



OFFICIAL NOTICE AND AGENDA

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

Meeting of: **JOINT MEETING OF ECONOMIC DEVELOPMENT & FINANCE COMMITTEES- REVISED**

Date/Time: **Tuesday, June 1, 2021 at 5:15 p.m.**

Location: **City Hall, Council Chambers**

ED Members: Tom Neal (C) , Lisa Rasmussen, Sarah Watson, Becky McElhaney and Tom Kilian

FIN Members: Lisa Rasmussen (C), Sarah Watson, Dawn Herbst, Michael Martens and Debra Ryan

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

JOINT ITEMS

- 1 Discussion and possible action on the \$350,000 funding request from Gorman & Company, LLC for 221 Scott Street (Landmark Apartments) Affordable Housing project. Funding sources to be considered are TID 12 and American Rescue Plan Act Local Fiscal Recovery Funds
- 2 Discussion and possible action on the extension on the deferral of principal payments on city-funded loans for small businesses in the aftermath of the COVID-19 pandemic.
- 3 Adjournment FINANCE Committee
Lisa Rasmussen, Chair

Economic Development Only Items

- 4 Approval of the Minutes from 5/4/2021
- 5 Discussion and possible action on the 4th amendment to the development agreement with Entrepreneurial and Education Center Inc., formerly known as Wausau Business Incubator.
- 6 Discussion and possible action on terms of a Development Agreement with T. Wall Enterprises Development LLC for city-owned land in the Riverlife north zone lots #6, 7 and 8
- 7 **CLOSED SESSION** pursuant to Section 19.85(1)(e) of the Wisconsin statutes for deliberating or negotiating the purchasing of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session regarding terms of a Development Agreement with T. Wall Enterprises Development LLC for city-owned land in the Riverlife north zone lots #6, 7 and 8
- 8 **RECONVENE** into Open Session, if necessary, to take action on Closed Session item
- 9 Discussion and possible action on the Community For All resolution.
- 10 **Updates**
 - Staffing Updates
- 11 Adjournment

It is likely that members of, and a quorum of the Council and/or members of other committees of the Common Council of the City of Wausau will be in attendance at the above-mentioned meeting to gather information. **No action will be taken by any such groups.**

This Notice was posted at City Hall and emailed to the Media on 5/27/2021

Due to the COVID-19 pandemic, this meeting is being held in person and via teleconference. Members of the media and the public may attend in person, subject to the social distancing rules of maintaining at least 6 feet apart from other individuals, or by calling 1-408-418-9388. The Access Code is **187 058 9867**. Password is **J8jAQgW8Mr8**. Individuals appearing in person will either be seated in the Council Chambers or an overflow room, subject to the social distancing rules. Space available will be on a first come, first served basis. All public participants' phones will be muted during the meeting. Members of the public who do not wish to appear in person may view the meeting live over the internet at <https://tinyurl.com/WausauCityCouncil>, on the City of Wausau's YouTube Channel https://www.youtube.com/channel/UC-Nigpdco_i8sq5FbbJD_aw, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at https://www.youtube.com/channel/UC-Nigpdco_i8sq5FbbJD_aw. Any person wishing to offer public comment who does not appear in person to do so, may e-mail Sean Fitzgerald at sean.fitzgerald@ci.wausau.wi.us with "Economic Development Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

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 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.

MINUTES

Economic Development Committee

Date | time Tuesday, May 4, 2021 at 5:15 P.M. | *Meeting called to order by* Neal at 5:16 P.M.

In Attendance

Committee Members Present: Tom Neal (chair), Sarah Watson, Becky McElhaney and Tom Kilian

Committee Members Absent: Lisa Rasmussen

Others Present: Mayor Katie Rosenberg, Debra Ryan, Kevin Porter, Brad Lenz, Anne Jacobson, MaryAnne Groat, Patrick Peckham, Lou Larson, Bruce Grau Sean Fitzgerald and Shannon Graff

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

Agenda Item #1 – Approval of minutes from 3/30/21

Motion by Kilian, second by McElhaney to approve the minutes. Motion passed 4-0.

Agenda Item #2 – Approval of minutes from 4/22/21

Motion by Kilian, second by McElhaney to approve the minutes. Motion passed 4-0.

Agenda Item #3 – Discussion and possible action on adopting a charter for an affordable task force for the City of Wausau

The Mayor discussed the affordable housing task force as presented in the packet and asked the committee for input into the task force recommendation.

Neal asked about the membership structure of the committee. The Mayor responded it would be similar to other committees and she would appoint people who have applied based on interest and background. She provided insight as to who she envisions being part of the task force.

Neal asked if the Mayor anticipates the meetings being monthly and the Mayor responded she thinks it will be at least monthly if not more depending on what's discussed and decided.

Neal asked the Mayor when she anticipates a document outlining affordable housing assets in the city would be available. The Mayor responded if the committee wants a thorough presentation it could take a year.

Kilian asked if an action timeframe could be attached to the task force. Mayor responded that isn't a problem.

Neal commented about people moving out of Wausau or moving downtown that perhaps their properties could become part of the housing stock and considered for affordable housing.

Kilian suggested that anti-gentrification policies would be integral with this task force.

Ald. Peckham commented it might be wise to delay the approval of the committee until the city has had time to reach out to other communities to see if they want to participate.

Neal suggested keeping this a Wausau-based task force because the committee is here to serve the City of Wausau. The Mayor stated there is merit in having discussion regionally and potentially attracting federal or state funding for a project.

Ald. Ryan spoke against the task force noting the city already has agencies who work with affordable housing issues and does not think an effort should be embodied under the Economic Development Committee. Neal responded this task force is an effort from the council as a whole and it is not strictly under the ED committee.

Larson spoke against a task force for the long term and agreed with Ryan that there are other city resources that can be tapped.

Watson spoke in support of the task force because it puts a spotlight on an issue and could potentially spread light on larger issues.

The Mayor indicated affordable housing isn't a money maker and feels it does deserve extra attention. She views affordable housing as a service the city provides and does not think 60 to 90 days is enough time to come to a thoughtful resolution. The task force idea was devised from comments made by this committee.

Grau spoke against the task force and does not feel it will be successful in relieving the stress of affordable housing but does believe in its mission. He stated affordable housing is more than putting a roof over someone's head.

Kilian does not feel rushing the data would produce a positive outcome but does recognize the urgency of the issue and doesn't think the city can wait for a year to accomplish this task.

Porter spoke on behalf of Wausau Area Builders Association and mentioned the possibility of a missing link between builders and city officials to work on this issue together.

Motion by Watson, second by McElhaney to approve the creation of a city affordable housing task force.

Motion passed 4-0.

Agenda #4 – Discussion and possible action on a 3rd amendment to the 2015 Blenker River East Brownstones Development Agreement – Phase III for Short Street Properties

Fitzgerald discussed the amendment as provided in the packet.

Atty. Jacobson explained due to easements the area conveyed will be larger than previously approved and amending project commencement deadline.

Motion by McElhaney, second by Watson to approve the amendment. Motion passed 4-0.

Agenda Item #5 – CLOSED SESSION to discuss compliance of the development agreement by CGI, Inc. successor to Collaborative Consulting, Inc. d/b/a Collaborative Domestic Solutions Center – Wausau LLC

Motion by Watson, second by McElhaney to move into closed session. Motion passed 4-0.

RECONVENE – Into OPEN SESSION – To take action on Closed Session item, if necessary

Motion by McElhaney, second by Watson to amend the city's development agreement with CGI. Motion passed 3-1 with Kilian dissenting.

