guidance on HUD's website at: [https://www.hud.gov/program\\_offices/public\\_indian\\_housing/programs/ph/hope6/mfph#4](https://www.hud.gov/program_offices/public_indian_housing/programs/ph/hope6/mfph#4)

**Demolition and/or Disposition.** With respect to public housing only, describe any public housing development(s), or portion of a public housing development projects, owned by the PHA and subject to ACCs (including project number and unit numbers [or addresses]), and the number of affected units along with their sizes and accessibility features) for which the PHA will apply or is currently pending for demolition or disposition approval under section 18 of the 1937 Act (42 U.S.C. 1437p); and (2) A timetable for the demolition or disposition. This statement must be submitted to the extent that approved and/or pending demolition and/or disposition has changed as described in the PHA's last Annual and/or 5-Year PHA Plan submission. The application and approval process for demolition and/or disposition is a separate process. Approval of the PHA Plan does not constitute approval of these activities. See guidance on HUD's website at: [http://www.hud.gov/offices/pih/centers/sac/demo\\_dispo/index.cfm](http://www.hud.gov/offices/pih/centers/sac/demo_dispo/index.cfm). (24 CFR §903.7(h))

**Conversion of Public Housing under the Voluntary or Mandatory Conversion programs.** Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA is required to convert or plans to voluntarily convert to tenant-based assistance; 2) An analysis of the projects or buildings required to be converted; and 3) A statement of the amount of assistance received to be used for rental assistance or other housing assistance in connection with such conversion. See guidance on HUD's website at: <http://www.hud.gov/offices/pih/centers/sac/conversion.cfm>. (24 CFR §903.7(j))

**Conversion of Public Housing under the Rental Assistance Demonstration (RAD) program.** Describe any public housing building(s) (including project number and unit count) owned by the PHA that the PHA plans to voluntarily convert to Project-Based Assistance or Project-Based Vouchers under RAD. See additional guidance on HUD's website at: Notice PIH 2012-32 REV-3, successor RAD Implementation Notices, and other RAD notices.

- Project-Based Vouchers.** Describe any plans to use HCVs for new project-based vouchers. (24 CFR §983.57(b)(1)) If using project-based vouchers, provide the projected number of project-based units and general locations and describe how project-basing would be consistent with the PHA Plan.
- Units with Approved Vacancies for Modernization.** The PHA must include a statement related to units with approved vacancies that are undergoing modernization in accordance with 24 CFR §990.145(a)(1).
- Other Capital Grant Programs** (i.e., Capital Fund Community Facilities Grants or Emergency Safety and Security Grants).

**B.3 Progress Report.** For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA’s progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.7(r)(1))

**B.4 Capital Improvements.** PHAs that receive funding from the Capital Fund Program (CFP) must complete this section. (24 CFR §903.7(g)). To comply with this requirement, the PHA must reference the most recent HUD approved Capital Fund 5 Year Action Plan in EPIC and the date that it was approved. PHAs can reference the form by including the following language in the Capital Improvement section of the appropriate Annual or Streamlined PHA Plan Template: “See Capital Fund 5 Year Action Plan in EPIC approved by HUD on XX/XX/XXXX.”

**B.5 Most Recent Fiscal Year Audit.** If the results of the most recent fiscal year audit for the PHA included any findings, mark “yes” and describe those findings in the space provided. (24 CFR §903.7(p))

**C. Other Document and/or Certification Requirements**

**C.1 Resident Advisory Board (RAB) comments.** If the RAB had comments on the annual plan, mark “yes,” submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA’s decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

