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 the:	**FINANCE COMMITTEE**
Date/Time:	**Tuesday, May 5, 2020 at 5:45 PM**
Location:	**City Hall (407 Grant Street) - *Council Chambers**
Members:	Lisa Rasmussen, Michael Martens, Dawn Herbst, Deb Ryan, Sarah Watson

AGENDA ITEMS

1 Select a Chairperson and Vice Chairperson for 2020-2022 term.
2 Establish Regular Meeting Date and Time for 2020-2022 term.
3 Approval of the minutes of previous meetings (3/24/20 & 4/14/20)
4 Discussion and possible action regarding a budget modification for the CAMA Assessment Software
5 Discussion and possible action regarding a budget modification for the Great Lakes Cheese Facility Demolition
6 Discussion and possible action on budget modification for street improvements Tax Increment District Number 7
7 Discussion and possible action on renewal of parking lot lease with Colonial Property 4, LLC (Grant and 3rd Streets)
8 2019 Finanical Presentation
Adjourn

*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 960 658 684. Password: comdev (266338 from phones),**

Individuals appearing in person will either be seated in the Council Chambers or an overfill 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 by https://waam.viebit.com/?folder=ALL, on the City of Wausau's YouTube Channel http://www.tinyurl.com/WAAMedia, live by cable TV, Channel 981, and a video is available in its entirety and can be accessed at https://tinyurl.com/WausauCityCouncil. Any person wishing to offer public comment who does not appear in person to do so, may e-mail mary.goede@ci.wausau.wi.us with "Finance Committee public comment" in the subject line prior to the meeting start. All public comment, either by email or in person, will be limited to items on the agenda at this time. The messages related to agenda items received prior to the start of the meeting will be provided to the Chair.

This Notice was posted at City Hall and faxed to the Daily Herald newsroom

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.

Other Distribution: Media, (Alderpersons: Peckham, Neal, Kilian, Wadinski, McElhaney, Larson), *Rosenberg, *Jacobson, *Groat, Department Heads

FINANCE COMMITTEE
Date and Time: Tuesday, March 24 2020 @ 5:15 pm., Council Chambers
Members Present *In person*: Nutting, Lawrence, and Smith. *By WebEx*: Rasmussen and Martens.
Others Present: Groat, Jacobson, Mielke, Klein, Hanson, Goede, Van Krey, Gisselman, K. Sorenson

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

Approval of the minutes of previous meetings (3/10/20)
Motion by Nutting, second by Lawrence to approve the minutes of the previous meeting 3/10/20. Motion carried 5-0.

Discussion and possible action regarding prepayment of Fire Truck
Groat explained there are a five options for a discount if they choose to prepay. The biggest discount available if we prepay 100% is $24,400; the lowest would be $6,100 of savings if we paid 25% in advance. There were also options to pay 75%, 50%, or 40% with varied savings depending on which option was chosen. She commented she was reluctant to authorize early payment at this point and if we invested the funds ourselves, she believed it would offset most of the savings. She noted typically we don't pay until we receive the goods. If they chose to prepay she recommended they enter into some sort of formal contract, which takes time and costs money. Groat recommended paying when the product is delivered.

Motion by Lawrence, second by Smith to enter into a prepayment agreement. Motion failed 0-5.

Discussion and possible action regarding Airport Ground Lease with Kocourek Holdings, LLC and cancellation of the hangar construction approved on February 11, 2020
Rasmussen explained these items were previously considered by the Airport Committee and Mr. Kocourek has opted to change the plan with the hangar and the location. She stated to accomplish these changes we have to cancel the original approval and re-approve the new plan.

Motion by Nutting, second by Smith to approve the new plan and cancel the previous as presented. Motion carried 5-0.

Discussion and possible action regarding Police Department mobile radio purchase proposal
Rasmussen explained this item came from Mark Hanson, Motor Pool, consisting of a plan to replace six squad cars and along with that they are requesting to replace the mobile radios in the vehicles with the new Motorola radios. The proposal is to fund that purchase locally through Northway Communications understanding that going forward any such purchases will be included as part of the vehicle.

Mark Hanson explained the Police Department is having problems with the Tate radios and want them replaced with Motorola radios because it is consistent with what Marathon County is switching over to. He noted the Fire Department currently has Motorola radios in all of their equipment. Hanson stated they need something that is going to reliable and supported locally so they don't have to be removed from the vehicle and sent in, putting the vehicle out of service for several weeks. He indicated the quote of $6,138 per radio is the government price which every government entity receives along with discounts, so it is about $4,500 per radio with the discount included. If six or more radios are ordered there will be an additional $226 off. He stated even if they went out for RFP, this is the price he would get from any other dealer. He preferred to do business locally and had a good working relationship with Northway Communications, which is the Motorola dealer.

Lawrence stated there is $3,500 in the account and $26,134 is needed, which is a big difference. Her bigger concern is the number of sole source procurements that are requested. She felt as a municipality RFP's are an important part of the process, rather than preferring vendors here or there. *Discussion followed.*

Motion by Lawrence, second by Nutting to direct staff to issue an immediate RFP with the correct specifications for the six squads and be results brought back to the May Finance and Council meetings. Motion carried 5-0.

Discussion and possible action authorizing a Board of Commissioners of Public Lands State Trust Fund Loan in the amount of $2,986,000 for five years at 2.50%

Groat explained each year the city typically does a borrowing and the timing can vary depending on whether it is a good time to enter the market or may be dependent on receipt of information on a particular construction project. Although normally it wouldn't be before May, the TID #6 expenditure period ends May 10th and the debt needs to be issued before then in order to have the interest be an eligible cost. She indicated she spoke with the financial advisors who are currently recommending holding off on borrowing because of the volatile financial markets, however, we can't afford to hold off due to this looming expenditure period for TID #6. Groat stated the State Trust Fund currently is offering a five year issue at 2.5% with no closing costs and no complications with early refinancing. The financial advisors are therefore recommending the State Trust Fund for the five year issue refinance after looking at all of the other projects for 2020 or even in future years if they so choose.

Groat indicated she filled out an application for an application to the Commissioner of Public Lands to get the process rolling, but there is no obligation for the city to enter into this. If the Finance Committee should approve it would go to the April 14th Council meeting. The projects that would be funded were the Riverside Park Trail road and seawall; the Westside Streetscape; tree planting; street improvements; and Cedar Street.

Motion by Nutting, second by Smith to authorizing the State Trust Fund Loan for $2,986,000. Motion carried 5-0.

Discussion and possible action regarding December 31, 2019 preliminary General Fund Budget Report

Groat reviewed the preliminary financial report which can be accessed online at: https://www.ci.wausau.wi.us/Departments/Finance/MonthlyReports.aspx

Discussion and possible action transfer of funds 2019 budget

Groat explained there are three funds that operate separately but are reliant on general property taxes: the Recycling Fund, the Airport Fund, and the Parking Fund. Each one of those did not perform and had deficits at the end of 2019. The Recycling Fund had a deficit of $66,000; the Airport Fund had a deficit of $50,000; and the Parking Fund had a deficit of approximately $130,000. She recommended transferring money from the General Fund, since it made a profit of nearly $1 million this year, to cover those deficits. She reviewed the additional expenses the funds incurred to cause the deficits.

Motion by Nutting, second by Smith to approve the transfer of funds. Motion carried 5-0.

Discussion and possible action regarding carryover of funds

Rasmussen stated we have this resolution every year to allow us to carry over funds from last year for work that was previously approved or in progress but has not yet been completed. Groat reviewed the carryover requests.

Motion by Nutting, second by Lawrence to approve the carryover of funds. Motion carried 5-0.

Discussion and possible action regarding resolution authorizing the write off of certain uncollectible delinquent personal property tax accounts

Rasmussen stated this item comes before Finance Committee every year regarding businesses that have gone out of business where we can't collect on the property taxes. She noted the Attorney's Office continues to try to pursue collection, but this is a tool for the city to be reimbursed.

Motion by Lawrence, second by Nutting to approve the resolution authorizing the write off. Motion carried 5-0.

Discussion and possible action regarding FAA Antennae and Equipment Space Lease

Motion by Smith, second by Martens to approve the lease. Motion carried 5-0.

Discussion and Possible Action on the acquisition of county-owned foreclosed property at 1407 N 2nd St.

Rasmussen stated this blighted property was considered and approved by the ED Committee for acquisition and demolition.

Smith stated the property is assessed at $10,000 and there is a $12,000 utility bill. He indicated he could support $10,000 for the property, but did not feel the city should pay the utility bill. Groat explained in the fall when they are getting ready to prepare tax bills, if someone has a delinquent utility bill it is placed on the tax bill as a special charge. If the whole tax bill is not paid by July 31st the county pays the city for that outstanding bill including the outstanding delinquent utilities that were placed on that bill.

Lawrence questioned why the city was buying the property instead of Blenker, the developer who is going to use it. Chris Schock stated the city does not necessarily have to sell it to Blenker, although they are making a proposal in that area and would use the lot. He indicated they could use blight clearance funds or TIF district funds to remove the building and either sell or give away the lot for new development. We incentivize the lot by selling it below what we pay for it in order to get a much larger project completed that is much more valuable. He noted it could go to auction for anyone to buy, but we try to purchase strategic properties to ensure it goes to a project that adds value.

Motion by Lawrence to offer to purchase for $16,000 from the county. Motion died for lack of a second. Smith questioned if it will cost the city more to demolish the property. Schock stated they will use Community Development blight funds to demolish the building.

Motion by Nutting, second by Martens to approve the acquisition of 1407 N 2nd St as proposed for $22,000. Motion carried 3-2. (*Smith and Lawrence were the dissenting votes.)*

Discussion and Possible Action on the proposal received for 180 E Wausau Ave. (former Wausau Chemical truck warehouse).

Rasmussen stated this project is known as The Barrel House and was approved by ED Committee.

Smith questioned what an incubator kitchen was. Dan Weber explained it is a general use kitchen for multiple for businesses to use, from caterers to food trucks. There are a lot of small businesses that can't afford their own kitchen space that would be able to use this mixed-use space. He indicated they would also add food truck stalls with water and power under the front patio. The food truck tenants can prep and make their food on site and bring it around to the front to serve quicker, higher quality food for people near the riverfront. There will also be outdoor seating.

Rasmussen commented the Entrepreneurial & Education Center has a similar shared kitchen space and have launched a number of successful businesses from it. She noted the director of EEC, Romey Wagner, appeared at ED Committee supporting this project as a way to launch new businesses in the area.

Smith questioned if it was going to be a $350,000 loan that will be paid back with interest, not a grant. Schock stated it will come through the Community Development Commercial Rehab loan terms at 1.5 % interest. He stated we are only participating as a small portion of the total cost and the developers will have to obtain a primary lender. Their business plan will have to be approved by that lender.

Motion by Nutting, second by Lawrence to approve the proposal for 180 E Wausau Ave (Wausau Barrel House and Cannery). Motion carried 5-0.

Discussion and Possible Action on a loan application and tax increment financing request for the renovation of the Plaza Hotel at 201 N 17th Ave.

Deferred to a future meeting.

Discussion and Possible Action on a proposal received from Aedifix Holdings (Blenker) for the proposed construction of townhomes on city-owned land at 2nd & 3rd Sts between Short and Bridge Sts; and along River Drive at Fulton St.

Deferred to a future meeting.

Discussion and Possible Action on the proposal received for Riverlife Phase 3 Mixed Use Building at 1200 N River Dr. and associated parking in the Riverlife North Zone.

Deferred to a future meeting.

Adjourn
Motion by Nutting, second by Smith to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 6:30 pm.

FINANCE COMMITTEE
Date and Time: Tuesday, April 14, 2020 @ 5:15 pm., Council Chambers
Members Present *In person*: Nutting, Lawrence. *By WebEx*: Rasmussen and Martens.
Members Excused: Smith
Others Present: Groat, Jacobson, Goede, Van Krey, Lindman

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

Approval of the minutes of previous meetings (3/24/20)
Withdrawn.

Discussion and possible action regarding 2019 carryover resolution adjustments
Groat explained at the last meeting she had provided a listing of the carryovers, but after the meeting it was brought to her attention that she had inadvertently omitted the Fire Department's requests, so these have been added. She also pointed out the elections budget can fluctuate based on the number of elections on the calendar, for instance last year we had two small elections and this year there are five large elections. Details are noted in the memo in the committee packet.

Motion by Lawrence, second by Nutting to approve the carryover resolution adjustments. Motion carried 5-0.

Discussion and possible action regarding Safer At Home Parking Refunds for Downtown March and April Parking permit fees
Rasmussen stated this is another measure that would help our downtown business owners and stakeholders while employees are not using the ramps and not able to park in them based on the Safer at Home orders.

Motion by Martens, second by Nutting to approve the parking refunds for March and April parking permits. Motion carried 4-0.

Discussion and possible action regarding update on Police Department Radio Purchase
Rasmussen explained these radios are for squad cars that were recently ordered and are arriving shortly for delivery. She indicated going forward we will recognize the purchase of the mobile radio as part of the unit of an outfitted car, just as we recognize the cot as part of an ambulance. She stated when we outfit police cars we want to have all the equipment that is necessary and included in the price of the finished car; however, in this case the request is to purchase the radios under a contract where we can obtain special government pricing. She noted Finance Committee previously deferred action on requesting an RFP, but given the fact that we are able to obtain special pricing under a purchasing consortium it waives off the requirement for RFP.

Nutting requested clarification. Eric Lindman explained the radios are being replaced in six marked squads that are currently equipped with Tate radios which have been having issues with operation and maintenance. The intention is to switch over to Motorola radios on the new cars.

Motion by Lawrence, second by Nutting to approve the Police Department Radio Purchase. Motion carried 4-0.

Discussion and possible action regarding Great Lakes Cheese Demolition project Budget Modification
Groat stated this had been bid out once before and work had started, unfortunately the contract had to be terminated due to the passing of the owner and sole proprietor of the business. The balance of the unfinished demolition work was placed out for bid and received new bids, however, there was not sufficient funds left from the previous project to fund the new low bid. She indicated an additional $54,500 is needed, which includes a $20,000 contingency in the event of any asbestos or other unknowns are found as the demolition proceeds. This budget modification would allow us to enter into the contract with the low bidder and complete that project. Rasmussen noted if the contingency is not needed it will go back into the TID.

Motion by Nutting, second by Lawrence to approve the budget modification regarding the Great Lakes Cheese demolition. Motion carried 4-0.

Discussion and possible action regarding the Wisconsin DNR Railroad Corridor and Riverside Park Additional Environmental Testing and related budget modification

Rasmussen stated this is something that has been worked on for a while and there is wide public interest in additional testing in this area. She indicated a communication was received from one of our peers on the Park Committee encouraging support of the resolution because it will put the additional testing matter to rest.
Groat pointed out this will be funded out of TID #6 and our budget policy allows the Finance Committee to do capital amendments under $20,000 without Council approval and this falls below that amount. If this is approved they can go forward and enter into the contract without waiting for Council approval.

Motion by Lawrence, second by Nutting to approve the additional environmental testing regarding the Wisconsin DNR Railroad Corridor and Riverside Park. Motion carried 4-0.

Adjourn

Motion by Lawrence, second by Nutting to adjourn the meeting. Motion carried unanimously. Meeting adjourned at 5:30 pm.

TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: April 30, 2020

RE: FINANCIAL SOFTWARE BUDGET MODIFICAITON

The City County Technology Commission (CCITC) manages IT hardware and software for the City of Wausau, Marathon County and North Central Health Care. The City capital budget has a line item for financial software purchases/upgrades. Currently there are five ongoing projects and related costs outlined in the table below. When these projects costs are compared to the total budget a shortfall of $32,000 exists.

I worked with the CCITC Director to identify other technology savings and propose that the shortfall be transferred from the Network Upgrade account. The budget transfer form, budget modification resolution and the Assessor memo regarding the proposed budget.

Project Description	Project Status	Cost
City/County ERP Accounting Software	contract finalization	$ 30,000
Special Assessment Loan Software	written in house	-
Loan Accounting Software	contract finalization	66,950
CAMA - Property Assessment Software	memo attached	198,000
Municipal Court Software	out for bid	93,000
Total		$ 387,950
2020 Modified Budget		$ 356,055
Expected Shortfall		$ 31,895

Assessment Department
Richard L. Rubow – City Assessor

TEL: (715) 261-6600
FAX: (715) 261-0357

STAFF REPORT

April. 29, 2020

RE: Patriot Properties Inc. Property Assessment Software Implementation

The following statements are regarding the conversion of our Computer Assisted Mass Appraisal (CAMA) software from our current legacy system to the selected vendor: Patriot Properties Inc.

On March 9th 2020, the City of Wausau posted a RFP requesting bid proposals for a new CAMA vendor. There were three CAMA vendors who are doing business in Wisconsin for other municipalities that were contacted to encourage them to respond to the RFP.

On April 7, 2020, the Board of Public works opened the Request for Proposals for Assessment Software from Patriot Properties Inc. and Tyler Technologies. A rigorous evaluation process of weighted criteria was reviewed by the City of Wausau Assessment Department and the City County Information Technology Commission (CCITC). It was a unanimous decision to select Patriot Properties Inc. as our new CAMA vendor for the implementation to convert our outdated and unsupported Sunguard HTE software.