Agenda Item #6 – Updates

Fitzgerald discussed the Thomas Street Phase II remnant parcels and the previously approved single-family housing construction proposal which has been abandoned. He indicated staff is recommending any effort to dispose of the parcels should hold off until building material prices return to normal and environmental concerns in the neighborhood move toward resolution.

Kilian supported not developing the parcels at this time until all environmental concerns are addressed.

Larson also supported additional testing and potentially building of tiny homes in that area of Thomas Street.

Ryan supported using the parcels as storage units or additional parking for Elder Sanctuary or for people who want to explore downtown.

Agenda Item #7 – Adjournment

Motion to adjourn by Kilian, second from Watson. Motion passed 4-0 to adjourn at 6:25 P.M.

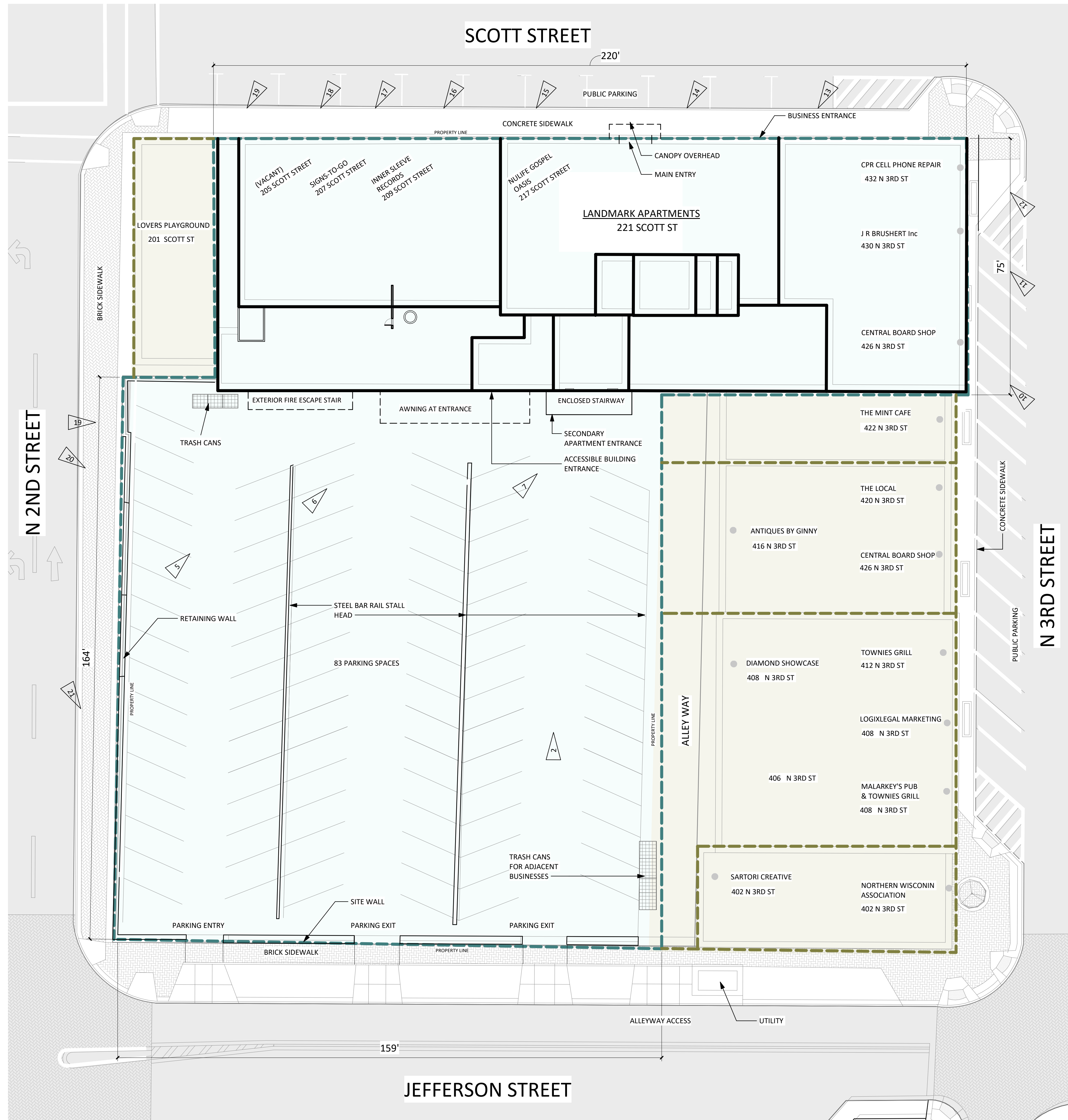
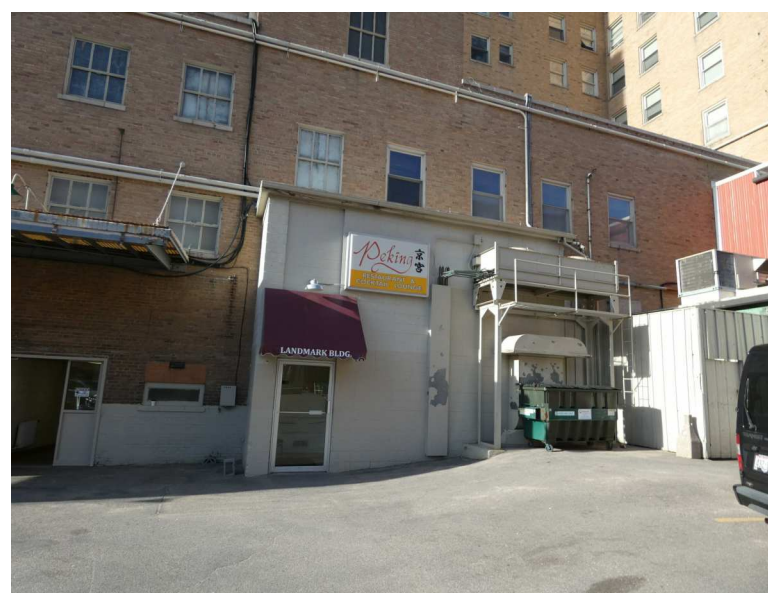
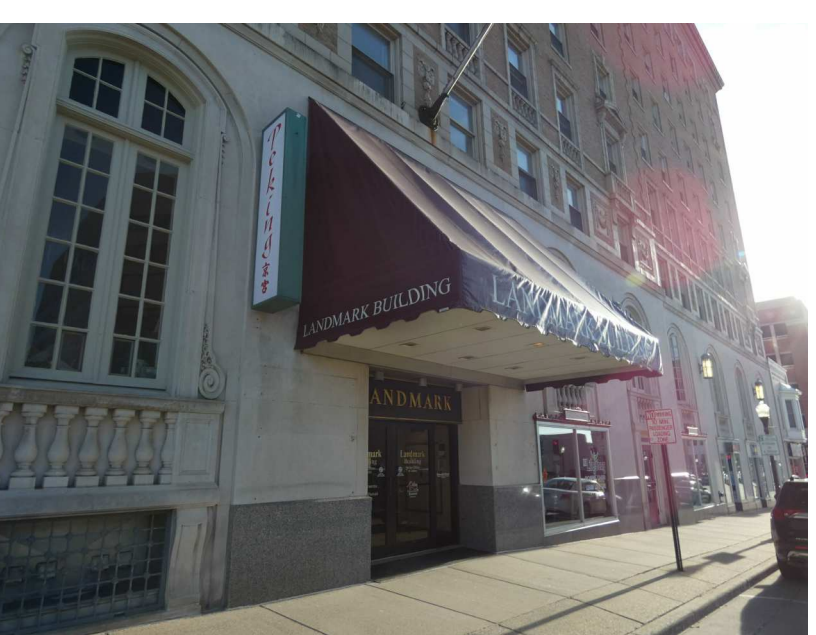
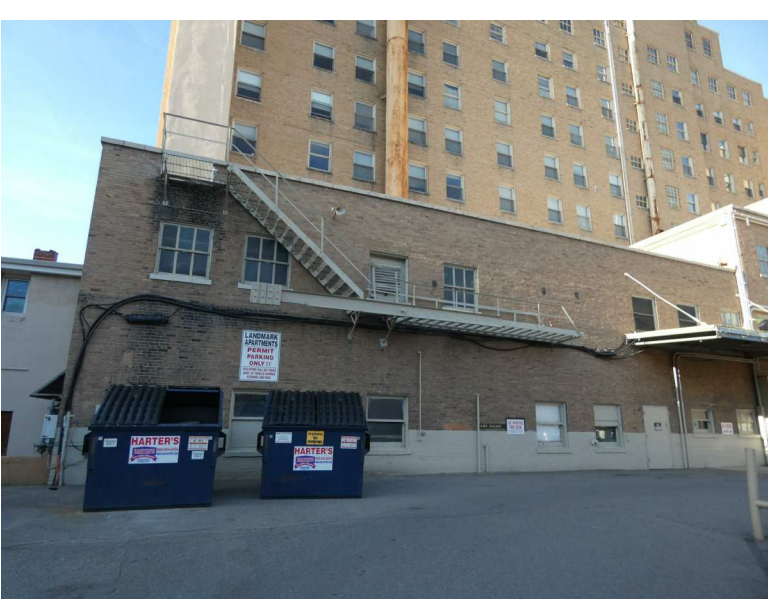
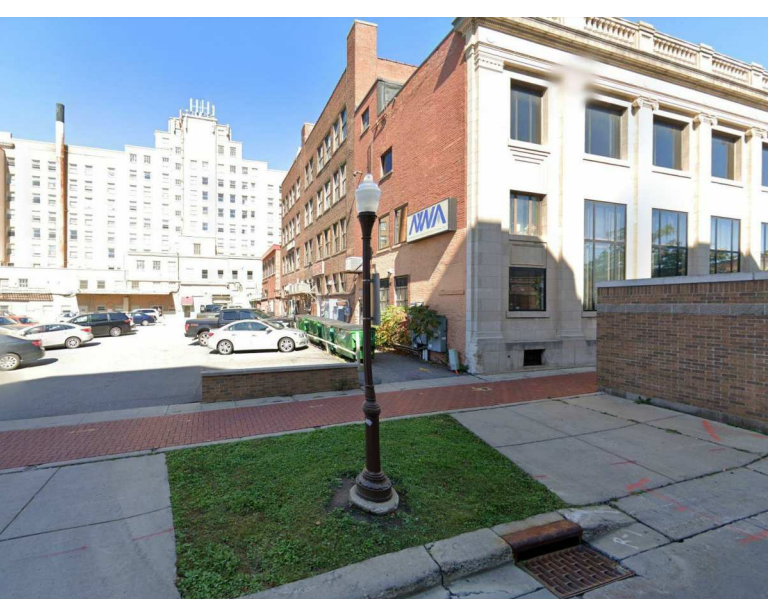
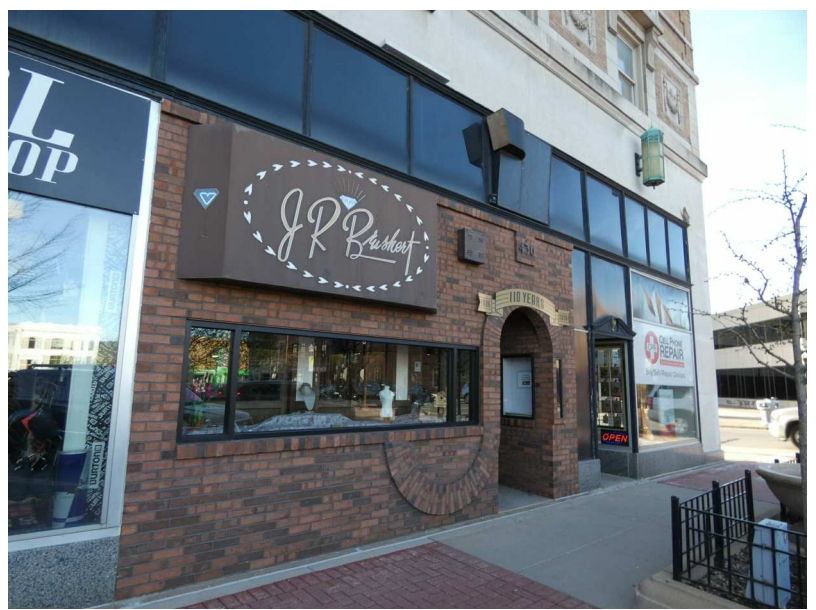
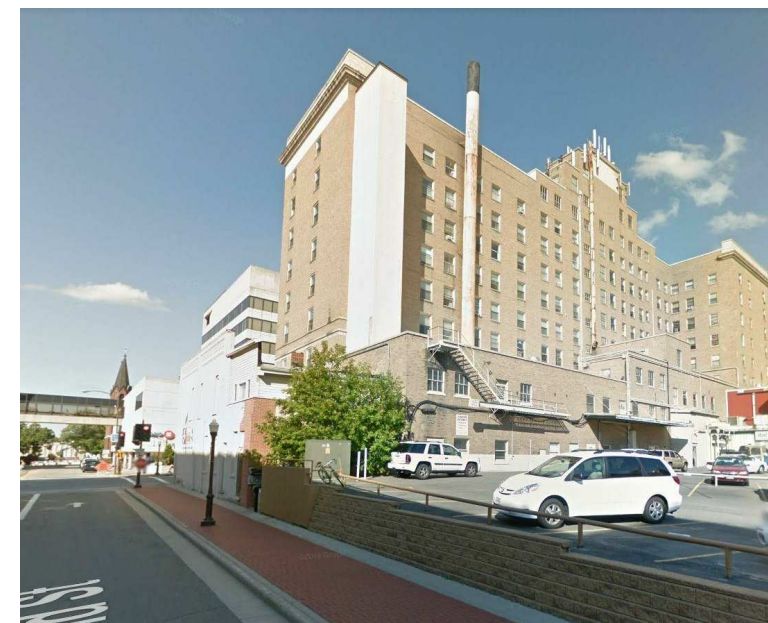
LANDMARK APARTMENTS
221 SCOTT STREET
WAUSAU, WI 54403