**C.2 Certification by State of Local Officials.** Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

**C.3 Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.** Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed*. Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the certification requirement to affirmatively further fair housing if the PHA fulfills the requirements of §§ 903.7(o)(1) and 903.15(d) and: (i) examines its programs or proposed programs; (ii) identifies any fair housing issues and contributing factors within those programs, in accordance with 24 CFR 5.154; or 24 CFR 5.160(a)(3) as applicable (iii) specifies actions and strategies designed to address contributing factors, related fair housing issues, and goals in the applicable Assessment of Fair Housing consistent with 24 CFR 5.154 in a reasonable manner in view of the resources available; (iv) works with jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; (v) operates programs in a manner consistent with any applicable consolidated plan under 24 CFR part 91, and with any order or agreement, to comply with the authorities specified in paragraph (o)(1) of this section; (vi) complies with any contribution or consultation requirement with respect to any applicable AFH, in accordance with 24 CFR 5.150 through 5.180; (vii) maintains records reflecting these analyses, actions, and the results of these actions; and (viii) takes steps acceptable to HUD to remedy known fair housing or civil rights violations, impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction’s initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o)).

**C.4 Challenged Elements.** If any element of the Annual PHA Plan or 5-Year PHA Plan is challenged, a PHA must include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA’s response to the public.

**D. Affirmatively Furthering Fair Housing.**

**D.1 Affirmatively Furthering Fair Housing.**

The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: “To implement goals and priorities in an AFH, strategies and actions shall be included in program participants’ ... PHA Plans (including any plans incorporated therein) ... Strategies and actions must affirmatively further fair housing ....” Use the chart provided to specify each fair housing goal from the PHA’s AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D., nevertheless, the PHA will address its obligation to affirmatively further fair housing by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction’s initiatives to affirmatively further fair housing that require the PHA’s involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

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This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year and Annual PHA Plan. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 7.02 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

**Privacy Act Notice.** The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

### 2022 Occupancy Overview

	Riverview Towers (149 Units) Occupancy %	Riverview Terrace (36 Units) Occupancy %	Public Housing (46 Units) Occupancy %	Housing Choice Vouchers Utilized
January	97%	94%	100%	265
February	97%	88%	97%	262
March	97%	91%	95%	263
April	97%	88%	100%	265
May	98%	88%	100%	260
June	97%	91%	100%	266
July	97%	86%	100%	261
August	97%	80%	100%	265
September	97%	77%	100%	271
October	97%	75%	100%	271
November	98%	72%	100%	277
December	98%	72%	100%	275

### 2023 Occupancy Overview

	Riverview Towers (149 Units) Occupancy %	Riverview Terrace (36 Units) Occupancy %	Public Housing (46 Units) Occupancy %	Housing Choice Vouchers Utilized
January	97%	77%	100%	278
February	97%	83%	100%	283
March	97%	94%	100%	288
April	96%	94%	100%	296
May	99%	94%	100%	300
June	98%	97%	97%	303
July	99%	97%	97%	311
August	98%	97%	97%	307
September	99%	100%	97%	306
October				
November				
December				





STATE OF WISCONSIN  
DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor  
Kathy Blumenfeld, Secretary  
Susan Brown, Division Administrator

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August 24, 2023

Betty Noel  
[Betty.Noel@ci.wausau.wi.us](mailto:Betty.Noel@ci.wausau.wi.us)  
Assistant Director, Wausau Community Development Authority

Delivered via email

RE: HOME Monitoring Closeout for 1901 Bopf St, Contract RHD  
#82206.198.004

Dear Ms. Noel,

This letter is to follow up the review of the grant funded by the Division of Energy, Housing and Community Resources (DEHCR) HOME Rental Housing Development (RHD). All monitoring items have been addressed and no further action is required to complete this monitoring.

Thank you again for all the help and cooperation you and your staff have given us.

If you have any questions, please feel free to contact me via email at [Maureen.Anderson@wisconsin.gov](mailto:Maureen.Anderson@wisconsin.gov).

Sincerely,

*Maureen Anderson*

Maureen Anderson, Grants Specialist - Advanced  
Bureau of Housing  
Division of Energy, Housing, and Community Resources

cc: Kenna Arvold, Bureau Director, DEHCR