Patriot was selected because of their technical and functional specification that best followed the guidelines of the Wisconsin Department of Revenue and for their cost of implementation and maintenance over a five year period.

The extremely unfortunate failure of the past two vendors, Vision and Devnet, has reduced the funds that were allocated for this project. Funds were also spent for (2) SQL Server licenses, software server storage, (7) required ArcGIS Licenses and Apex area code mapping of parcel Sketches all which are required and transferable to this project. To date there is approximately $112,025 remaining of CIP funds.

In order to move this project forward and to grant Patriot the contract, I am requesting a budget modification of an additional $85,975 so that we are able to award the contract to Patriot and get this project implemented. This amount is what would be needed after Patriot provided a discount of $10,000 to their initial costs offered in the RFP.

It is critical that we are able to move forward. Software conversions are very time consuming and follow a tight project plan that flows with the yearly assessment cycle. Any deviation from that schedule delays the go live date of the project and the yearly assessment timeline. It is also imperative that we implement this project so that we are able to move off the Windows 7 platform as it poses a security risk to the city and that we move off our current server to avoid being the only ones left on it and subject to the entire maintenance fee of $25,000 each year.

Respectfully,

Richard L. Rubow

Richard L. Rubow
City Assessor

TRANSFER OF FUNDS/CHANGE OF PURPOSE REQUEST FORM

Requested: Rick Rubow | Dept: Assessment Dept | Date: 4/30/2020

Reviewed by Finance: | Date: 4/30/2020

Reviewed by Mayor: | Date: 4/30/2020

Transfer Explanation and Justification:

Shortfall in financial software line item due to rebidding Property Assessment Software.

FROM / TO	ACCOUNT NUMBER	ACCOUNT NAME	$ AMOUNT
	TRANSFER OF FUNDS		
From	150-237598415	CCITC Network Upgrades	$32,000
To	150-237598446	Computer Financial Systems Software	$32,000

COMMENTS:

Fin. Committee Approval ☐ Denial ☐ Date:____________ Council Approval ☐ Denial ☐ Date:________________

Submit three copies of form to Finance Department - Upon Council Action: 1 - Council File 2 - Department 3 - Finance Department

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

RESOLUTION OF THE FINANCE COMMITTEE

Approving the 2020 budget modification Computer Financial Systems Software – Property Assessment

Committee Action:	Approved
Fiscal Impact:	$32,000
File Number: 19-1109	**Date Introduced:** May 13, 2020

FISCAL IMPACT SUMMARY			
COSTS	*Budget Neutral*	Yes☒No☐	
	Included in Budget:	Yes☒No☐	*Budget Source: CCITC Network Upgrades*
	One-time Costs:	Yes☒No☐	*Amount: $198,000*
	Recurring Costs:	Yes☒No☐	*Amount: Annual Mainteance $18,400*
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* ☐		

DRAFT

RESOLUTION

WHEREAS, the City completed a competitive procurement process for computer assisted mass appraisal software for the Assessment Department and recommends entering into a contract with Patriot Properties Inc., and

WHEREAS, a budget shortfall exists since a portion of the budget was depleted during the unsuccessful implementation with another vendor; and

WHEREAS, staff has reviewed other technology budgets and recommends funding the shortfall through a transfer from the Network budget; and

WHEREAS, your Finance Committee has reviewed and recommends the following budget modification

From:	150-237598415 Network Upgrades	$32,000
To:	150-237598446 Computer Financial Systems Software	$32,000

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials modify the budget as presented above and publish the budget modification in the official city newspaper, and

BE IT FURTHER RESOLVED, that the proper City officials are hereby directed and authorized to execute a contract between the City of Wausau and Patriot Properties, Inc.

Approved:

____

Katie Rosenberg, Mayor

TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: April 30, 2020

RE: GREAT LAKES CHEESE DEMOLITION PROJECT

The Engineering Department has conferred with Haas Sons, Inc. regarding the Great Lakes Cheese demolition project. The $115,500 available in carryover funds authorized by the Common Council will fund demolition of the building, but will not fund the removal and disposal of asbestos materials, concrete and asphalt slabs. An estimate provided by Haas shows these costs will result in a shortfall of $51,610.

Asphalt Removal	$ 8,250.00
Concrete Removal	25,680.00
Asbestos Disposal	17,680.00
	$51,610.00

Through discussions with Haas their intention is to crush the concrete on site and use it for the base course on Fulton Street which they will construct this summer. Director Lindman believes that the City will experience higher costs in the future if these items remain at site and are removed at a later time since both hauling and disposal costs will need to be included. In addition, the immediate reuse of the concrete is good environmental stewardship.

The original budget modification proposed to fund the shortfall from borrowing. Upon additional review the staff provides alternate financing options for the committee's consideration: Fund through an interfund loan from the Community Development Impact Funds. These funds would be returned to the Impact Fund with future TID 3 increment.

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

RESOLUTION OF THE FINANCE COMMITTEE

Approving the 2020 budget modification for the Great Lakes Cheese Facility Demolition

Committee Action:	Approved
Fiscal Impact:	$52,000
File Number:	19-1109
Date Introduced:	May 13, 2020

FISCAL IMPACT SUMMARY			
COSTS	*Budget Neutral*	Yes☐No☒	
	Included in Budget:	Yes☐No☒	*Budget Source: Community Development Impact Fund Loan*
	One-time Costs:	Yes☒No☐	*Amount: $52,000*
	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* ☒		

WHEREAS, the City entered into a contract with D&R Recycling to demolish the Great Lakes Cheese Facility at 101 Devoe Street, and

WHEREAS, this contract was terminated due to the passing of the owner and sole proprietor of the business; and

WHEREAS, the unfinished demolition work was competitively bid in 2020 and the low bid was $150,000; and

WHEREAS, an additional $52,000 is needed to complete the project for asphalt removal $8,250; concrete removal $25,680 and asbestos removal $17,680; and

WHEREAS, staff recommends funding these additional costs as delay will result in higher future costs for mobilization, hauling and disposal; and

WHEREAS, your Finance Committee has reviewed the project status and financial implications and recommends funding the shortfall through an interfund loan from Community Development Impact Funds which will be repaid when the TID 3 has funds available and recommends a budget modification as follows:

Increase	141-342898210 GLC Land Improvements	$52,000

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials modify the budget as presented above and publish the budget modification in the official city newspaper.

BE IT FURTHER RESOLVED, that the proper City officials are hereby directed and authorized to execute a contract between the City of Wausau and Haas Sons, Inc.

Approved:

____

Katie Rosenberg, Mayor

TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: APRIL 30, 2020

RE: TAX INCREMENT DISTRICT SEVEN STREET IMPROVEMENTS

The City recently amended the project plan of Tax Increment District Number Seven to add 2020 street improvement projects with a probable cost of $1,100,000. The low bid of $671,103 is very favorable. A budget modification is required to complete these projects. This is the last year the district is authorized to expend funds and the street improvements are needed. Like most communities the City struggles with declining street conditions.

In addition to the street improvement projects noted above the TID 7 budget currently includes two other 2020 projects: Brockmeyer Park parking improvements of $100,000 and $200,000 of streetscape improvements.

The district project plan expected the City would fund these 2020 projects with General Obligation Promissory Notes with a 3 year retirement. A 2.25% interest rate would result in interest expense over the life of the debt of $21,000 and $10,000 of debt issuance costs. Based upon the bids received, the district is expected to terminate in 2022. Upon termination, $1,000,000 of annual property taxes will shared by the taxing jurisdictions; with the City receiving about 37.2%.

Based upon the reduced 2020 project costs and the rapid retirement of the debt the Finance Committee could recommend a three year advance from the Environmental Clean Up Fund. The Environmental Fund is used to meet the city's commitment to the Holtz-Krause and Super Fund sites. The fund balance of the Environmental Fund was $1,725,088 on December 31, 2019. The advance will not impact the Funds ability to support environmental activities. The Environmental Clean Up Fund had a net change in fund balance of ($50,941) in 2019. The Common Council authorized a similar long term advance from the Environmental Clean Up Fund to Tax Increment District 3 in 2013.

The advance will be paid back to the Environmental Fund with two payments of no less than $336,000 on or before May 1, 2021 and 2022.

I have attached the revised cash flow of TID 7, a map of the street improvements and the TID 7 Project Plan.

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

RESOLUTION OF THE FINANCE COMMITTEE

Approving the 2020 budget modification Tax Increment District Seven street improvements and related fund advance

Committee Action:	Approved
Fiscal Impact:	$672,000
File Number: 19-1109	**Date Introduced:** May 13, 2020

FISCAL IMPACT SUMMARY

COSTS	*Budget Neutral*	Yes ☐ No ☒	
	Included in Budget:	Yes ☐ No ☒	*Budget Source: Intefund Loan*
	One-time Costs:	Yes ☒ No ☐	*Amount: $672,000*
	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, Tax Increment District Number Seven expenditure period ends January 2021, and

WHEREAS, the project plan authorized street improvements of $1,100,000 as noted on the attached map; and

WHEREAS, street improvements are needed and favorable bids for the project total $672,000 and

WHEREAS, the District is expected to terminate in 2022; and

WHEREAS, your Finance Committee has reviewed the project and recommends establishing a project budget so that construction can occur in 2020, and

WHEREAS, your Finance Committee recommends financing the project through a 2-3 year advance from the Environmental Fund;

To:	145-347098230	Street Improvements	$672,000
From:	145-22720	Advance from Environmental Fund	$672,000

NOW, THEREFORE, BE IT RESOLVED, that the proper city officials modify the budget as presented above and publish the budget modification in the official city newspaper, and

BE IT FURTHER RESOLVED, that the proper City officials are hereby directed and authorized to advance $672,000 to Tax Increment District Seven from the Environmental Clean Up Fund; with repayment in two payments of no less than $336,00 on or before May 1, 2021and May 1, 2022.

Approved:

____

Katie Rosenberg, Mayor

CITY OF WAUSAU

TID 7

CASH FLOW PROJECTION

		USES OF FUNDS					SOURCES OF FUNDS						
	Year	Existing Annual Debt Service	Proposed Debt Issue	Administrative, Organization, & Discretionary Costs	Developer Incentives	Other Project Costs	Other Income	Special Assessment Income	Debt Proceeds	Tax Increment	Annual Surplus (Deficit)	Cumulative Balance	
ACTUAL													
1	2006	$2,454		$8,963		$341,235			$350,000		($2,652)	($2,652)	
2	2007	$62,953		$43,501		$629,179	$4,418		$469,962		($261,253)	($263,905)	
3	2008	$153,820		$7,223		$3,404,359	$6,523	$142,006	$3,655,000	$100,046	$338,173	$74,268	
4	2009	$607,955		$5,006		$980,731	$7,849	$73,225	$680,000	$389,929	($442,689)	($368,421)	
5	2010	$663,182		$16,716		$173,275	$10,541	$46,848	$78,000	$349,929	($367,855)	($736,276)	
6	2011	$647,328		$17,500		$51,357	$13,500	$47,650		$392,106	($262,929)	($999,205)	
7	2012	$735,028		$11,718		$852	$10,871	$35,776	$110,105	$367,717	($223,129)	($1,222,334)	
8	2013	$631,824		$12,589	$438,484	$17,697	$24,203	$6,664	$445,000	$322,877	($301,850)	($1,524,184)	
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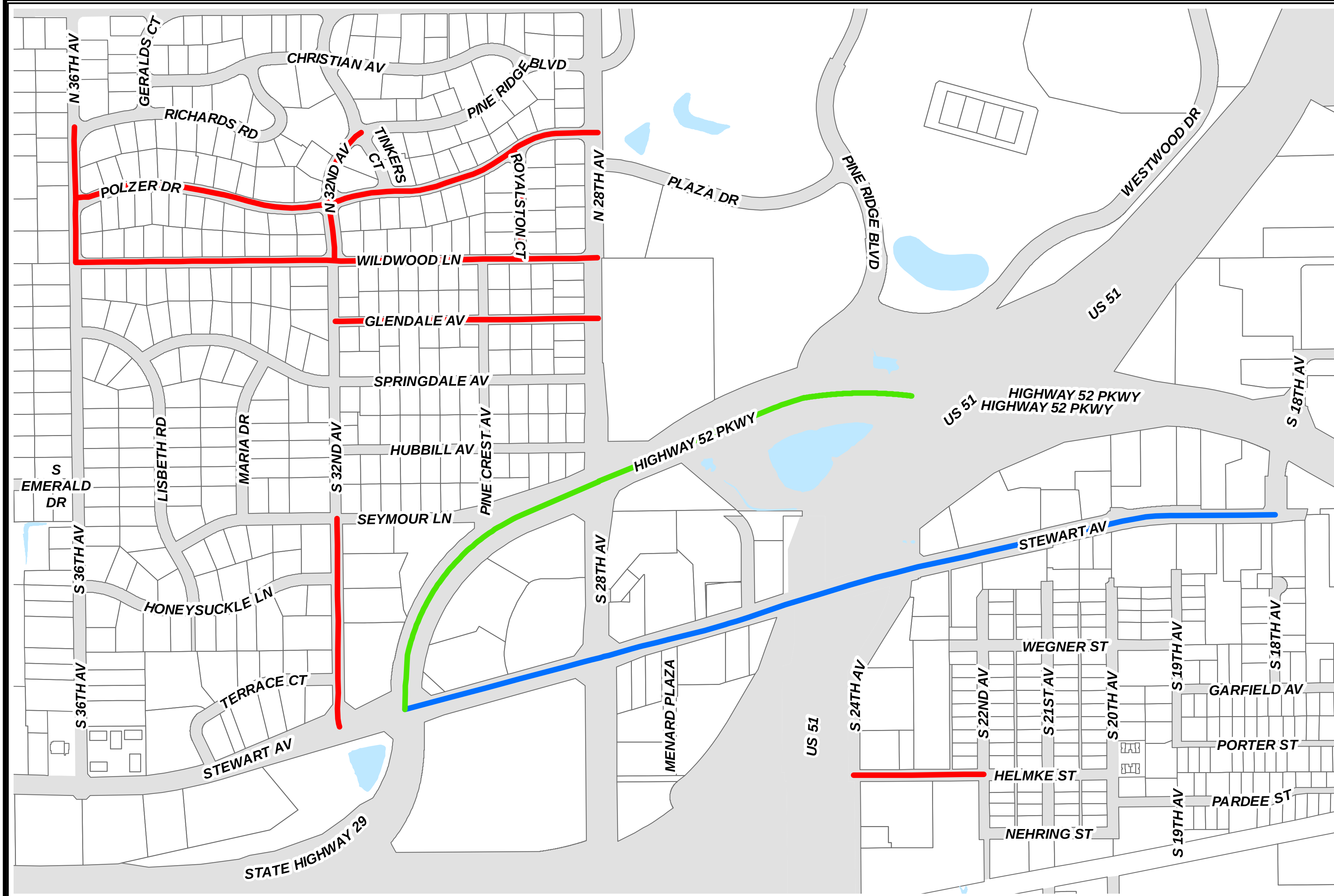
15	2020	$51,350		$8,150	$229,738	$972,000	$26,267		$672,000	$1,024,683	$461,712	($1,007,235)	
16	2021	$42,400	$336,000	$4,000	$295,262		$20,000			$1,124,683	$467,021	($540,214)	
17	**2022**	**$41,600**	**$336,000**	**$4,000**			**$20,000**			**$1,324,683**	**$963,083**	**$422,869**	Termination
18	2023	$40,600		$4,000			$20,000			$1,324,683	$1,300,083	$1,722,952	
19	2024									$1,324,683	$1,324,683	$3,047,635	
20	2025									$1,324,683	$1,324,683	$4,372,318	
	TOTAL	$6,795,909	$672,000	$177,598	$1,474,426	$6,732,392	$262,710	$352,169	$6,460,067	$13,149,697			

* Tax Revenue reduced due to assessment disputes

	2020
Street Improvements	$672,000
Streetscape	$200,000
Parking Improvements	$100,000
	$972,000



Legend

- Asphalt Mill & Overlay
- Concrete Pavement Repair (CPR)
- HWY 52 Median Landscape

TIB 7 - 2020 Projects

CITY OF WAUSAU

MARATHON COUNTY, WISCONSIN

N

0 240 480 960 Feet

MAP CREATED: February 05, 2020

NOTES:

1. DUPLICATION OF THIS MAP IS PROHIBITED WITHOUT THE WRITTEN CONSENT OF THE CITY OF WAUSAU ENGINEERING DEPT.

2. THIS MAP WAS COMPILED AND DEVELOPED BY THE CITY OF WAUSAU AND MARATHON COUNTY GIS. THE CITY AND COUNTY ASSUME NO RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.

3. MAP FEATURES DEVELOPED FROM APRIL 2010 AERIAL PHOTOGRAPHY.

P:\....projects\eng\mxds\CPR_Contract_Maps_8x11L.mxd

CITY OF WAUSAU TAX INCREMENT DISTRICT SEVEN PROJECT PLAN AMENDMENT #2

Economic Development Committee: March 10, 2020

Finance Committee: March 10, 2020

Joint Review Board - Initial Meeting: 3/13/2020

Plan Commission: March 24, 2020

Common Council: April 14, 2020

Joint Review Board: April 16, 2020

PLAN DRAFT DATE:

3/2/2020

Table of Contents

TYPE AND GENERAL DESCRIPTION OF THE DISTRICT

This document is the SECOND Amendment to the ***Tax Incremental Finance District No. 7 Project Plan and the FIRST BOUNDARY AMENDMENT***. Tax Increment District No. 7 was created January 11, 2006 as a "Mixed Use" Tax Increment District to promote industry, job creation and tax base enhancements. The original project plan listed the following objectives:

- Promote retention, expansion, and attraction through the development of a commercial corridor, thereby facilitating the creation of new jobs and increased tax base.
- Provide appropriate financial incentives to encourage business attraction and expansion.