Issue Dates:	
DATE	DESCRIPTION
2020.04.27	EXISTING CONDITIONS
2020.07.15	SCHEMATIC DESIGN

Project No.	19LAND-00-01
Plot Date:	6/26/2020 4:05:07 PM
Drawn by:	NM
Checked by:	
Approved by:	
SCHEMATIC DESIGN	

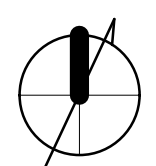
Sheet Title
ARCHITECTURAL SITE PLAN -
EXISTING CONDITIONS

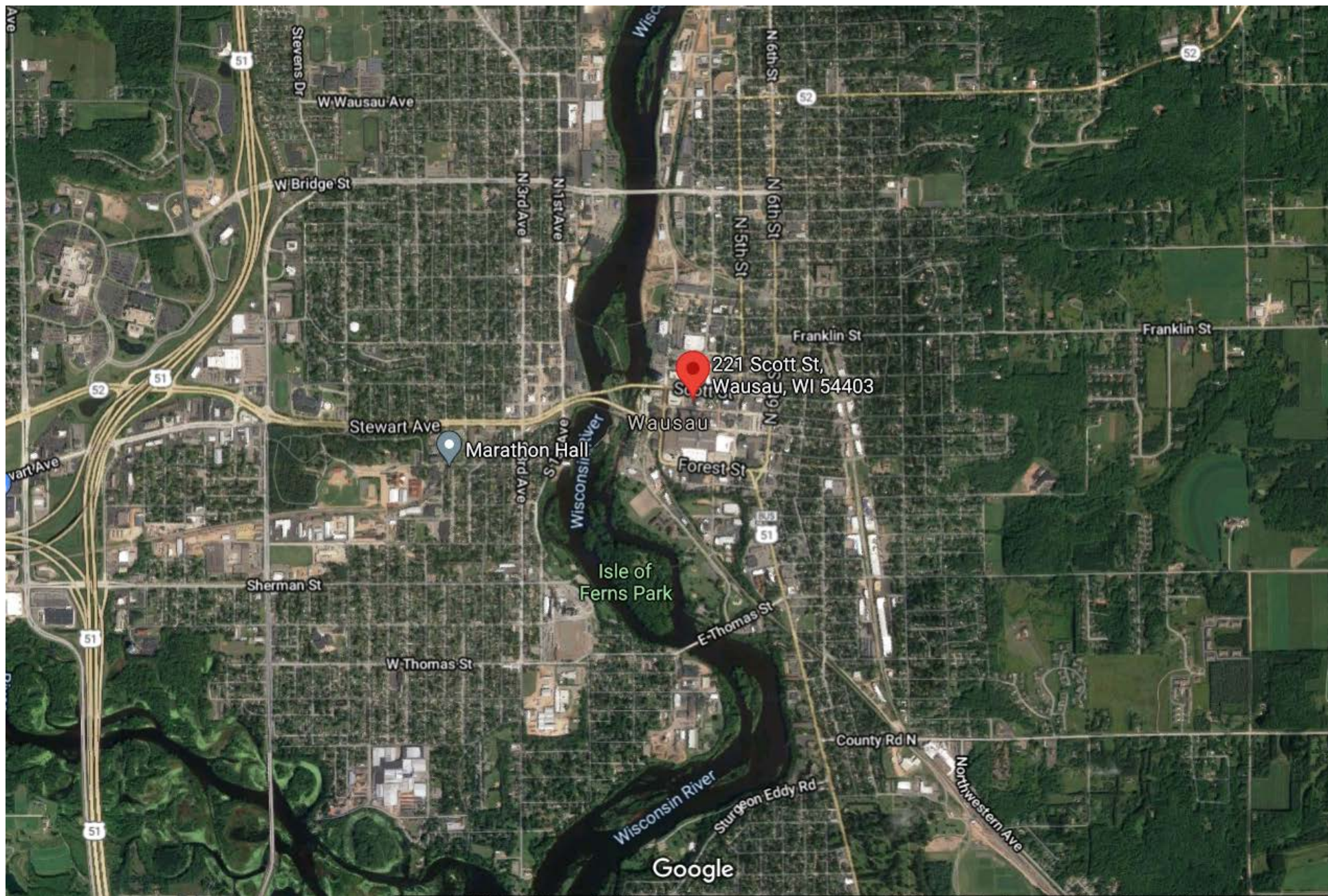
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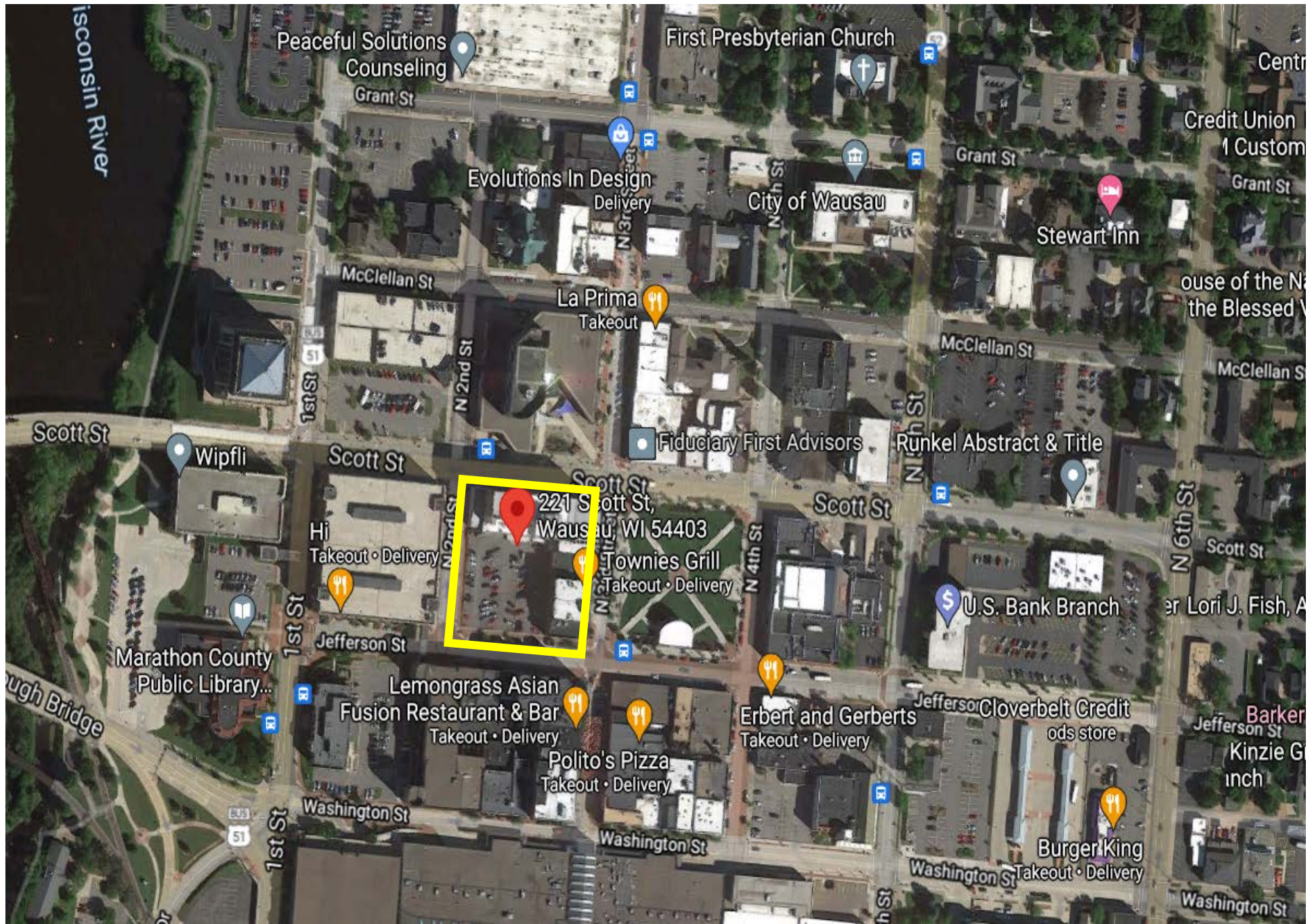


ARCHITECTURAL SITE PLAN -
EXISTING CONDITIONS

SCALE: 1/16" = 1'-0"









Tax Incremental Financing Policy & Application



City of Wausau, Wisconsin

407 Grant Street

Wausau, WI 54403

www.wausaudevelopment.com

(715) 261-6680



Economic Development Agreement Policy

Purpose

Tax Incremental Financing (TIF) is a governmental finance tool used to provide funds to construct public infrastructure, promote development opportunities and expand future tax base. TIF assistance is only used when the proposed development would not occur “but for” City assistance. The proposed development should be consistent with and reinforce all City plans; and lead to the creation of jobs, the attraction, retention and expansion of strategic businesses and/or the redevelopment of underutilized properties to eliminate blight.