The project plan provided for infrastructure improvements necessary to support development of the district.

The first amendment authorized spending within the 1/2mile boundary to create two roadways immediately outside the boundaries.

Major components of the plan completed to date include:

- Developer incentives to eliminate development challenges to parcels caused by the Interchange expansion
- Construction of Menards, Kwik Trip and ENT & Allergy Associates
- Stewart Avenue improvements
- Parking Improvements

AMENDMENT 2 PURPOSE AND SUMMARY

- Remove a parcel located in the old Menards site so that the current owner can combine parcels. Tax increment district law requires boundary amendment to combine parcels that fall within and out of the district boundaries.
- Addition and removal of areas located near the 2510 Restaurant /US Bank building area to ensure that full parcels are located within the district boundaries. The law requires full parcels be included within the district boundaries.
- Removal of the site of the new City of Wausau fire station.
- Removal of a site located along the Highway 52 Parkway
- Street improvements of $1,100,000 including improvements within the ½ mile boundaries.
- Parking improvements $100,000
- Correction of streetscape improvements of $250,000. The 1st amendment should have identified the streetscape improvements on Highway 52 Parkway rather than on Stewart Avenue.

The district expenditure period ends on January 10, 2021 and these projects would be completed in 2020.

This Project Plan Amendment supplements, and does not supersede or replace components of the original Project Plan or any components of the previously adopted Project Plan Amendments. All components of the original Project Plan and its previously adopted Project Plan Amendments remain in effect.

EXPECTED TERMINATION

Based upon current law, Tax Increment District Six expenditure period ends in 2021 with the termination required in 2026. The cash flow currently projects closure in 2023.

SUMMARY OF FINDINGS

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

1. **That the "but for" amendment of the Project Plan, the development projected to occur as detailed in this Project Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City.** In making this determination the City has considered the following:
   - The original findings of the Project Plan for TID #7 are all still valid and are hereby referenced and incorporated into this amendment.
   - The infrastructure projects contemplated by the plan amendment are necessary to fully achieve the goals of the District Project Plan are necessary to support the growth of the commercial and medical campus and support the creation of new tax base, job and wage growth and other economic benefits.
   - Financial support on infrastructure neutralizes cost obstacles and allows the City to continue to commit to renewal efforts.
2. **The economic benefits of amending the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the costs of the improvements**. In making this determination, the City considered the following information: As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are sufficient to pay for the proposed Project Costs. That the projected termination is prior to the mandated termination date. On this basis alone, the finding is supported.
3. **The benefits for the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions**. The project costs added to the plan fall within the ½ mile boundary and support continued growth in the area. The areas directly impacted by the improvements immediately benefit the taxing jurisdictions since they are outside the boundaries. In addition, these improvements will continue to support economic improvements in the medical campus and commercial zone. *Finding Required by Wisconsin Statute 66.1105(4m)(c)1.c.*
4. **The improvements made within the district are likely to significantly enhance all other real property values.**
5. **The project costs relate directly to the objective of the original district.**
6. **The City estimates that less than 35% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6)(am)1.**
7. **The equalized value of taxable property of the amendment area plus the value increment of all existing tax incremental district within the City does not exceed 12% of the total equalized value of taxable property within the City.**
8. **The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.**

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

A list of improvements contained in the original plan and amendments 1 include the following.

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

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

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

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

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

PARKING IMPROVEMENTS – Parking improvements include surface parking lots and related improvements.

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

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

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

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

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

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

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

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

LIST OF ESTIMATED NON-PROJECT COSTS

There are no anticipated "non-project costs" associated with this amendment to Tax Incremental District Number Seven.

PROPOSED CHANGES IN ZONING ORDINANCES

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

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

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

MAP SHOWING EXISTING USES AND CONDITIONS

There will be small additions and removals to the district to ensure full parcels are included within the boundaries. Please refer to the original project plan or subsequent amendments for prior published maps.

RELOCATION

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

ORDERLY DEVELOPMENT OF THE CITY OF WAUSAU

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

EQUALIZED VALUE TEST

Wisconsin's Tax Increment Law requires that the equalized value of the taxable property in the proposed amendment area, plus the value of the increment of all existing Tax Increment Districts does not exceed 12 percent of the total equalized value of taxable property within the City. The table demonstrates compliance with this requirement.

EQUALIZED VALUE TEST

TID DISTRICT	BASE YEAR	2019 DISTRICT EQUALIZED VALUE	2019 DISTRICT INCREMENT VALUE
3	1994	143,102,900	100,284,200
6	2005	185,917,600	105,076,800
7	2006	68,348,900	38,823,000
8	2012	44,493,800	9,084,900
9	2012	2,174,900	942,500
10	2013	56,367,200	10,654,200
11	2017	61,254,900	59,868,500
12	2017	24,348,300	(7,936,700)
		$ 586,008,500	$ 324,734,100
VALUE OF THE AMENDMENT AREA			311,041
TOTAL VALUE WITH THE AMENDMENT			$ 325,045,141
TOTAL CITY EQUALIZED VALUE			$ 3,075,863,100
12% TEST			10.57%

ESTIMATE OF ADDITIONAL PROPERTY TO BE DEVOTED TO RETAIL BUSINESS

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

ECONOMIC FEASIBILITY STUDY

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

The cash flow supports the financial viability of the proposed amendment.

AVAILABLE FINANCING METHODS

The Cash flow anticipates issuing a 3 year $1,400,000general obligation promissory notes for public works projects in 2020.

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

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

DETAILED LIST OF PROJECT COSTS

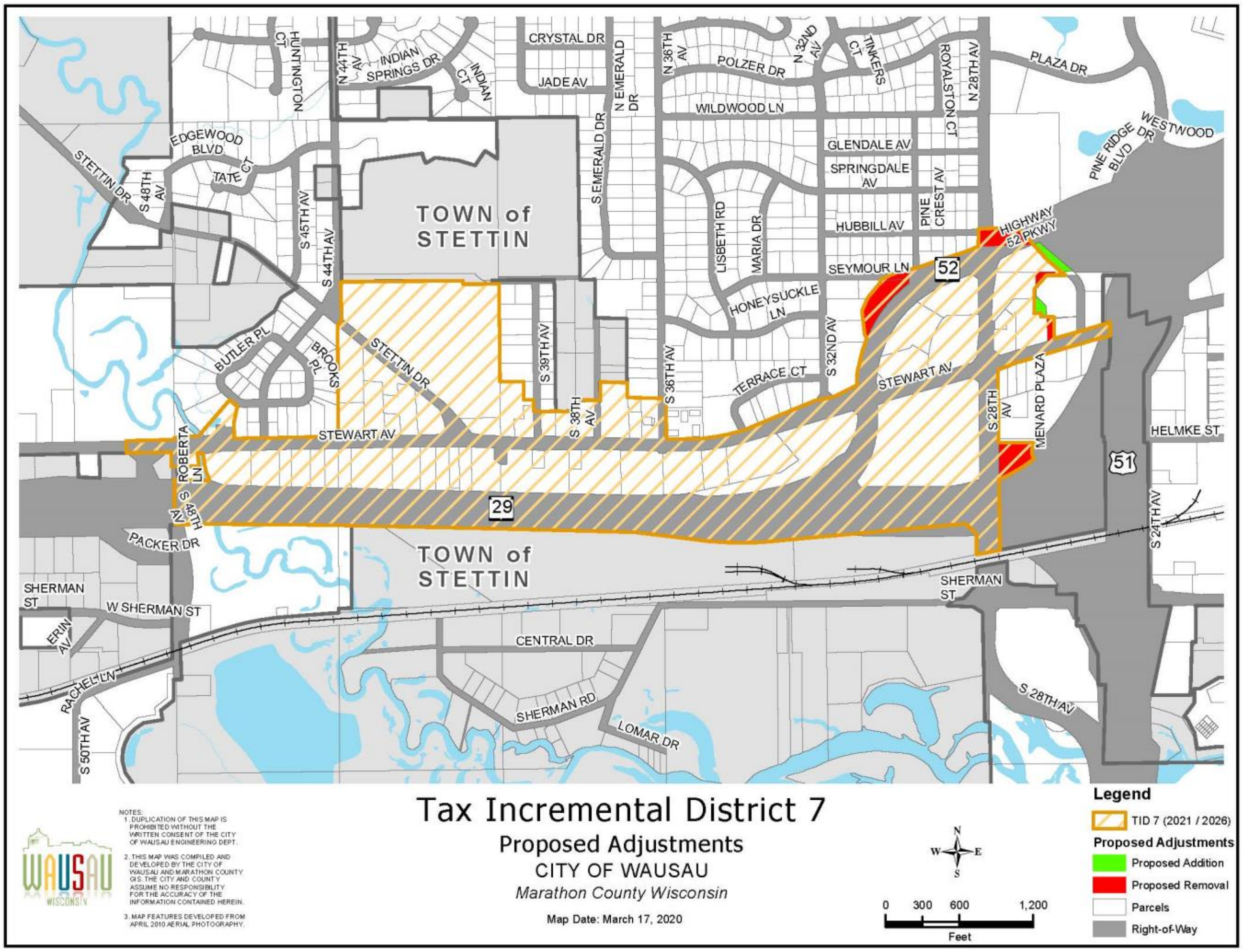
The following table outlines the project costs located within the district and ½ mile boundary.

		Within the District	Within the 1/2 Mile Boundary
Street Improvements	$1,100,000	X	X
Streetscape	$200,000	X	X
Parking Improvements	$100,000	X	
	$1,400,000		

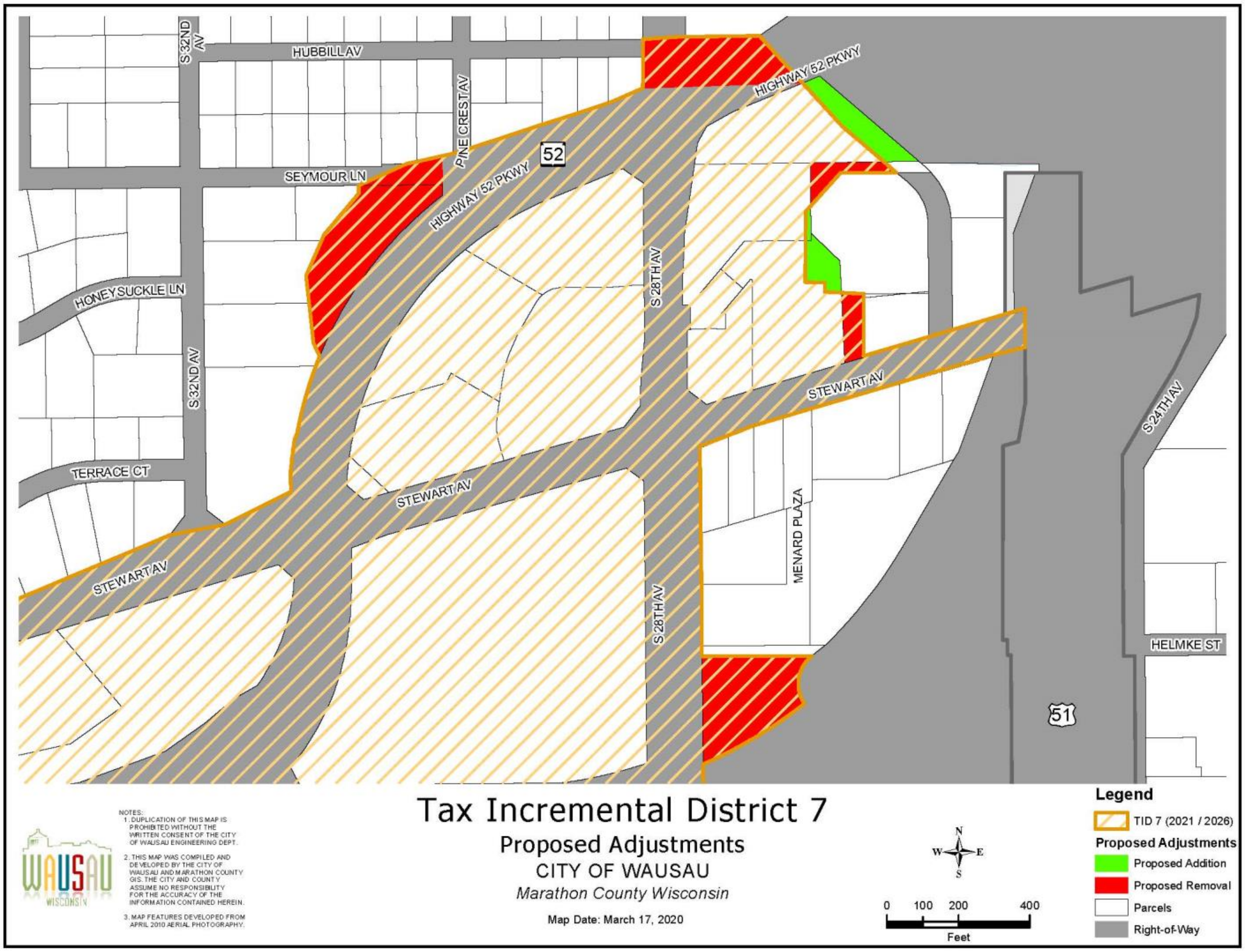
CALCULATION OF THE SHARE OF PROJECTED INCREMENT ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS DUE TO ADDITIONAL PROJECT COSTS

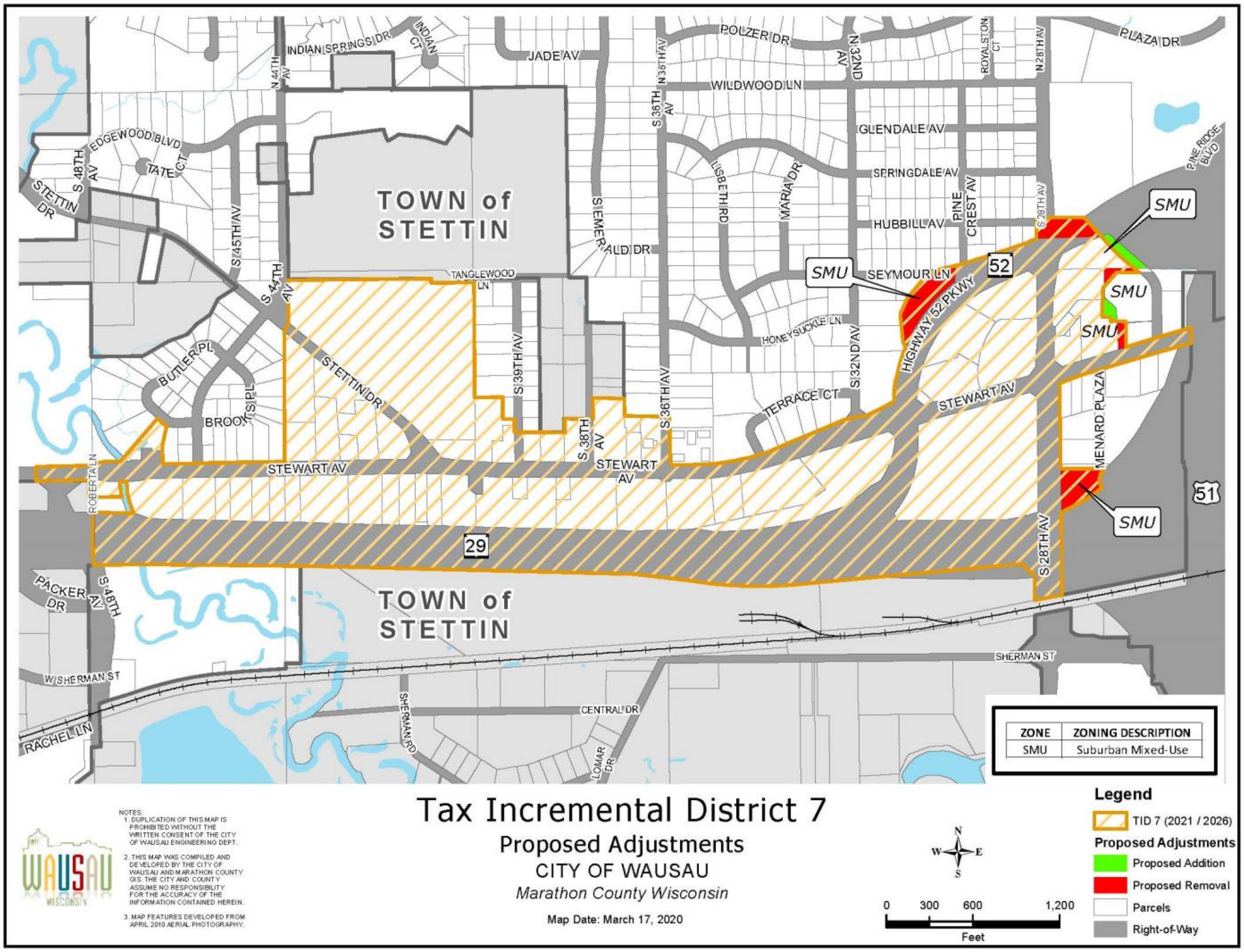
	2019		Aditional Project Costs $1,500,000
County	$ 12,839,765	18.30%	$ 274,459.36
Technical College	3,450,560	4.92%	$ 73,758.24
City	26,096,694	37.19%	$ 557,835.90
School District	27,786,021	39.60%	$ 593,946.50
TOTAL	$ 70,173,040		$ 1,500,000.00

MAP OF TAX INCREMENT DISTRICT SEVEN AMENDMENT AREAS



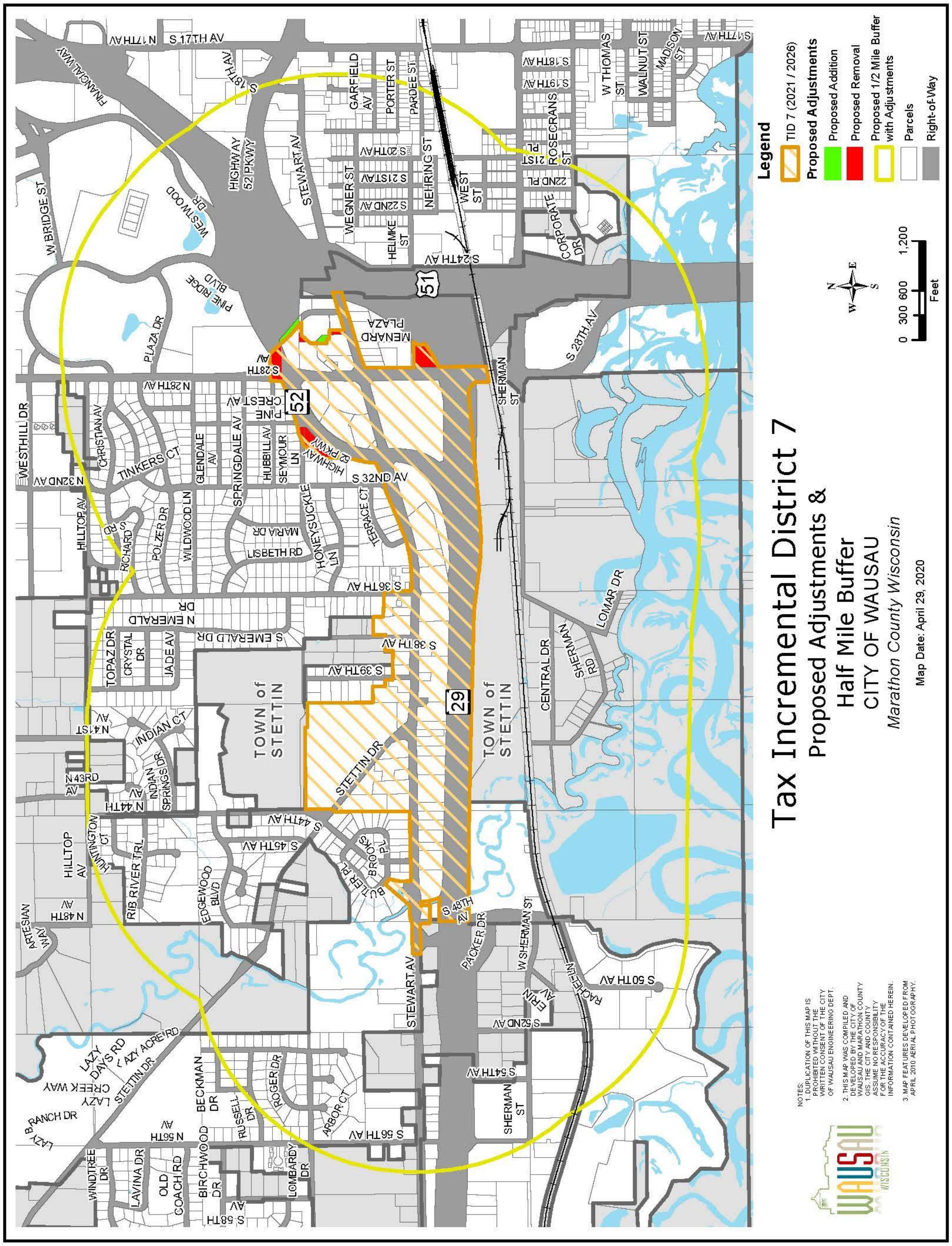
CLOSE UPS OF AREAS ADDED AND REMOVED



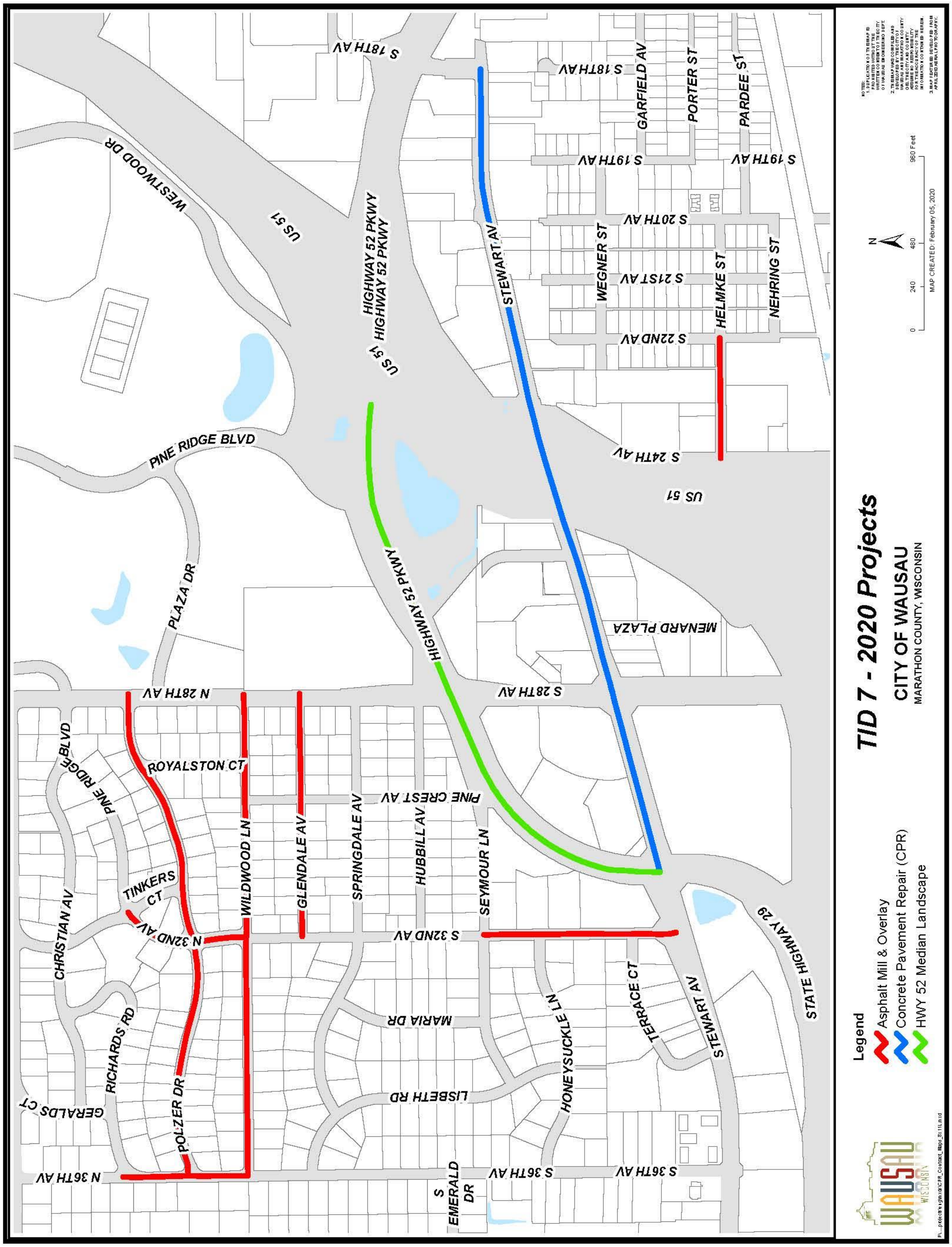


TOWN of STETTIN
TOWN of STETTIN
SMU
ZONE | ZONING DESCRIPTION
SMU | Suburban Mixed-Use
Tax Incremental District 7
Proposed Adjustments
CITY OF WAUSAU
Marathon County Wisconsin
Map Date: March 17, 2020
Legend
TID 7 (2021 / 2026)
Proposed Adjustments
Proposed Addition
Proposed Removal
Parcels
Right-of-Way
0 300 600 1,200
Feet
STEWART AV
STETTIN DR
HIGHWAY 52 PKWY
MENARD PLAZA
S 28TH AV

MAP OF TAX INCREMENT DISTRICT SEVEN ½ MILE BOUNDARIES



MAP OF PROPOSED STREET AND STREETSCAPE IMPROVEMENTS WITHIN THE TERRITORY AND ½ MILE BOUNDARIES



CITY OF WAUSAU
TID 7
CASH FLOW PROJECTION

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16	2021	$42,400	$500,000	$4,000	$295,262		$20,000			$1,024,683	$203,021	($504,214)
17	2022	$41,600	$500,000	$4,000			$20,000			$1,024,683	$499,083	($5,131)
18	2023	$40,600	$500,000	$4,000			$20,000			$1,024,683	$500,083	$494,952
19	2024									$1,024,683	$1,024,683	$1,519,635
20	2025									$1,024,683	$1,024,683	$2,544,318
TOTAL		$6,795,909	$1,500,000	$177,598	$1,474,426	$7,160,392	$262,710	$352,169	$7,188,067	$11,849,697		

* Tax Revenue reduced due to assessment disputes

	2020
Street Improvements	$1,100,000
Streetscape	$200,000
Parking Improvements	$100,000
	$1,400,000

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

JOINT RESOLUTION OF THE PLAN COMMISSION, ECONOMIC DEVELOPMENT AND FINANCE COMMITTEES

Approving the Boundaries and Project Plan Amendment Two of Tax Incremental Financing District Number 7, City of Wausau (TID # 7)

Committee Action:	Plan Com: Approved 5-0 ED Com: Approved 5-0 Fin Com: Approved 4-0
Fiscal Impact:	This amendment will add and remove territory and increase project costs
File Number: 05-1209	**Date Introduced:** April 14, 2020

		FISCAL IMPACT SUMMARY		
COSTS	*Budget Neutral*	Yes ☒ No ☐		
	Included in Budget:	Yes ☒ No ☐	*Budget Source: TID 7*	
	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* ☐			

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

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

WHEREAS, Tax Increment District Number Seven was created by the City January 11, 2006; and

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

WHEREAS, such amendment will cause territory to be removed and added to the District to facilitate full parcels within the district boundaries; and

WHEREAS, the boundary amendment area is described within the project plan; and

WHEREAS, this amendment will increase project costs; and

WHEREAS, such amendment will also allow for the District to incur project costs outside of, but within the 1/2mile, of boundaries of the District as permitted under Wisconsin Statutes Section 66.1105(2)(f)1.n.; and

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

a. A statement listing of the kind, number and location of all proposed public works or improvements within the District, or to the extent provided in Wisconsin Statutes Section 66.1105(2)(f)1.n., outside of the District;
b. An economic feasibility study;
c. A detailed list of estimated project costs;
d. A description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred;
e. A map showing existing uses and conditions of real property in the District amendment area;
f. A map showing proposed improvements and uses in the District amendment area and ½ mile boundary;
g. Proposed changes of zoning ordinances, master plan, map, building codes and City ordinances;
h. A list of estimated non-project costs;
i. A statement of the proposed plan for relocation of any persons to be displaced;
j. A statement indicating how the amendment of the District promotes the orderly development of the City;
k. An opinion of the City Attorney or of an attorney retained by the City advising that the plan amendment is complete and complies with Wisconsin Statutes Section 66.1105(4)(f).

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

WHEREAS, in accordance with the procedures specified in the Tax Increment Law, the Plan Commission, on March 24th, 2020 held a public hearing concerning the proposed amendment to the Project Plan and boundaries of the District, providing interested parties a reasonable opportunity to express their views thereon; and

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

WHEREAS, a legal description of the amended area of the district has been prepared; and

WHEREAS, the Finance Committee and the Economic Development Committee of the City of Wausau has recommended, and determined that the Wisconsin Tax Increment Law provides a desirable and feasible means of locally financing projects within the newly proposed amended boundaries and plan of TID # 7; and

WHEREAS, in accordance with Wisconsin's Tax Increment Law, Amendment Two to Tax Incremental District Number Seven boundaries and project plan, City of Wausau, has been recommended by the Plan Commission; and

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

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

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau, under the powers granted by the authority of the Tax Increment Law, as follows:

1. That the territory described and shown on in the Project Plan Amendment Two is hereby added or removed from the amended boundaries of Tax Incremental District Number Seven, City of Wausau;

2. That the Project Plan Amendment Two is consistent with the original mixed use classification of the district;

3. That the improvement of the area is likely to significantly enhance the value of other real property in the district;

4. That the project costs directly serve to promote development consistent with the purpose for which the district was created;

5. That the project plan is feasible and in conformity with the City's master plan;

6. That the project plan Amendment Two of Tax Incremental District Number Seven is approved and that the plan is feasible and in conformity with the City's community and economic development objectives;

7. That the City estimates that less than 35% of the territory within the District, as amended, will be devoted to retail business at the end of the District's maximum expenditure period pursuant to Wisconsin Statutes Section 66.1105(5)(b) and 66.1105(6)(am)1.

8. That the effective date of removed and added territory and related property values will be January 1, 2020;

9. That the appropriate City officials shall provide the Joint Review Board with the information needed to prepare findings relative to approving the boundaries of the district and the project plan; and

10. That the City Clerk, City Treasurer, and City Assessor shall complete and submit the necessary forms to the Wisconsin Department of Revenue as may be required by that agency to formally approve the boundaries of Amendment Two to Tax Incremental District Number Seven and the project plan.

Approved:

Robert B Mielke

Robert B. Mielke Mayor

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

RESOLUTION OF THE JOINT REVIEW BOARD	
Approving the Project Plan Amendment Two of Tax Incremental Financing District Number 7, City of Wausau (TID # 7)	
File Number:	**Date Introduced:** 4/16/2020

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

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

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

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

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

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

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

BE IT FURTHER RESOLVED, that the Joint Review Board of the City of Wausau approves the expenditure within the ½ boundary as outlined in the project plan,

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

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

	Representing
Gary L. Gisselman	City of Wausau
James Ea Tuzzle	Citizen Member
Kristen Palmer	Marathon County
	Northcentral Technical College
	Wausau School District

Office of the City Attorney

TEL: (715) 261-6590
FAX: (715) 261-6808

Anne L. Jacobson
City Attorney

Tara G. Alfonso
Assistant City Attorney

Nathan Miller
Assistant City Attorney

April 7, 2020

Wausau Common Council Members
Joint Review Board Members
City Hall
407 Grant Street
Wausau, WI 54403

RE: Project Plan Tax Incremental District Number Seven, Amendment #2

Ladies and Gentlemen:

As City Attorney, I have reviewed the Project Plan Amendment #2 of Tax Incremental District Number 7, pursuant to Wis. Stats. §66.1105(4)(h)1., and 2. The public hearing was held on March 24, 2020, before the Plan Commission of the City of Wausau, and it adopted Plan Amendment #2 for said Tax Increment District. This approval and recommendation was preceded by proper notice to those persons set forth in Wis. Stats. §66.1105(4)(h)1. and a Class I notice published in the Wausau Daily Herald, as required by Wis. Stats. §66.1105(4)(h)1.

The Plan is proposed to be amended by both adding and subtracting territory from the District to complete full parcels located entirely within the district boundaries, and to add $1.1 million of street improvements and $100,000 of parking improvements within the ½ mile boundary and clarify the location name of the streetscape improvements identified in the first Amendment, as Highway 52 Parkway, rather than Stewart Avenue.

In accordance with par. (h)1., the City Council will consider, pursuant to a duly posted agenda, on April 14, 2020, recommended approval of Plan Amendment #2 of Tax Increment District Number 7. Such approval requires the same findings as provided in par. (g)., and because the amendment adds territory to a district under subd. 2., approval also requires the same findings as provided in par. (gm) 4. c. Finally, such project plan amendment is subject to subsequent review by the Joint Review Board, acting under sub. (4m), which shall review the public record, planning documents and the resolution passed by the City Council under par. (h)1.

Based upon my review of the Plan Amendment and the information presented to me, it is my opinion that should the foregoing process be followed, the Amended Plan is complete and compliant with §66.1105(4), Wisconsin Statutes.

This opinion shall be attached to and made a part of the Project Plan, as required by §66.1105(4)(f).

Very truly yours,

CITY OF WAUSAU

Anne L. Jacobson
City Attorney

TO: FINANCE COMMITTEE

FROM: MARYANNE GROAT

DATE: APRIL 30, 2020

RE: RENEW PARKING LOT LEASE GRANT AND THIRD STREET

The City has been leasing the parking lot at the corner of Grant and 3rd Street for more than 25 years. The lot provides for 44 parking stalls that serve hourly and permit parkers. The lot is used by downtown shop customers and the YMCA patrons.