Goals and Objectives

Goal #1 - Economic Development: create jobs through the attraction, retention, and expansion of strategic businesses, support local workforce development and training, improve infrastructure for commercial and industrial expansion opportunities, increase the local tax base.

Goal #2 - City Revitalization: remove blight, encourage new construction on existing city lots, promote historic preservation and adaptive/imaginative re-use of underutilized properties, increase affordable housing, allow higher standards of building design and construction quality.

The proposed development should:

- Improve identified blighted and strategic areas
- Meet the City [Urban Design Standards](#)
- Support the [Comprehensive Plan](#) and relevant neighborhood plans
- Utilize loans over grants
- Serve as gap financing – not be possible “but for” City assistance
- Primarily used for public infrastructure and publicly accessible areas
- Create jobs, commerce and economic activity
- Include substantial private investment of the applicant
- Receive support from neighborhood and stakeholder organizations

Application Process

Developers who seek TIF assistance must meet with Community Development staff and other City staff as appropriate. If staff determines funds may be available, a developer will be asked to submit a [TIF Application](#). A TIF application shall include the following:

- Application describing the nature of the business, proposed plans, and requested assistance
- Project description, purpose of loan and expected benefits. Include cost estimates for building improvements and other capital expenditures, as well as the ratio of total project cost versus the amount of equity invested by owner
- Three-year cash flow projections
- Profit and loss statement for the past three years (if applicable)
- Fees – a non-refundable fee of \$1,000 is required for processing of the initial application. An additional fee of \$500 will be charged for each development agreement amendment required.

The City is not obligated to make a TIF assistance recommendation or conclude negotiations in the event that information has not been presented to its satisfaction or the proposed project lacks feasibility. Meeting policy guidelines or other criteria listed herein does not guarantee the provision of TIF financial assistance nor does the approval or denial of one project set precedent for approval or denial of another project.

Staff verifies the TIF application and distributes the file for review to relevant City departments. The draft development agreement term sheet will be sent to the Economic Development and/or Finance Committee for review. City Council approval is required for all TIF Applications that result in a Development Agreement.



The process for approving funds within a current TID (or within a 1/2 mile radius of an existing TID) may take up to 60 days for final approval. Developers may request TIF funds outside of a Tax Incremental District, but the City of Wausau requires an additional 60 days minimum to allow for an amendment to TID boundaries.



Application for City Assistance

The City of Wausau is a proud partner in assisting investment and business development. Our Development Team welcomes consultation with prospective applicants in advance of this formal application process.

Applicant Information

Legal Name: The Landmark Wausau, LLC

d/b/a: _____

Mailing Address: 200 N. Main St., Oregon WI, 53575

Primary Contact #: 608-835-3900 Cell #: 414-617-9997

Email: tmatkom@gormanusa.com

Attorney: Stephen Elliot

Will a new entity be created for ownership? ~~No~~ Yes Name: _____

Principals of existing or proposed corporation/partnership/LLC

Brian Swanton - President

Michael Redman - Secretary

Tax Identification #: 83-3206617

Project/Property Summary

Overall Project Summary: Gorman will rehabilitate the existing development into 94 multi-family units of

of affordable housing. Additionally, the redevelopment of the historic hotel will also bring new life to a historic

building that has been a part of the Downtown Wausau community for almost 100 years.

Parcel Address(es): 221 Scott St., Wausau WI, 54403

Proposed Parcel/Land Area: 1.03 Acres

Proposed Building Area: 114,152 SF Square feet

Current Use: Apartment units/commercial retail tenants

Current Assessed Value: \$ 2,622,000

Current Property Taxes: \$ 21,936.00

Describe any zoning changes that will be needed: All zoning changes have been approved

Identify any other approvals, permits or licenses: Building permits will need to be pulled at closing

Describe briefly what the project will do for the property and/or neighborhood: The rehabilitation of this historic building will bring new life to the heart of downtown Wausau.

Full and part-time jobs to be created by the proposed project including average estimated salary: _____

2 Jobs - Property Manager approx \$60,000 and maintenance manger at \$40,000

If existing business, number of current full and part-time employees: 2 employees

Timetable: Moving towards a end of June Closing.

Development Team
Gorman & Company, LLC

Developer: Gorman & Company, LLC

Architect: _____

Sources and Uses

	Amount (\$)	Source
Land Acquisition or Facility Purchase	\$3,500,000	LIHTC equity, Loans
Demolition	\$396,000	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Environmental Remediation	\$102,000	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Site Clearance and Prep	\$125,000	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Utilities	\$100,000	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Construction of New Building		
Renovation of Existing Structure	\$9,326,061	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Machinery & Equipment	\$988,000	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Architectural & Engineering Fees	\$386,968	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Legal & Professional Fees	\$2,600,000	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Project Management		
Appraisal	\$6,000	Loans, LIHTC equity
Title/Recording/Transfer	\$45,000	Loans, LIHTC equity
Permits	\$30,000	Loans, LIHTC equity
Real Estate Taxes	\$75,000	Loans, LIHTC equity
Contingency	\$1,006,368	LIHTC Equity, Loans, TIF, AHP, Wausau CDA
Licenses		
Other (site work and masonry)	\$1,531,733	Loans, LIHTC equity
Total Project Costs	\$20,218,130	

	Amount (\$)	Term	Int.	Contact
WHEDA First Mortgage	\$2,600,000	35	3.93%	Chris Nowakowski chris.nowakowski@wheda.com
Wausau Community Development Authority	\$900,000	35	2.50%	
HOME	\$550,000	35	2.50%	
AHP - FHLB Chicago	\$900,000	40	0%	
WHEDA Subordinate	\$249,137	35	3.00%	Chris Nowakowski chris.nowakowski@wheda.com
Federal LIHTC Equity	\$6,576,811			Cinnaire, Chris Jillings CJillings@cinnaire.com
Federal Historic Tax Credit Equity	\$2,270,846			See above
State Historic Tax Credit Equity	\$2,072,355			TBD
State LIHTC Equity	\$2,853,921			See above
Deferred Developer Fee	\$895,000	15	0%	
GAP	\$350,000			
Total Project Costs	\$20,218,130			

Additional Considerations

Please answer the following:

1. Will you sign a community workforce agreement with the local Building Trades Council? **Yes** **No X**
2. Will you agree to source all sub-contractors and building material suppliers from within a 100 mile radius of Wausau? **Yes** **No X** (The majority will come within a 100 mile radius)
3. Will you agree to not protest to the Board of Review, except in cases of material inaccuracies, your real estate assessment for the subject properties? **Yes X** **No**
4. Will you complete the design assistance process of the Wisconsin Focus on Energy Program, which offers incentives and consultations on energy efficiency? **YesX** **No**
5. Will you consider using Property Assessed Clean Energy (PACE) funding which can provide financing support for construction which meets energy efficiency or alternative energy standards? **Yes** **No X**
6. Will you provide corporate tax filing verification information for job creation reporting purposes, if requested? **Yes X** **No**

Filing Requirements

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

1. Fee: A nonrefundable application fee of \$1000 made payable to the City of Wausau Community Development Department. Via Fedex
2. Site Maps: Provide a map that shows the location of the site and a map that focuses on the project and its immediate surroundings. Attached
3. Project Renderings: Provide preliminary drawings, plans or renderings for the proposed project. Attached
4. Projections: Provide three (3) years of cash flow projections for the project. Attached
5. Statements: Profit and loss statements for the past three (3) years (if applicable) – this may be shared in a closed session if necessary and requested. N/A

If the project requires planning and/or zoning approvals, you must make these applications concurrent with this request.