The lease renewal continues the existing financial terms of monthly rent of $1,975 plus reimbursement of real estate taxes. The total payments in 2019 were $30,795. Revenues for the parking lot were $15,003.

Other expenses such as snow removal are provided by city staff but are not identified by parking lot.

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

RESOLUTION OF THE FINANCE COMMITTEE

Authorizing renewal of parking lot lease with Colonial Property 4, LLC (Grant and 3rd Streets)

Committee Action:

Fiscal Impact: Annual Loss from Parking Operations $15-20,000

File Number:	92-0623	**Date Introduced:**

	FISCAL IMPACT SUMMARY		
COSTS	*Budget Neutral*	Yes☐No☒	
	Included in Budget:	Yes☒No☐	*Budget Source: Parking fund*
	One-time Costs:	Yes☐No☒	*Amount:*
	Recurring Costs:	Yes☒No☐	*Amount: Net loss from parking operations $15-20,000*
SOURCE	*Fee Financed:*	Yes☒No☐	*Amount:$15,003*
	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, the current three-year lease agreement between the City and Colonial Property 4, LLC for the lease of the parking lot at Third and Grant Streets, expired on March 31, 2020; and

WHEREAS, the owner of the lot would like to renew the lease with the same terms and conditions, except he is no longer interested in utilizing six additional parking stalls to the stalls referenced in subsection A of the agreement; and

WHEREAS, your Finance Committee, at their May 5 meeting, reviewed the request and recommends the City renew the lease for a three-year period, under the terms and conditions set forth in the proposed lease agreement attached hereto.

NOW, THEREFORE, BE IT RESOLVED, by the Common Council of the City of Wausau that the proper City officials are hereby authorized and directed to execute a three-year agreement for the lease of the Third and Grant Streets parking lot from Colonial Property 4, LLC, a copy of which three-year lease is attached hereto and incorporated herein by reference.

Approved:

____

Katie Rosenberg, Mayor

AGREEMENT FOR LEASE OF PARKING LOT—
THIRD AND GRANT STREETS

THIS AGREEMENT, made this _______ day of __________, 2020, between the City of Wausau, a municipal corporation of the State of Wisconsin, hereinafter referred to as "CITY," and Colonial Property 4, LLC, a Wisconsin limited liability company, hereinafter referred to as "OWNER";

Recording Area

Name and Return Address

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

($30 Charge to City of Wausau)

PIN: 37.291.4.2907.253.0240

WITNESSETH:

WHEREAS, OWNER, is the owner of the parking lot on the southeast corner of Third and Grant Streets, in the City of Wausau, which parking lot is delineated on "Exhibit A" attached hereto and incorporated hereby reference, and shall hereinafter be referred to as "LOT"; and

WHEREAS, CITY wishes to lease LOT so as to provide parking to the public, allowing OWNER to utilize portions of LOT for private parking, and OWNER will permit the lease of LOT, all upon certain terms and conditions.

NOW, THEREFORE, the parties hereto agree as follows:

1. Except as hereinafter agreed, CITY shall have the exclusive use of LOT for the provision of whatever parking arrangement CITY wishes, the current configuration providing for forty-four (44) parking stalls; that in return, CITY agrees to pay OWNER One Thousand Nine Hundred Seventy-five and no/100 Dollars ($1,975.00) per month plus an amount of money equal to one twelfth (1/12) of the net real estate tax due for LOT, such payment to be made by CITY to owner on the first (1st) of the month.

2. This Lease shall be for a three-year (3-year) term, commencing on April 1, 2020, and terminating on March 31, 2023. OWNER shall have the following options with regard to parking:

   A. Any time during the pendency of the lease term, OWNER may utilize for its own use, six (6) parking stalls; this option may be exercised upon ninety-day (90-day) notice, in writing, to CITY; lease payment from CITY to OWNER, in this event, would be One Thousand Six Hundred Fourteen and 55/100 Dollars ($1,614.55) for the remaining thirty-eight (38) parking stalls.

   B. Notwithstanding subparagraph A above, CITY shall continue to pay the entire tax bill for LOT and continue to plow entire LOT as provide for in paragraph 4; however, the cost of maintenance referred to in paragraph 4 shall be prorated between CITY and OWNER based on the percent utilized by each.

   C. OWNER shall have adequate access to and from any privately utilized stalls and Grant Street.

   D. Upon the exercise of any private parking options herein, CITY shall remove the meters for those stalls but the pipes shall remain in place.

   E. In the event OWNER does utilize stalls for its own use, then in that event the term "LOT" as used in this Agreement shall refer only to those portions of the demised premises used by the public.

3. LOT shall be continuously used as a parking lot. No part of LOT shall be used for any purpose which constitutes a nuisance or which is illegal, offensive, termed hazardous by insurance companies, or which may make void or voidable any insurance on the LOT or which may increase the premiums therefore. CITY will keep LOT clean and attractive in appearance at all times.

4. CITY shall keep LOT, and every part thereof and any fixtures or equipment contained therein, in good condition and repair including all parking meters, the asphalt surface, and the grass. As used in paragraph 2, the term "repairs" shall include replacement and other improvements as are necessary to maintain the property in good order and condition. CITY shall plow snow in LOT when needed and shall avoid placing any snow adjacent to the building located at 615 North Third Street. City shall remove snow from sidewalks adjacent to LOT on Third Street and Grant Street and otherwise sweep and maintain sidewalks.

   Notwithstanding anything to the contrary contained herein, CITY will keep, maintain, and preserve LOT in a first class condition. CITY will indemnify and hold harmless OWNER from and against all loss, claims, damages, costs, or expenses suffered by OWNER by reason of any repairs made by CITY.

5. CITY will not make or allow any alterations, additions, improvements, or utility installations upon LOT without first obtaining the written consent of OWNER. The term "utility installations," as used herein, shall include without limitation power panels, utility transformers, light fixtures, conduits, and wiring.

6. At the termination of this Lease, CITY shall remove all parking meters, pay stations, pipes, parking signage and any alterations and additions erected by CITY, and restore LOT to an unmetered condition including the repair of any damaged areas on the asphalt surface.

7. CITY shall not display, inscribe, print, maintain, or affix any signs, lettering, placards, or other advertising matter or material on LOT without the prior written consent of OWNER provided, however, that metering instruction~~s~~ and parking rules signage may be installed within the parking lot. ~~may be affixed to each parking meter as provided by the manufacturer of such parking meters~~.

   ~~The CITY anticipates transitioning to a parking control system utilizing pay stations and pay by phone application. The CITY will be responsible, at its sole cost, for removing the parking control system, any associated signage, and restoring the lot to a condition that existed prior to installation. The CITY will be responsible for removing the current parking meters and any old signage and other items prior to the installation of the new parking control system.~~

8. CITY shall not voluntarily or by operation of law assign, transfer, mortgage, lease, sublet, grant license or rights to a concessionaire or otherwise transfer or encumber all or any part of CITY's interest in this Lease or in LOT without OWNER's prior written consent. Any attempted assignment, transfer, mortgage, use, lease, occupancy, encumbrance, or subletting without such consent shall be void and shall constitute a default under this Lease.

9. Nothing in this Lease shall be construed so as to authorize or permit any insurer of OWNER or CITY to be subrogated to any right of OWNER or CITY against the other party arising under this Lease. OWNER and CITY each hereby release the other to the extent of any perils to be insured against by either of the parties under the terms of this Lease, whether or not such insurance has actually been secured, and to the extent of their respective insurance coverage for any loss or damage caused by any such casualty, even if such incidents shall be brought about by the fault or negligence of either party or persons for whose acts or negligence the other party is responsible. All insurance policies to be provided under this Lease by either OWNER or CITY shall contain a provision that they are not invalidated by the foregoing waiver. Such

waiver shall, however, cease to be effective if the existence thereof precludes either OWNER or CITY from obtaining any such policy.

10. CITY hereby agrees that OWNER shall not be liable for injury to CITY's business or any loss of income or other consequential damages or for damage to the equipment or other property of CITY, CITY's employees, invitees, customers, sublessees, agents, occupants, contractors, public citizens, or any other person in or about LOT, nor shall OWNER be liable for injury to CITY's employees, agents, contractors, occupants, invitees, customers, sublessees, public citizens, or any other person in or about LOT.

CITY shall indemnify, defend and hold harmless OWNER from and against any and all claims arising from CITY's use of LOT, or from the conduct of CITY's business or from any activity, work or things done, permitted or suffered by CITY in or about LOT or elsewhere and shall further indemnify, defend and hold harmless OWNER from and against any and all claims arising from any breach or default in the performance of any obligation on CITY's part to be performed under the terms of this Lease, or arising from any negligence of CITY, or any of CITY's sublessees, agents, customers, invitees, contractors, occupants, or employees, and from and against all costs, attorneys' fees, expenses and liabilities incurred in the defense of any such claim or any action or proceeding brought thereon; and in case any action or proceeding be brought against OWNER by reason of any such claim, CITY, upon notice from OWNER, shall defend the same at CITY's expense by counsel satisfactory to OWNER. CITY, as a material part of consideration to OWNER, hereby assumes all risk of damage to property or injury to persons, in, upon or about LOT arising from any cause, and CITY hereby waives all claims in respect thereof against OWNER; however, the provisions in this paragraph shall not apply to those cases in which OWNER is negligent.

11. OWNER shall obtain before the Commencement Date, and shall maintain through the expiration or termination of this Lease, a policy of commercial general liability insurance on LOT with limits of public liability not less than $1,000,000 for death/or bodily injury, including personal injury, and property damage liability of not less than $1,000,000 per occurrence. Such insurance shall not cover any leasehold improvements installed on LOT by or for the benefit of CITY at its expense, or CITY's parking meters or other equipment, or personal property located in LOT.

12. CITY will, at all times during the term of this Lease, and at its sole cost and expense, maintain the following insurance in full force and effect:

    A. All-risk property insurance covering the full replacement value of all of CITY's leasehold improvements, equipment, parking meters and personal property within LOT.

    B. Commercial general liability insurance naming OWNER, CITY, and any mortgagee designated by OWNER as the insured, to insure against injury to property, person or loss of life arising out of the ownership, use, occupancy, or maintenance of LOT with limits of public liability not less than $1,000,000 per occurrence. For each year in which this Lease is in effect, CITY shall provide to OWNER and any party designated by OWNER a copy of the insurance policy endorsement or wording showing that OWNER and such other parties have been added as additional named insureds. The policy described in this subsection B shall apply on a primary basis to OWNER even if OWNER has other liability insurance coverage. The policy shall contain a supplemental endorsement covering contractual liability voluntarily assumed by the insured under this Lease.

13. The rights of CITY under this Lease shall be and are subject and subordinate at all times to the lien of any mortgage or mortgages now or hereafter in force against LOT and to all advances made or hereafter to be made upon the security thereof, and to all renewals, modifications, consolidations, replacements, and extensions thereof; provided, however, that CITY's rights under this Lease and possession of LOT shall not

be disturbed so long as CITY is not in default hereunder. This paragraph is self-operative and no further instrument of subordination shall be required. In confirmation of such subordination CITY shall promptly execute such further instruments as may be requested by OWNER, including an instrument subordinating this Lease to the lien of any such mortgage or mortgages as shall be desired by OWNER and/or any mortgagees or proposed mortgages. CITY at the option of any mortgages agrees to attorn to such mortgagee in the event of a foreclosure sale or deed in lieu thereof. Failure of CITY to execute any of the above instruments within ten (10) days upon written request to do so by OWNER, shall constitute a breach of this Lease and OWNER will be entitled to, at its option; (i) execute, acknowledge, and deliver any such instrument on behalf of CITY as CITY's attorney-in-fact (CITY hereby constituting and irrevocably appointing OWNER as CITY's attorney-in-fact for such purpose) and/or, (ii) cancel this Lease and terminate CITY's interest therein.

14. CITY shall in the event of the sale, assignment, or other transfer of OWNER's interest in LOT or in this Lease, or in the event of any proceeding brought for the foreclosure of, or in the event of exercise of the power of sale under any mortgage made by OWNER covering LOT, attorn to the transferee and recognize such transferee as OWNER under this Lease.

15. CITY shall at any time, upon not less than ten (10) days after the giving of written notice by OWNER, execute, acknowledge and deliver to OWNER or to such person designated by OWNER, a statement in writing (i) certifying that this Lease is unmodified and in full force and effect (or if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, (ii) acknowledging that there are not, to CITY's knowledge, any uncured defaults on the part of OWNER hereunder, nor any offsets, counterclaims or defenses to the Lease on the part of CITY, or specifying such defaults if any are claimed, and (iii) certifying as to any other matters as may be reasonably requested by OWNER. Any such statement may be conclusively relied upon by any prospective purchaser or encumbrancer of LOT.

16. In the event any legal action is brought to enforce or interpret the provisions of this Lease, the prevailing party is entitled to recover all reasonable costs and expenses including reasonable attorneys' fees.

17. Each provision of this Lease or of any applicable governmental laws, ordinances, regulations, and other requirements with reference to the sending, mailing, or delivery of any notice or the making of any payment by OWNER to CITY or by CITY to OWNER shall be deemed to be complied with, when and if, the following steps are taken:

    A. All payments required to be made by CITY to OWNER hereunder shall be payable to OWNER at Colonial Property 4, LLC, P.O. Box 928, Wausau, WI 54402, or such other addresses OWNER may specify from time to time by written notice delivered in accordance herewith.

    B. Any notice or document required or permitted to be delivered hereunder shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage prepaid, certified or registered mail, addressed to the parties hereto at the respective addresses set out opposite their names as follows: CITY: City of Wausau, Attn: Director of Finance, Wausau City Hall, 407 Grant Street, Wausau, WI 54403; and for OWNER: Colonial Property 4, LLC, P.O. Box 928, Wausau, WI 54402, or at such other address as they have theretofore specified by written notice delivered in accordance herewith.

18. This Lease shall be governed by and be construed and interpreted in accordance with the laws of the State of Wisconsin.

19. This Agreement shall run with the land during this three-year (3-year) lease period and shall be binding upon OWNER, its successors in title, or assigns.

IN WITNESS WHEREOF, the parties hereto have executed this Lease on the day and year first above written.

CITY OF WAUSAU

By: ____________________________________
Katie Rosenberg, Mayor

BY:____________________________________
Leslie M. Kremer, Clerk

COLONIAL PROPERTY 4, LLC

By: ____________________________________
Michael M. Priebe

STATE OF WISCONSIN)
) ss.
COUNTY OF MARATHON)

Personally came before me this ______ day of _______________, 2020, the above-named Katie Rosenberg, Mayor, and Leslie M. Kremer, Clerk of the City of Wausau, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

____

Notary Public, Wisconsin
My commission: ______________________________

STATE OF WISCONSIN)
) ss.
COUNTY OF MARATHON)

Personally came before me this ______ day of _______________, 2020, the above-named Michael M. Priebe of Colonial Property 4, LLC, to me known to be the person who executed the foregoing instrument and acknowledged the same.

____

Notary Public, Wisconsin
My commission: ______________________________

This instrument was drafted by Anne L. Jacobson
City Attorney for the City of Wausau, 407 Grant
Street, Wausau, WI 54403

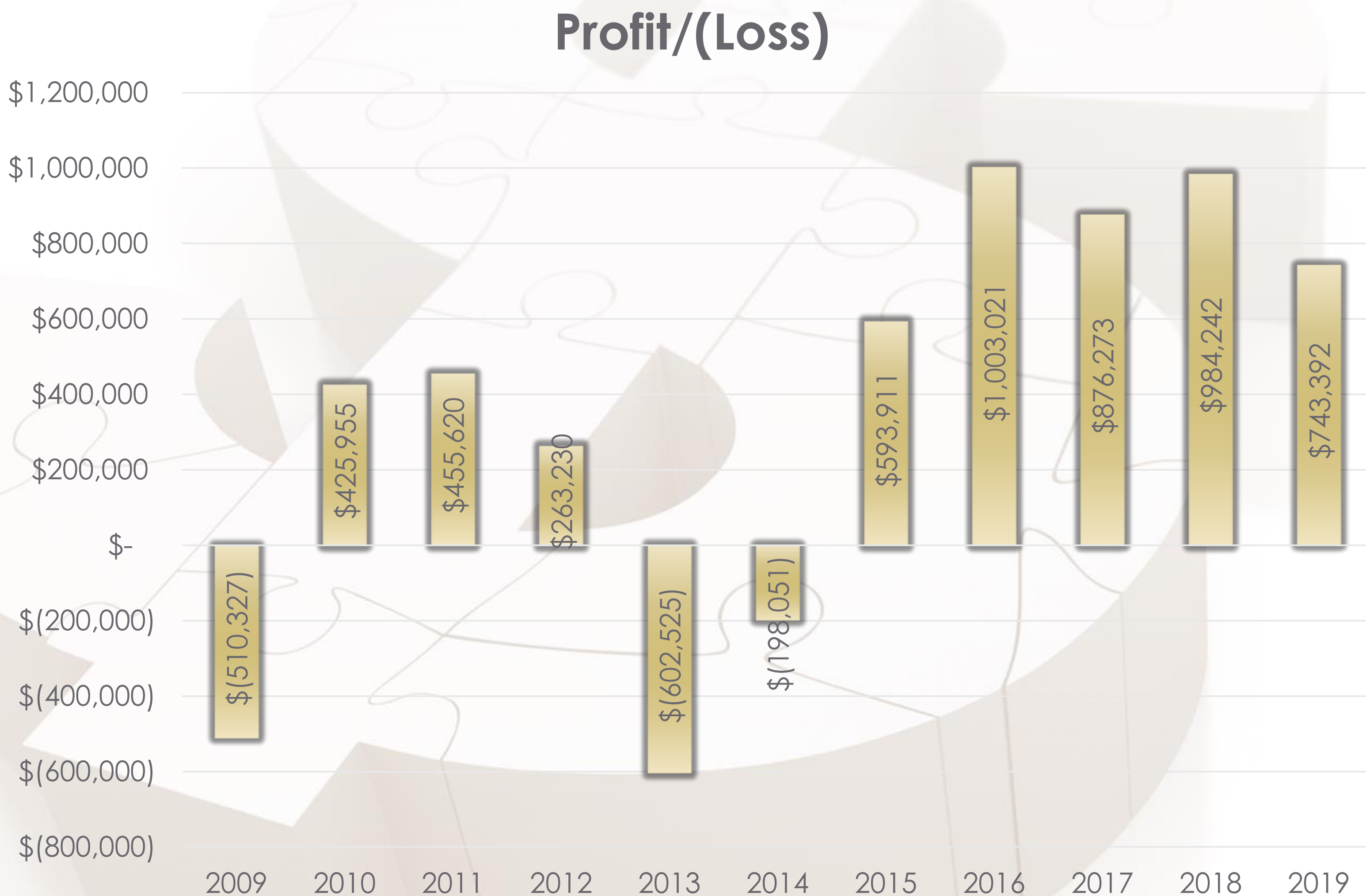
City of Wausau

2019 FINANCIAL RESULTS

GENERAL FUND ACTIVITIES

- Administration – Council, Mayor, HR, Attorney, Assessor, Customer Service, CCITC
- Public Safety – Police, Fire,
- Refuse and Environmental
- Transportation – Street Maintenance, Inspections, Storm Water, Engineering, Planning and GIS, Street Lighting
- Parks and Recreation

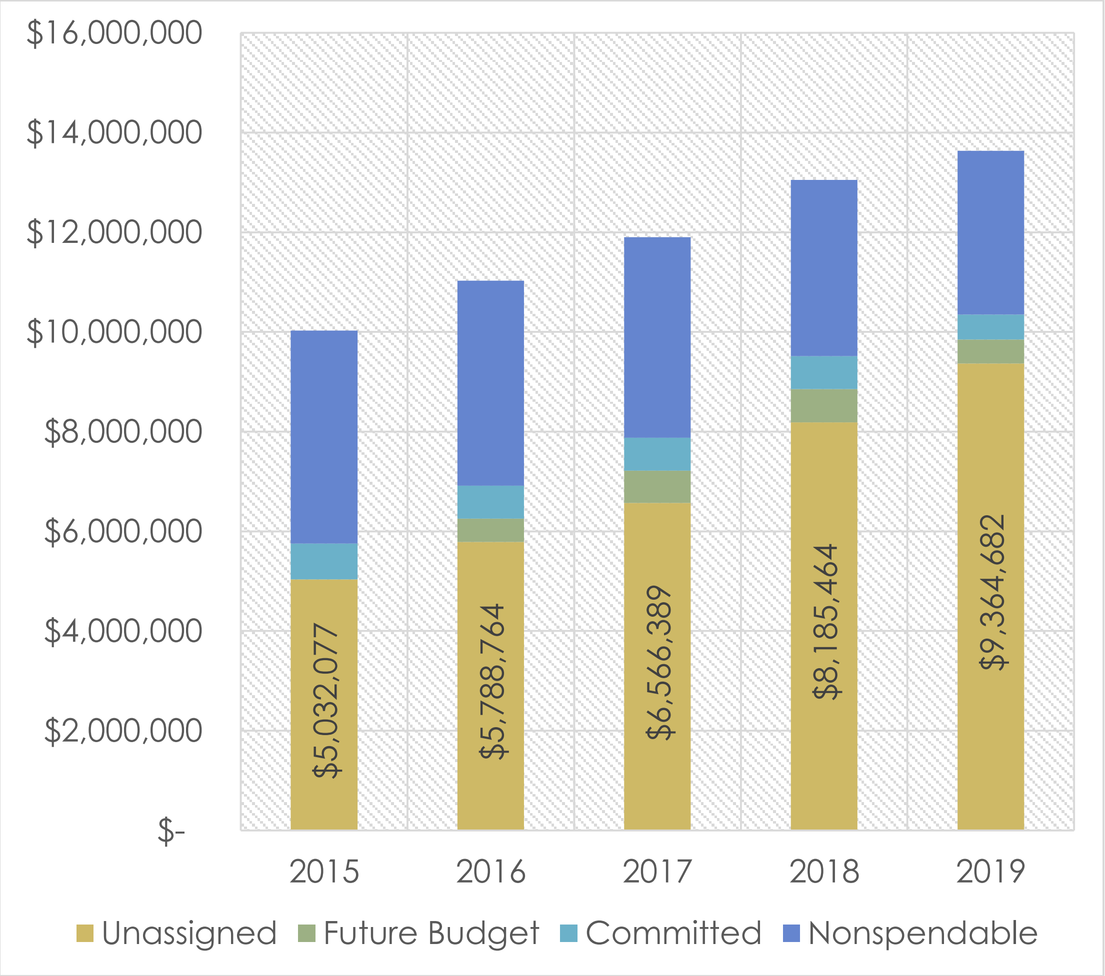
General fund Profit Loss History



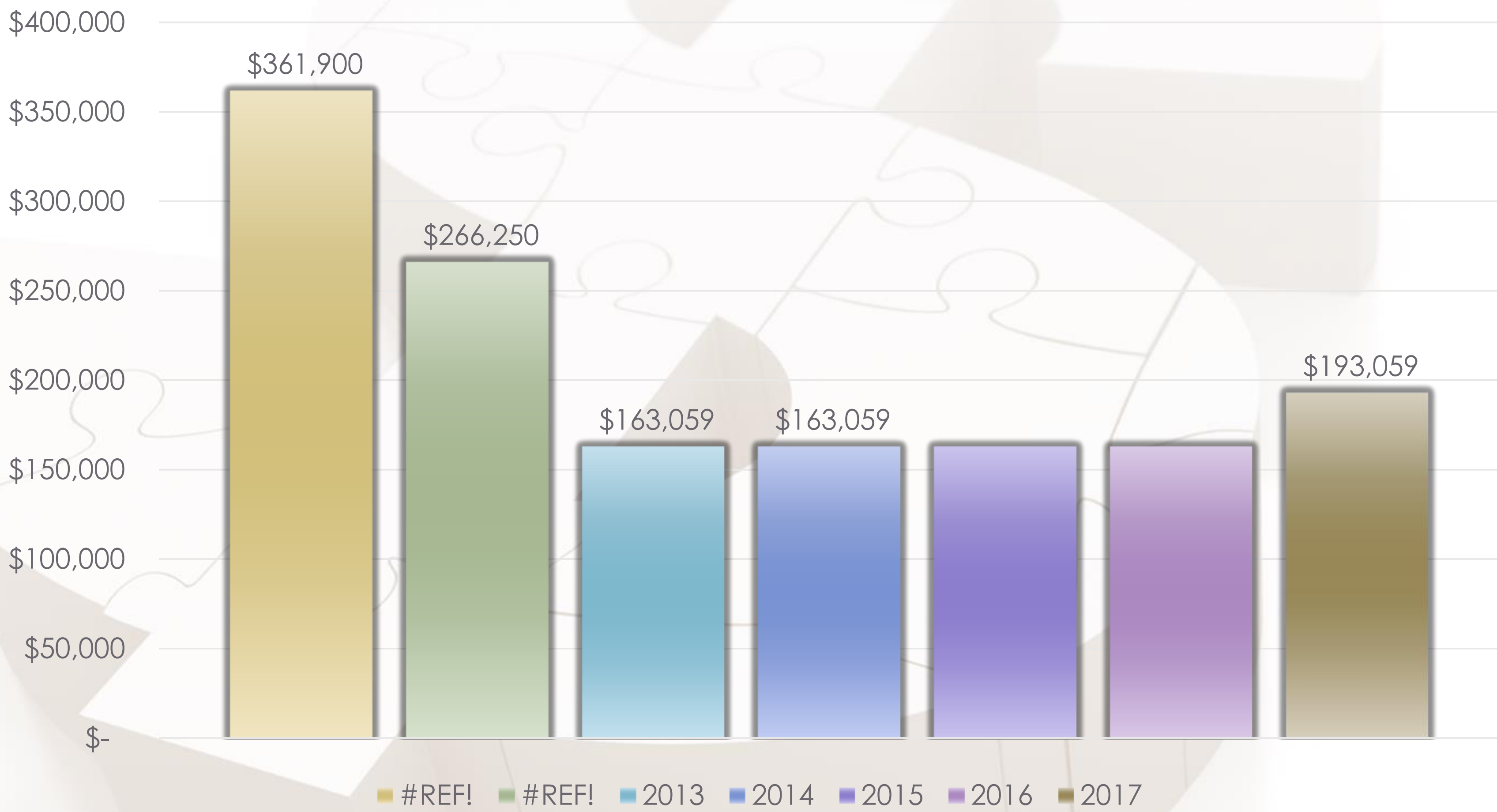
General fund Balance History

Total Fund Balance
2015 $10,024,148
2016 $11,026,055
2017 $11,903,441
2018 $12,887,683
2019 $13,631,075

Nonspendable:
Advances:
TID #3 $1,367,897
TID #7 $707,236
TID #9 $158,541
TID #12 $688,764
Inventory $363,826
Committed:
Contingency $193,059
Comm Rehab Fund $500,000
Carryover Funding $287,080
Per Fund Balance Policy unassigned fund balance should be no less than 16.67% of expenditures or $5,313,215



Contingency Balance



Advances to TID Funds History

	2014	2015	2016	2017	2018	2019
TID 3	1,419,107	1,367,897	1,367,897	1,367,897	1,367,897	1,367,897
TID 5						
TID 6	611,984	260,666				
TID 7	1,776,943	1,993,080	1,999,763	1,705,886	1,478,060	707,236
TID 8						
TID 9	90,985	78,800	83,397	113,217	140,955	158,541
TID 10		169,655	267,093	306,871	154,629	
TID 11						
TID 12				219,452		688,764
TOTAL	$ 3,899,019	$ 3,870,098	$ 3,718,150	$ 3,713,323	$ 3,141,541	$ 2,922,438

2019 GENERAL FUND REVENUES

	2019 Budget	2019 Actual	Variance
GENERAL PROPERTY TAXES	$18,232,895	$18,232,895	-
OTHER TAXES	206,784	388,435	181,651
INTERGOVERNMENTAL GRANTS	8,729,136	8,913,092	183,956
LICENSES & PERMITS	776,121	1,045,586	269,465
FINES & FORFEITURES	380,030	309,266	(70,764)
PUBLIC CHARGES FOR SERVICES	2,292,360	2,413,576	121,216
INTERGOVT CHARGES FOR SERVICES	1,082,076	1,349,843	267,767
MISCELLANEOUS REVENUE	893,961	1,550,279	656,318
OTHER FINANCING SOURCES	1,841,280	1,900,453	59,173
TOTAL	$34,434,643	$36,103,425	$1,668,782

Property Tax Income

	2019	2018	Change
General Fund	$18,232,895	$17,863,207	$369,688
Community/ Economic Dev	215,085	210,187	4,898
Recycling Fund	562,744	517,451	45,293
Debt Service	4,123,000	4,123,000	-
Capital Improvements Fund	498,890	498,890	-
Central Capital Purchasing	406,482	295,050	111,432
Airport Fund	101,000	94,000	7,000
Parking Fund	50,000	-	50,000
Transit Fund	830,413	809,906	20,507
Animal Control Fund	40,747	50,676	(9,929)
Total	$25,061,256	$24,462,367	$598,889

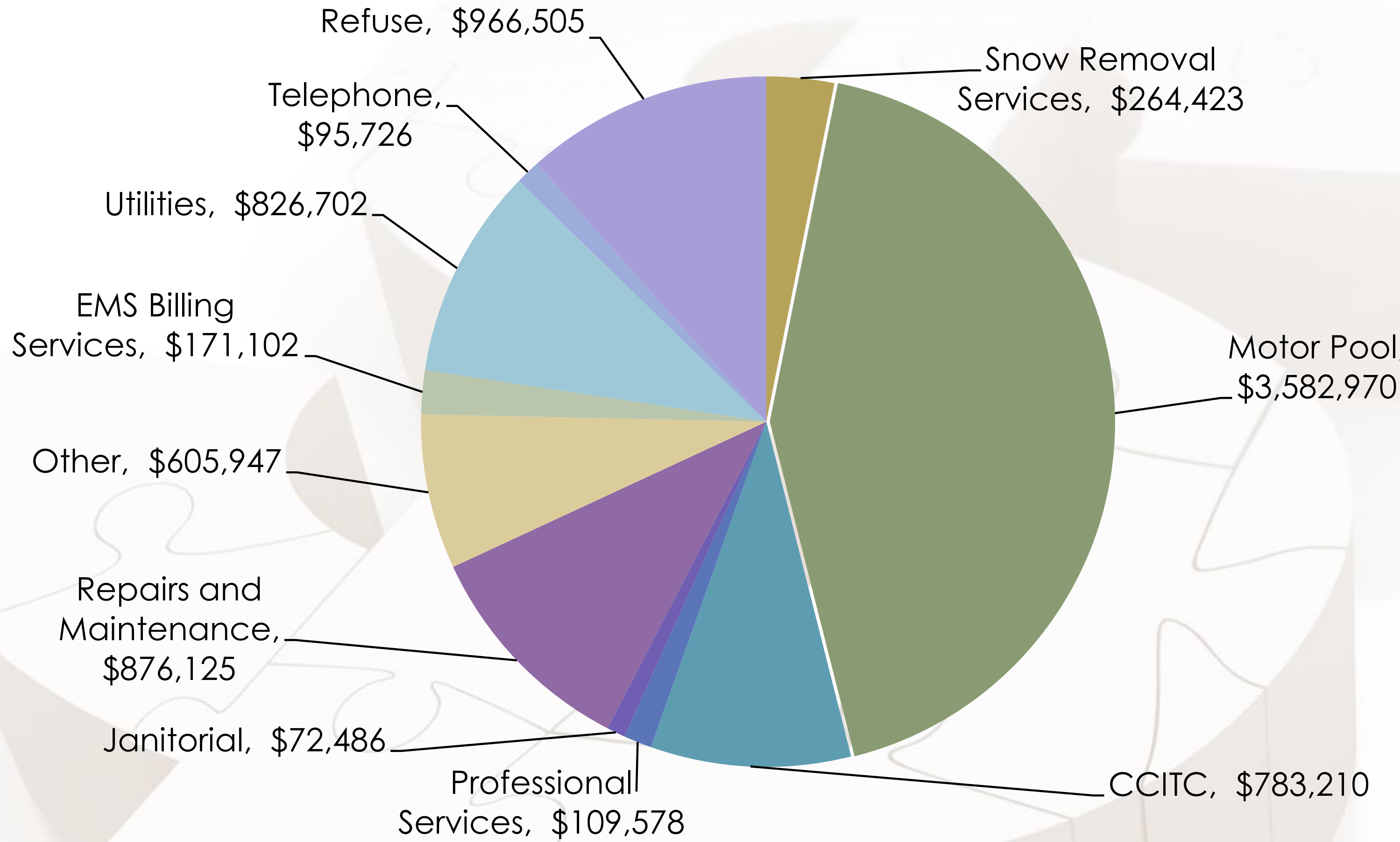
2019 GENERAL FUND EXPENDITURES

	2019 Budget	2019 Actual	Variance
General Government	$4,311,125	$3,885,532	$425,593
Public Safety	18,110,923	17,951,262	159,661
Transportation/Streets	8,674,113	9,242,127	(568,014)
Sanitation/Health	925,000	905,302	19,698
Nat Resource/Parks	2,882,502	2,750,810	131,692
Transfers Out	625,000	625,000	-
Total	35,528,663	35,360,033	168,630