Declarations

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

Involved in a previous or pending lawsuit or legal proceeding?

Yes **No X**

Involved in a previous or pending bankruptcy or insolvency proceeding?

Yes **No X**

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

Yes **No X**

Have any outstanding tax liens currently or previously?

Yes **No X**

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

Yes **No X**

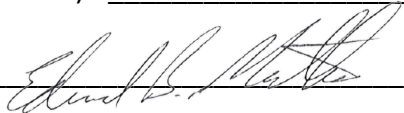
Please attach a detailed explanation of any YES responses.

Agreement:

I, by signing this application, agree to the following:

1. I have read, and will abide by all the policies, standards and reporting requirements of the City for Tax Incremental Financing (TIF).
2. The information submitted is correct and adequately represented.
3. I understand the City reserves the right to deny approval, regardless of preliminary approval or the degree of construction completed before application for final approval.
4. I authorize the City to check references, run a credit report, verify criminal and financial backgrounds and obtain other relevant information on the applicant and parties.
5. I agree to provide additional information as may be requested by the City after filing of this application.

Applicant Name (Printed): Edward Matkom Date: 5/26/21

Signature: 

Gorman & Company

Historic Wausau Apartments

Wausau, Wisconsin

15 Year Cash Flow Pro Forma

5/13/2021

	Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	
		2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	
Gross Rental Income	2%	\$763,212	\$778,476	\$794,046	\$809,927	\$826,125	\$842,648	\$859,501	\$876,691	\$894,224	\$912,109	\$930,351	\$948,958	\$967,937	\$987,296	\$1,007,042	
Other Income	2%	\$21,150	\$21,573	\$22,004	\$22,445	\$22,893	\$23,351	\$23,818	\$24,295	\$24,781	\$25,276	\$25,782	\$26,297	\$26,823	\$27,360	\$27,907	
Gross Income		\$784,362	\$800,049	\$816,050	\$832,371	\$849,019	\$865,999	\$883,319	\$900,985	\$919,005	\$937,385	\$956,133	\$975,256	\$994,761	\$1,014,656	\$1,034,949	
Less Vacancies	7%	(\$53,425)	(\$54,493)	(\$55,583)	(\$56,695)	(\$57,829)	(\$58,985)	(\$60,165)	(\$61,368)	(\$62,596)	(\$63,848)	(\$65,125)	(\$66,427)	(\$67,756)	(\$69,111)	(\$70,493)	
Less Vacancies (Other)	7%	(\$1,481)	(\$1,510)	(\$1,540)	(\$1,571)	(\$1,603)	(\$1,635)	(\$1,667)	(\$1,701)	(\$1,735)	(\$1,769)	(\$1,805)	(\$1,841)	(\$1,878)	(\$1,915)	(\$1,953)	
Effective Gross Income		\$729,457	\$744,046	\$758,927	\$774,105	\$789,587	\$805,379	\$821,487	\$837,916	\$854,675	\$871,768	\$889,204	\$906,988	\$925,127	\$943,630	\$962,503	
Operating Expenses	3%	\$362,865	\$373,751	\$384,963	\$396,512	\$408,408	\$420,660	\$433,280	\$446,278	\$459,667	\$473,457	\$487,660	\$502,290	\$517,359	\$532,879	\$548,866	
Management Fee	6%	\$43,767	\$44,643	\$45,536	\$46,446	\$47,375	\$48,323	\$49,289	\$50,275	\$51,280	\$52,306	\$53,352	\$54,419	\$55,508	\$56,618	\$57,750	
Real Estate Taxes	3%	\$95,000	\$97,850	\$100,786	\$103,809	\$106,923	\$110,131	\$113,435	\$116,838	\$120,343	\$123,953	\$127,672	\$131,502	\$135,447	\$139,511	\$143,696	
Replacement Reserves	3%	\$28,200	\$29,046	\$29,917	\$30,815	\$31,739	\$32,692	\$33,672	\$34,682	\$35,723	\$36,795	\$37,898	\$39,035	\$40,206	\$41,413	\$42,655	
Total Operating Expenses		\$529,832	\$545,290	\$561,202	\$577,583	\$594,446	\$611,805	\$629,676	\$648,074	\$667,013	\$686,511	\$706,583	\$727,247	\$748,520	\$770,421	\$792,967	
Net Operating Income		\$199,624	\$198,756	\$197,725	\$196,523	\$195,142	\$193,574	\$191,810	\$189,843	\$187,662	\$185,258	\$182,621	\$179,741	\$176,607	\$173,209	\$169,535	
First Mortgage DS		\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	
Subordinate Debt																	
TOTAL must-pay debt		\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	\$136,839	
First Mortgage Debt Coverage Ratio - (DCR)		1.459	1.452	1.445	1.436	1.426	1.415	1.402	1.387	1.371	1.354	1.335	1.314	1.291	1.266	1.239	
Cash Flow Available for Distribution		\$62,786	\$61,917	\$60,886	\$59,684	\$58,303	\$56,735	\$54,972	\$53,004	\$50,823	\$48,419	\$45,782	\$42,902	\$39,769	\$36,371	\$32,697	
Cash Flow Waterfall																	
1	Asset Management Fee	3%	(\$7,050)	(\$7,262)	(\$7,479)	(\$7,704)	(\$7,935)	(\$8,173)	(\$8,418)	(\$8,671)	(\$8,931)	(\$9,199)	(\$9,475)	(\$9,759)	(\$10,052)	(\$10,353)	(\$10,664)
2	WHEDA Subordinate		(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)	(\$11,595)
3	Deferred Fee		(\$44,141)	(\$43,061)	(\$41,812)	(\$40,385)	(\$38,773)	(\$36,967)	(\$34,959)	(\$32,739)	(\$30,298)	(\$27,625)	(\$7,363)	\$0	\$0	\$0	\$0
4																	
5																	
Cash Flow Available for Liabilities or Distributions		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$17,350	\$21,549	\$18,122	\$14,423	\$10,438	

Memorandum of Understanding
TO PURCHASE & DEVELOP
-Wausau – Riverlife North-
May 18, 2021

This Memorandum of Understanding (the “MOU”) sets forth the general terms and conditions upon which Main Street Wausau, LLC (“**Buyer**”) would purchase the Property from the City of Wausau, Wisconsin (“**Seller**”) subject to the drafting and execution of a mutually acceptable Development Agreement and/or Agreement for Purchase and Sale of Real Property (“**Purchase Agreement**”) embodying, among others, the terms below. The MOU is intended to outline and fix the business and governing terms for the Development Agreement and Purchase Agreement, but the MOU will not obligate either party unless and until a formal and binding Development Agreement and Purchase Agreement are entered into and executed by both the respective parties. Furthermore, this MOU shall become null and void upon execution of a Development Agreement and Purchase Agreement between the Buyer and Seller.

Buyer:	Main Street Wausau, LLC (the “ Buyer ”), which is related to T. Wall Enterprises Development, LLC.
Seller:	City of Wausau, Wisconsin (the “ Seller ”).
Property:	A portion of 1200 North River Drive, Wausau, Wisconsin, as depicted on Exhibit A as Lots 6,7,8 (the “ Property ”). The City shall be responsible for subdividing the Property from the larger parcel it is currently a part of.
Purchase Price:	The purchase price shall be \$400,000.00 (“ Purchase Price ”).
Prorations:	Any real estate taxes, assessments and similar costs for the year of Closing shall be paid by the Seller at Closing.
Warranties & Representations:	The Development Agreement and Purchase Agreement shall contain standard warranties and representations pertaining to matters such as property condition, environmental matters, zoning, access, governmental orders, and other similar matters.
Contingency Period:	Buyer shall have until the expiration of the <u>12</u> months after the execution of the Purchase Agreement (the “Contingency Period”) to obtain and approve specific knowledge about the Property and obtain assurances that the Property can be used for Buyer’s intended development. The Buyer extend the Contingency Period by up to <u>two 6-month</u> periods if needed to secure all entitlements and complete contingencies and obtain a building permit. This MOU and the eventual purchase agreement is contingent upon the Buyer receiving a tax incremental financing (TIF) incentive in the amount of 65% of the estimated tax revenue increment generated annually from

the Buyer's proposed development up to a maximum amount mutually agreed upon in the Development Agreement.