General Fund Salaries and Benefits

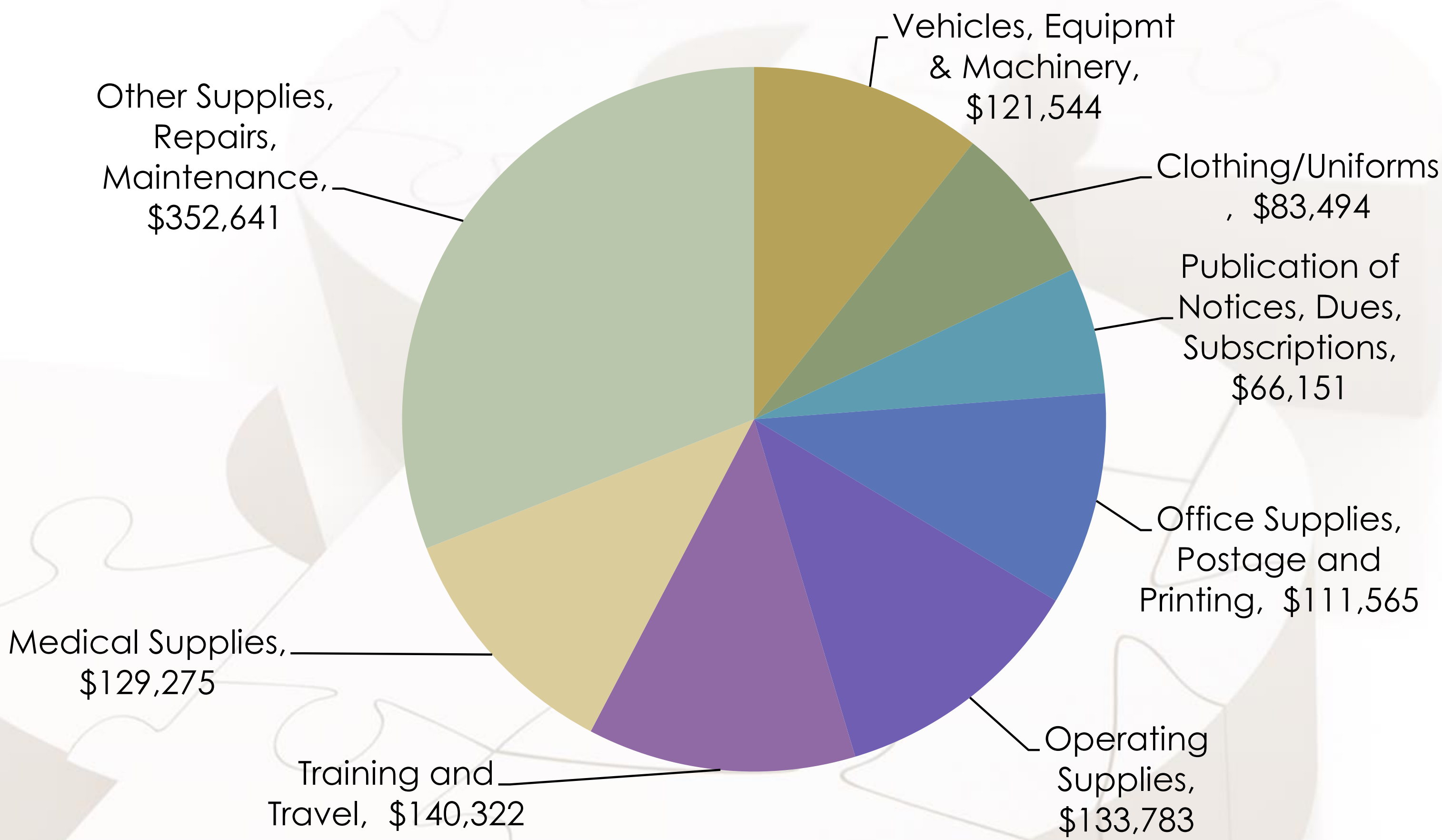
	2019 Budget	2019 Actual	Budget Variance
Salaries and Wages	$17,149,768	$17,173,853	($24,085)
FICA	1,046,767	957,317	89,450
Retirement - ER	1,635,113	1,704,120	(69,007)
Health Insurance	3,565,377	3,328,033	237,344
Dental Insurance	126,834	115,666	11,168
Workers Compensation	371,600	326,896	44,704
Life Insurance	6,064	3,431	2,633
Unemployment	1,500	1,781	(281)
TOTALS	$23,903,023	$23,611,097	$291,926

General Fund Contractual Services



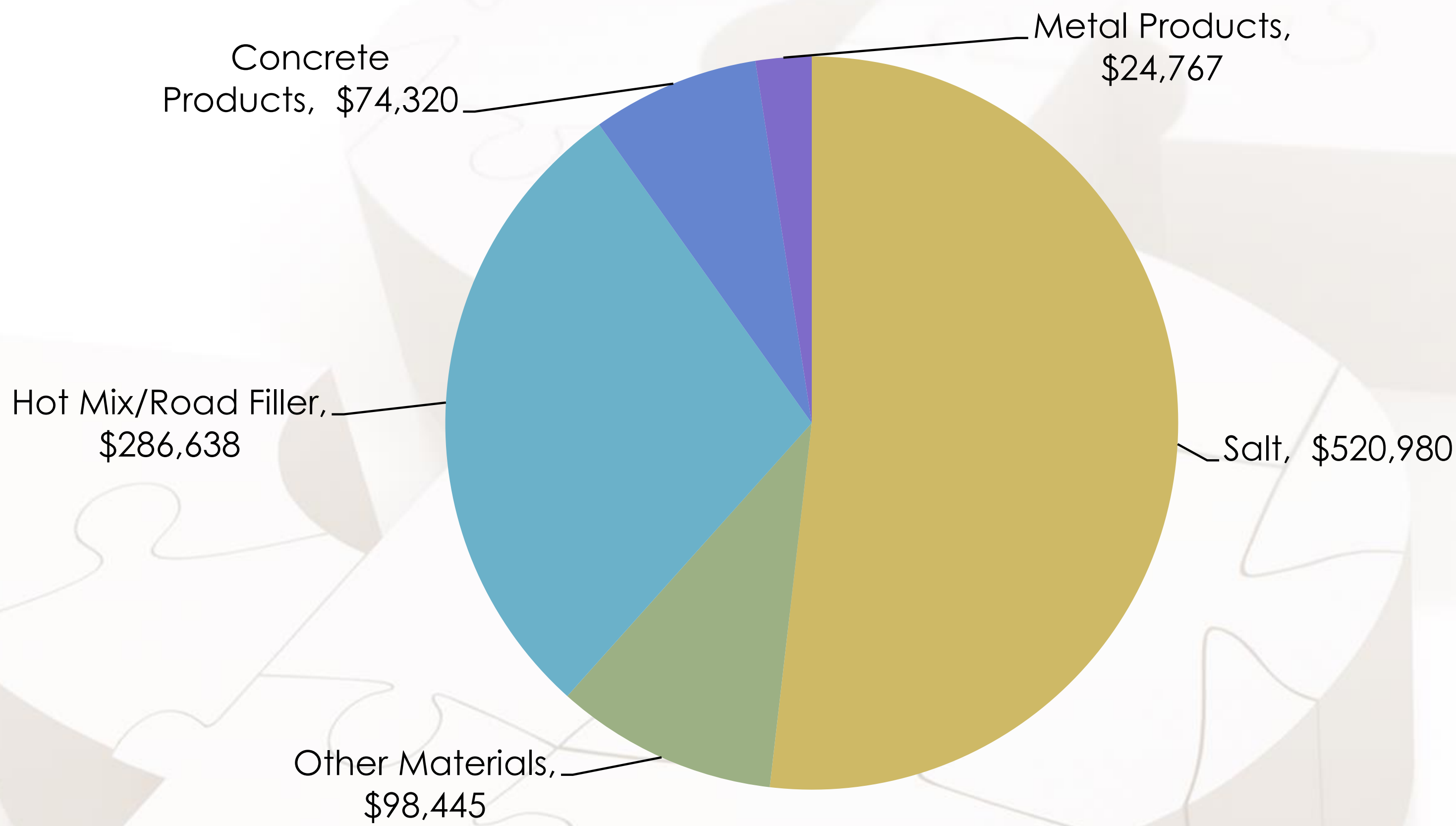
	2019 Budget	2019 Actual	2018 Actuals
Contractual Services	$8,060,615	$8,354,774	$7,854,064

General Fund Supplies and Expenses



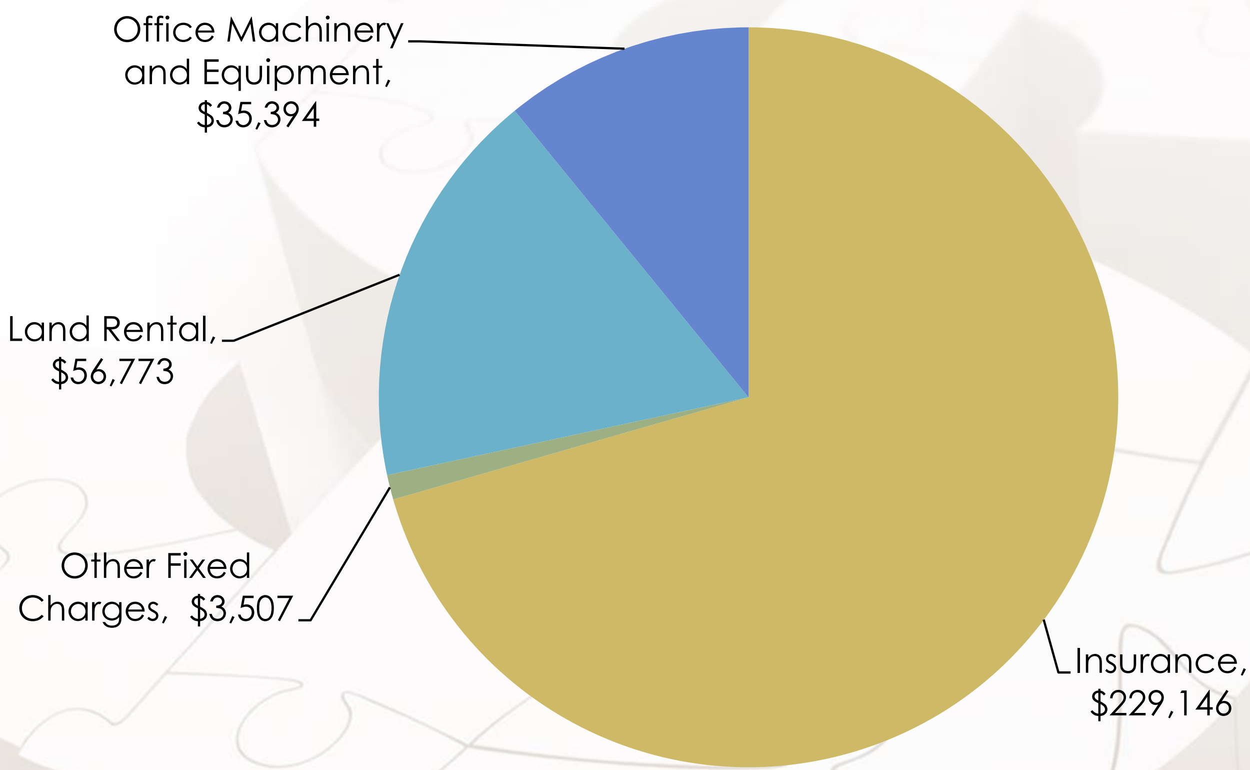
	2019 Budget	2019 Actual	2018 Actual
Supplies and Expenses	$1,313,187	$1,229,541	$1,192,674

General Fund - Materials



	2019 Budget	2019 Actual	2018 Actual
Materials	$806,398	$1,005,150	$773,626

General Fund Fixed Charges



	2019 Budget	2019 Actual	2018 Actual
Fixed Charges	$340,110	$324,819	$328,264

General Fund Other Expenditures

	2019 Budget	2019 Actual	Budget Variance
Grants, Contributions	$50,000	$92,517	($42,517)
Capital Outlay	72,530	104,768	(32,238)

General Fund Transfers Out

- **2019:**
- $ 65,000 - Recycling Fund
-   200,000 – Parking Fund
-     50,000 – Airport Fund
- <u> 310,000</u> - Capital Improvements Fund
- *$625,000 = Total*

Special Revenue Funds

Fund Balance	2019	2018	2017	2016
HUD Mortgage Fund	$104,701	$131,917	$136,471	$74,276
Economic Development Fund	256,569	289,186	316,805	316,205
Room Tax Fund	76,882	41,458	45,345	93,087
EMS Grant Fund	40,009	40,047	33,336	25,906
Environmental Clean Up Fund	1,725,088	1,776,029	1,765,386	1,752,827
Other Grants and Special Purpose Accounts	874,089	839,823	817,150	730,779
Housing Stock Improvement Fund	374,960	309,357	318,381	490,183

- The City of Wausau maintains a number of Special Revenue Funds that account for activity where the revenue source is restricted for specific purposes

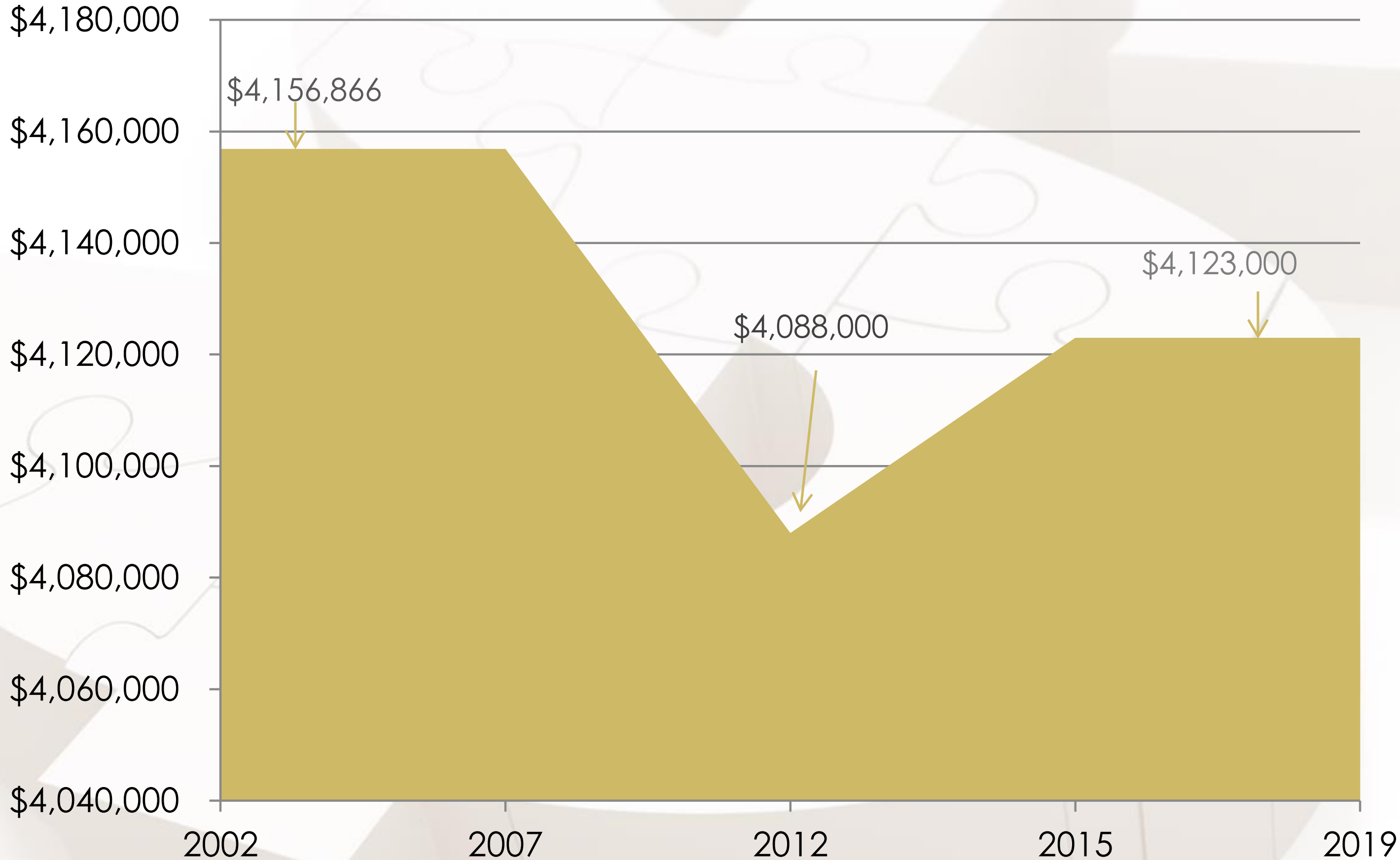
Special Revenue Funds cont.