Standard contingencies to be included in the Purchase Agreement are as follows:

- Property document review, including but not limited to: Seller Disclosure Report (WRA Form), surveys, soils studies, environmental assessment reports, permits, any leases, and any other material documents pertaining to the Property, in Seller's possession. Seller shall deliver all documents, in Seller's possession, to Buyer within ten (10) days after the execution of the Purchase Agreement.
- Environmental audit
- Appraisal
- Governmental approvals
- Financing

Title: Buyer shall obtain, at Seller's expense, a title insurance commitment from First American Title Insurance Company for the Property, including copies of all documents referenced therein. Buyer shall have the right to order a gap endorsement and mortgagee's policy of title insurance at Buyer's expense. Seller agrees to execute any affidavit or undertaking required by First American Title Insurance Company to provide gap coverage. Buyer shall have until twenty (20) days following receipt of the title commitment to deliver to Seller written notice of objection to any such matters, other than the Permitted Exceptions and matters to be deleted at Closing. If Seller is unable to cure such objections within twenty (20) days after receipt of Buyer's title objections, then Seller shall either cure or escrow money to cure such objections.

Survey: Buyer shall obtain, at Seller's reasonable expense, within forty-five (45) days after execution of the Purchase Agreement, an ALTA survey of the Property certified to Buyer and Escrowee, subject to ALTA standards. Seller shall pay for the survey within 30 days of receiving invoice from the surveyor. Buyer shall have until twenty (20) business days after receipt of the Survey to deliver to Seller written notice of objection to such matters. If, within twenty (20) days following delivery of Buyer's notice of objection, Seller is unable to, or has failed to, cure such defects, Buyer shall have the option either to terminate the Purchase Agreement or waive Buyer's objections.

Real Estate Commission: Neither Party shall be liable to the other Party for any real estate commission as a result of the transaction contemplated herein. Each Party shall indemnify and hold the other Party harmless against any claim for a real estate commission that is brought against such Party.

Closing: Closing shall occur at the Escrowee's office on the thirtieth (30th) day after satisfaction or waiver of any contingencies, survey, or title matters (the "Closing").

Exclusivity: The Parties will negotiate in good faith using best efforts to finalize the Development Agreement and/or Purchase Agreement for the Property within 120 days after acceptance of this MOU (the "Negotiation Period"). If the Parties do not execute the Development Agreement and/or Purchase Agreement prior to the end of the Negotiation Period, either Party may terminate the relationship with respect to the Property by written notice to the other Party.

Binding Effect: Except as set forth in the following sentence, this letter constitutes an agreement and shall be deemed to create a binding obligation between Seller and Buyer until a definitive Purchase Agreement embodying the terms hereof, and any other terms acceptable to the parties in their sole discretion, is executed by both Seller and Buyer. If Seller does not sign below and confirm agreement on the expression of intent by June 25, 2021, then the terms in this letter become null and void.

If you are in agreement with the terms outlined above, please signify your acceptance by signature below. This MOU shall only be effective and binding if executed by both Buyer and Seller.

BUYER: Main Street Wausau, LLC

By: _____
Terrence R. Wall, President of
T. Wall Enterprises Manager, LLC, Its Manager

SELLER: City of Wausau, Wisconsin

By: _____

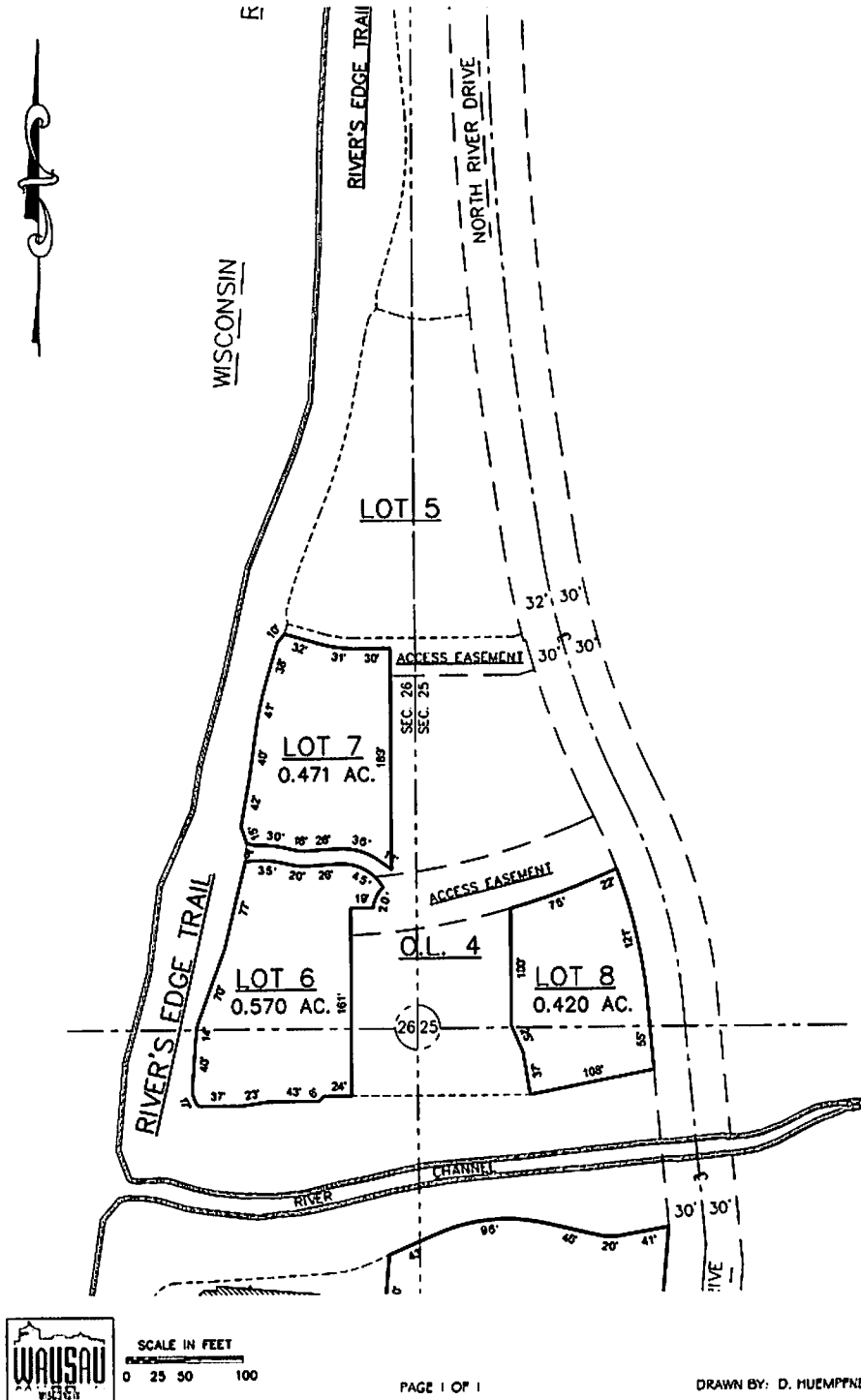
Name: _____

Title: _____

Acknowledged and accepted this ____ day of _____, 2021.

RIVERFRONT NORTH

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



AMENDMENT NO. 4 TO DEVELOPMENT AGREEMENT

AMENDMENT NUMBER FOUR TO THE ENTREPRENEURIAL AND
EDUCATION CENTER, INC., (FKA) WAUSAU BUSINESS
INCUBATOR DEVELOPMENT AGREEMENT

This AMENDMENT to the Development Agreement between the City of Wausau and The Entrepreneurial and Education Center, Inc. (FKA) Wausau Business Incubator, Inc., is dated as of June 1, 2021.

WHEREAS, the Development Agreement dated September 13, 2005, between the City of Wausau, Wisconsin, ("City") and the Wausau Business Incubator, Inc. ("Developer") was recorded in the office of the Register of Deeds for Marathon County, Wisconsin, on January 5, 2007, as Document No. 1466425 and rerecorded on February 22, 2007, as Document No. 1470292; and

WHEREAS, the Development Agreement between the City and Developer was amended and recorded in the office of the Register of Deeds for Marathon County, Wisconsin, on February 8, 2007, as Document No. 1470293; and on December 26, 2012, as Document No. 1638014; and on January 7, 2013, as Document No. 1638846; and

WHEREAS, effective January 1, 2021, the Developer entered into a Management Services Agreement with MCDEVCO, Inc., a Wisconsin non-stock corporation and the parties have agreed to clarify the obligations of CITY in the Incubator Ground Lease (Exhibit C of Development Agreement), also dated September 13, 2005, for a term of fifty (50) years, automatically renewable on an annual basis, for a base rent of \$1 per annum, and the purpose of this agreement is to amend the provisions of the Ground Lease, attached to the aforescribed Development Agreement.

NOW, THEREFORE, in consideration of the mutual agreement set forth below and agreed to in the Development Agreement and Incubator Ground Lease, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. In addition to those Obligations of CITY provided for in paragraph 11 of the Incubator Ground Lease:
 - a. Plow snow timely to allow for ingress and egress from the parcel as well as for adequate parking for tenants, guests, and other visitors to the INCUBATOR.
 - b. Provide in-season grounds crew, including lawn mowing and weed control.

Recording Area

Name and Return Address

Office of the City Attorney
City Hall – 407 Grant Street
Wausau, WI 54403

Charge City of Wausau

PIN: 291.2906.254.0987

The CITY agrees to provide the additional services:

- c. Maintain and bid service contracts contracted by Developer for water, sewer, electric and gas utilities, janitorial, electrical contracting/repair, plumbing repair, HVAC repair, elevator repair, phone/Internet, facility security, cleaning/bathroom supplies, refuse/recycling collection and website maintenance.
- d. Open mail addressed to the Developer (excluding tenants), and authorize payment for services received by Developer, processing invoices received.
- e. Invoice all conference room rentals from the previous month and invoice all rentals for the kitchen and for kitchen client storage.

2. Description of Project Property:

Part of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, Section 25, Township 29 North, Range 6 East, City of Wausau, Marathon County, Wisconsin, described as follows:

Commencing at the Northeast corner of said NE $\frac{1}{4}$ of the SE $\frac{1}{4}$; thence S00°01'57"E, along the East line of said NE $\frac{1}{4}$ of the SE $\frac{1}{4}$, 875.55 feet; thence N89°58'03"W, 33.00 feet to the West right-of-way of 72nd Avenue, the point of beginning;

Thence N89°39'00"W, 700.00 feet; thence S00°01'57"E, 441.07 feet to the South line of said NE $\frac{1}{4}$ of the SE $\frac{1}{4}$; thence S89°39'00"E along said South line, 700.00 feet to said West right-of-way of 72nd Avenue, thence N00°01'57"W, along said West right of way, 441.07 feet to the point of beginning.

IN WITNESS THEREOF, the parties have executed the Amendment No. 4 as of the date first set forth above.

CITY OF WAUSAU

By: _____
Katie Rosenberg, Mayor

Attest: _____
Leslie M. Kremer, Clerk

ENTREPRENEURIAL AND EDUCATION
CENTER, INC.

By: _____
Jeffrey C. Plier, President

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

RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMITTEE	
Approving the City of Wausau as a Community For All	
Committee Action:	
Fiscal Impact:	
File Number:	Date Introduced: June 1, 2021

FISCAL IMPACT SUMMARY			
COSTS	Budget Neutral	Yes ☒ No ☐	
	Included in Budget:	Yes ☐ No ☐	Budget Source:
	One-time Costs:	Yes ☐ No ☐	Amount:
	Recurring Costs:	Yes ☐ No ☐	Amount:
SOURCE	Fee Financed:	Yes ☐ No ☐	Amount:
	Grant Financed:	Yes ☐ No ☐	Amount:
	Debt Financed:	Yes ☐ No ☐	Amount Annual Retirement
	TID Financed:	Yes ☐ No ☐	Amount:
	TID Source: Increment Revenue ☐ Debt ☐ Funds on Hand ☐ Interfund Loan ☐		

RESOLUTION

WHEREAS, Wausau’s social, economic, and collective physical and mental well-being is predicated on our community’s ability to ensure we are an open, inclusive, and diverse place to live and work; and

WHEREAS, a community’s values are not only determined by its elected bodies but also its residents, families, business owners, non-profit leaders, community organizers, religious institutions, and schools; and

WHEREAS, while we seek to speak with one voice to affirm our region’s commitment to being a welcoming community for all, it’s imperative that today we boldly affirm our pledge to our diverse and vulnerable, populations; and

WHEREAS, the anti-inclusive rhetoric and opposition to diversity expressed in the article appearing in the May 18, 2021 edition of the New York Times entitled *A ‘Community for All’? Not So Fast, This Wisconsin County Says* does not reflect the City of Wausau’s opinions, values, or commitment to diversity and inclusion; and

WHEREAS, human diversity can be defined as differences in race, ethnicity, nationality, gender, gender identity, sexual identity, socio-economic status, age, physical and/or mental capabilities, and religious beliefs; and

WHEREAS, the City of Wausau recognizes diversity, inclusion, and equity as essential to positive and healthy lives, and is committed to ensuring people of all perspectives and experiences are welcome and feel safe in our community; and

WHEREAS, according to the 2019-2021 Marathon County LIFE Report, more than a third of those who responded reported one or more experiences of discrimination; an increase since 2017; and fewer than half of the 2019 LIFE Survey respondents said they were satisfied with the level of tolerance in the community; and

WHEREAS, Wausau seeks to create a community environment where all residents can celebrate and embrace their rich multicultural heritage without the fear of intimidation or hate-motivated violence; and

WHEREAS, our community is an open, inclusive, and diverse place to live and we continue to work to achieve racial and ethnic equity to foster cross-cultural understanding and advocate for minority populations; and

WHEREAS, the City of Wausau is welcoming and inclusive to all residents and visitors alike, no matter their age, race, color, national origin, religion, gender, sexual identity, disability or socio-economic, familial or veteran status; and

WHEREAS, Wausau is committed to being that aspirational Community for All; and

WHEREAS, Wausau's image as a progressive, welcoming community is vitally important to achieving the City's social and economic goals.

NOW, THEREFORE BE IT RESOLVED by the Common Council of the City of Wausau that Wausau is "A COMMUNITY FOR ALL" and will continue to promote an environment that accepts, celebrates and appreciates diversity within the community while condemning any hate-based activity, treatment, or discrimination due to a person's protected class.

BE IT FURTHER RESOLVED, that the City calls on our partners in government, residents, families, business owners, non-profit leaders, community organizers, religious institutions, and schools to do the same.

Approved:

Katie Rosenberg, Mayor