Fund Balance	2019	2018	2017	2016
CDBG Grants Fund	$1,740,118	$1,632,976	$1,513,743	$1,547,456
DLAD Mortgage Program Fund	515,298	540,214	540,214	519,967
Federal Rent Rehabilitation Fund	337,818	337,818	337,818	337,818
WRRP Fund	1,246,639	1,193,253	1,146,345	1,404,846
HazMat Fund	199,963	180,065	200,879	162,573
Public Access Fund	3,567	1,439	5,619	2,812
Recycling Fund	8,194	8,314	-14,091	147
400 Block Fund	150,792	126,369	58,577	6,684

Debt Service Funds are used to account for governmental fund debt. Debt financed by the tax increment districts is funded through transfers into the Debt Service Fund

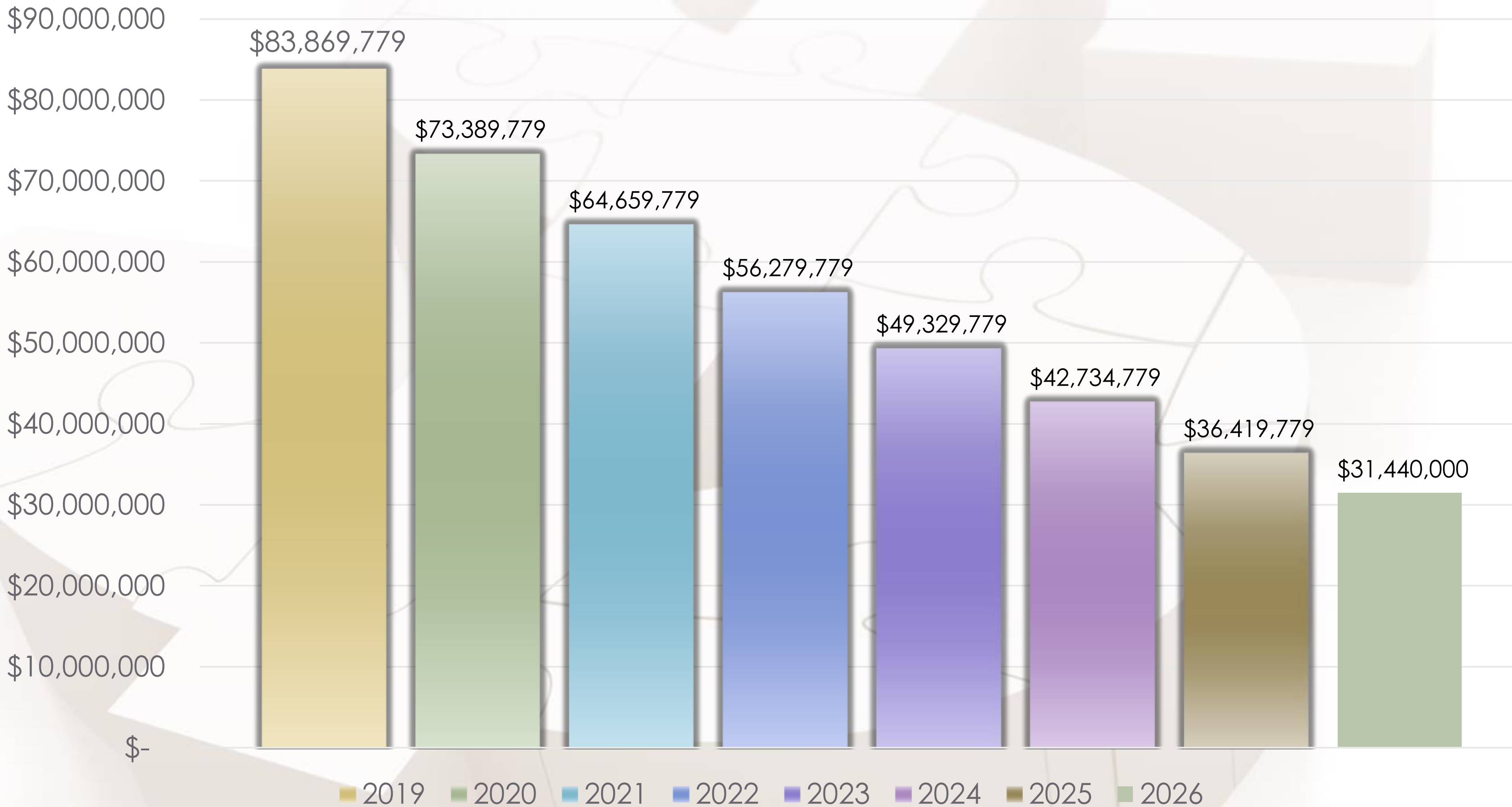
DEBT SERVICE FUND	
Revenues	
Taxes	$4,123,000
Other Revenue	70,264
Debt Proceeds and Premiums	256,033
Transfers In	7,045,232
Total Revenue	11,494,529
Expenditures	
Principal	9,436,314
Interest	2,178,936
Total Expenditures	11,615,250
Net Change in Fund Balance	(120,721)
Beginning Fund Balance	1,199,615
Ending Fund Balance	$1,078,894

PROPERTY TAX LEVY ALLOCATED TO DEBT SERVICE FUND



Existing Debt Outstanding -12/31

Excluding Revenue Bonds

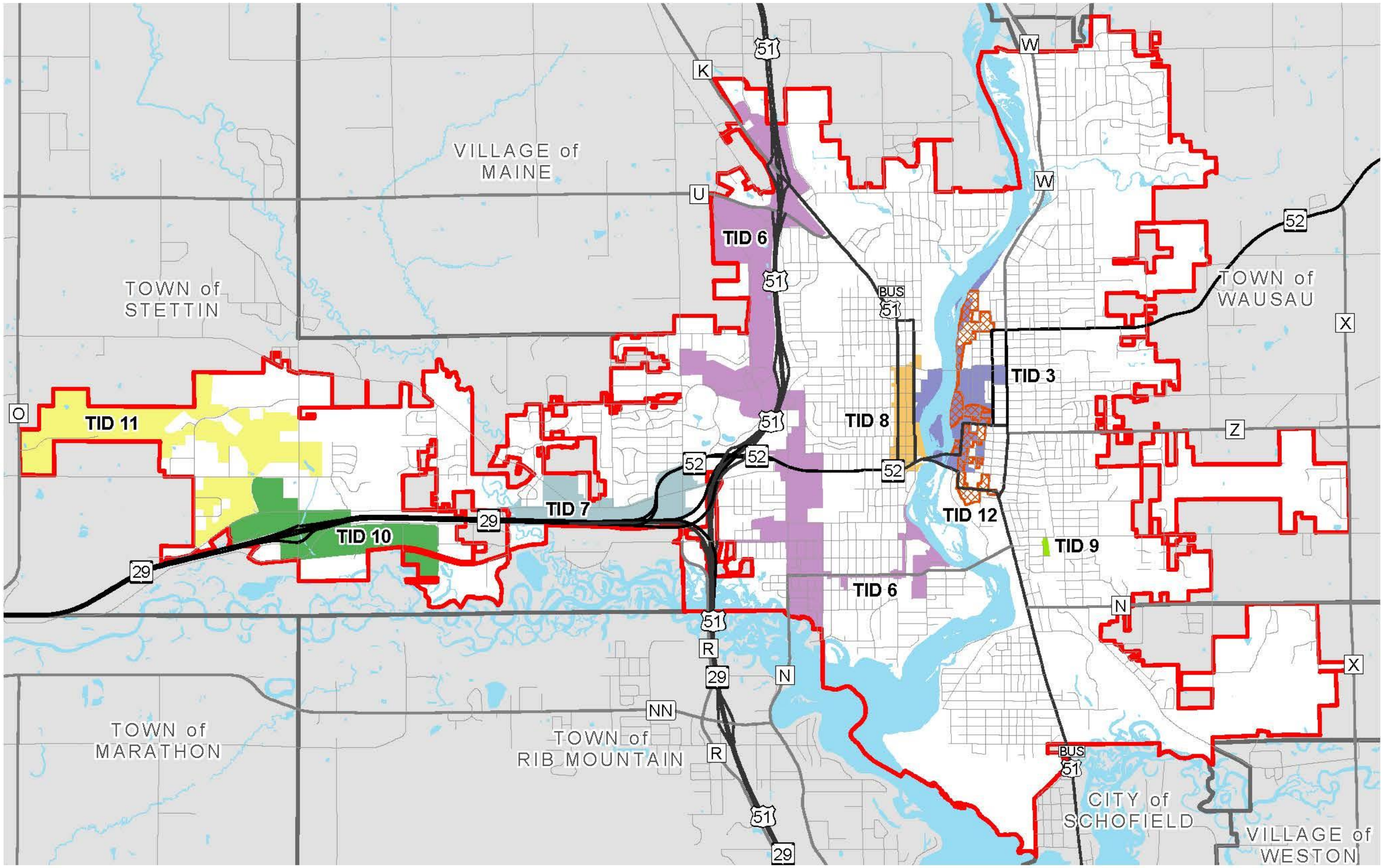


The Capital Projects Fund accounts for the annual CIP Plan. Revenues including Property Taxes, Debt Proceeds, Special Assessment Income, Grants and Transfers from Other Funds.

Revenues:	
Taxes	$498,890
Special Assessment	328,464
Grant Income	294,669
Other Income	109,575
Transfers In from Other Funds	595,248
Issuance of Debt	6,845,000
Total Revenue	**8,671,846**
Expenditures:	
Capital Projects	9,348,325
Debt Issuance Costs	50,449
Transfer to Other Funds	522,200
Total Expenditures	9,920,974
Net Change in Fund Balance	(1,249,128)
Beginning Fund Balance	3,725,795
Ending Fund Balance	$2,476,667

2019 CIP Projects

- Streets and Street Improvements $2,385,500
- Fire Station $4,788,000
- Evidence Storage Facility $298,500
- Parking Improvements $300,000
- Equipment $546,706
- Rolling Stock $258,460
- Play Equipment $75,000



NOTES:

1. DUPLICATION OF THIS MAP IS PROHIBITED WITHOUT THE WRITTEN CONSENT OF THE CITY OF WAUSAU ENGINEERING DEPT.
2. THIS MAP WAS COMPILED AND DEVELOPED BY THE CITY OF WAUSAU AND MARATHON COUNTY GIS. THE CITY AND COUNTY ASSUME NO RESPONSIBILITY FOR THE ACCURACY OF THE INFORMATION CONTAINED HEREIN.
3. MAP FEATURES DEVELOPED FROM APRIL 2010 AERIAL PHOTOGRAPHY.

Tax Incremental Districts

CITY OF WAUSAU

Marathon County Wisconsin

Date: 4/15/2020

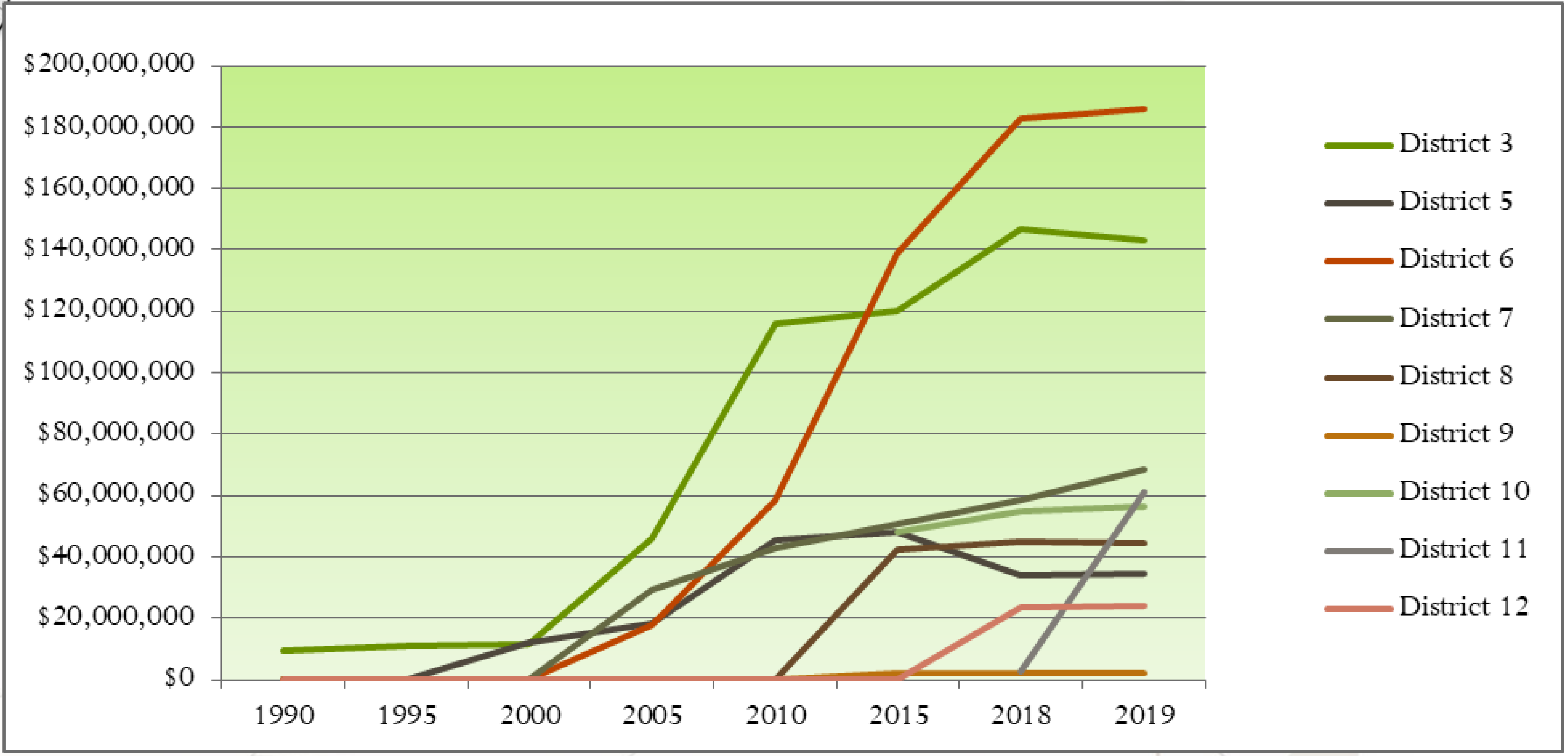
Legend

TID 3
TID 6
TID 7
TID 8
TID 9
TID 10
TID 11
TID 12

0 0.25 0.5 1 Miles

Finance\mxds\All_TIDs_8_11L.mxd

TID VALUE



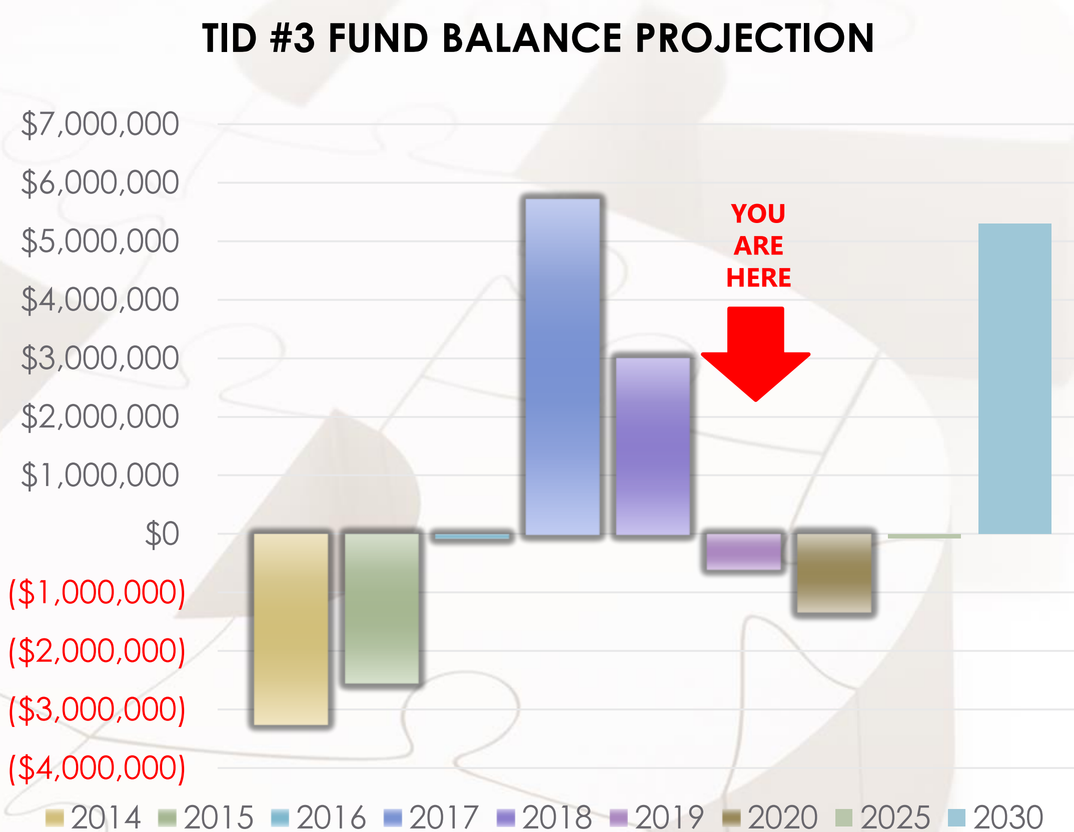
	1990	1995	2000	2005	2010	2015	2018	2019
District 3	$9,719,600	$10,989,700	$11,377,100	$46,201,500	$115,776,400	$119,919,400	$146,621,800	$143,102,900
District 5	$0	$105,900	$11,962,200	$18,300,700	$45,633,600	$48,176,800	$34,287,800	$34,453,200
District 6				$17,932,100	$58,568,400	$138,977,200	$182,937,300	$185,917,600
District 7				$29,525,900	$43,049,900	$50,526,800	$58,546,000	$68,348,900
District 8						$42,521,400	$45,036,800	$44,493,800
District 9						$2,118,800	$2,260,700	$2,174,900
District 10						$48,180,500	$54,938,100	$56,367,200
District 11							$2,980,000	$61,254,900
District 12							$23,866,700	$24,348,300

TID #3 – Downtown Development

12/31/19 Fund Deficit
($603,535)

Current and Future Projects
- River Improvements
- Skywalk
- Street improvements
- Fulton Street
- Church green space

Debt Statistics 12/31/2019:
Balance $21,386,360
Retirement 2031



TID #5 – Industrial Park

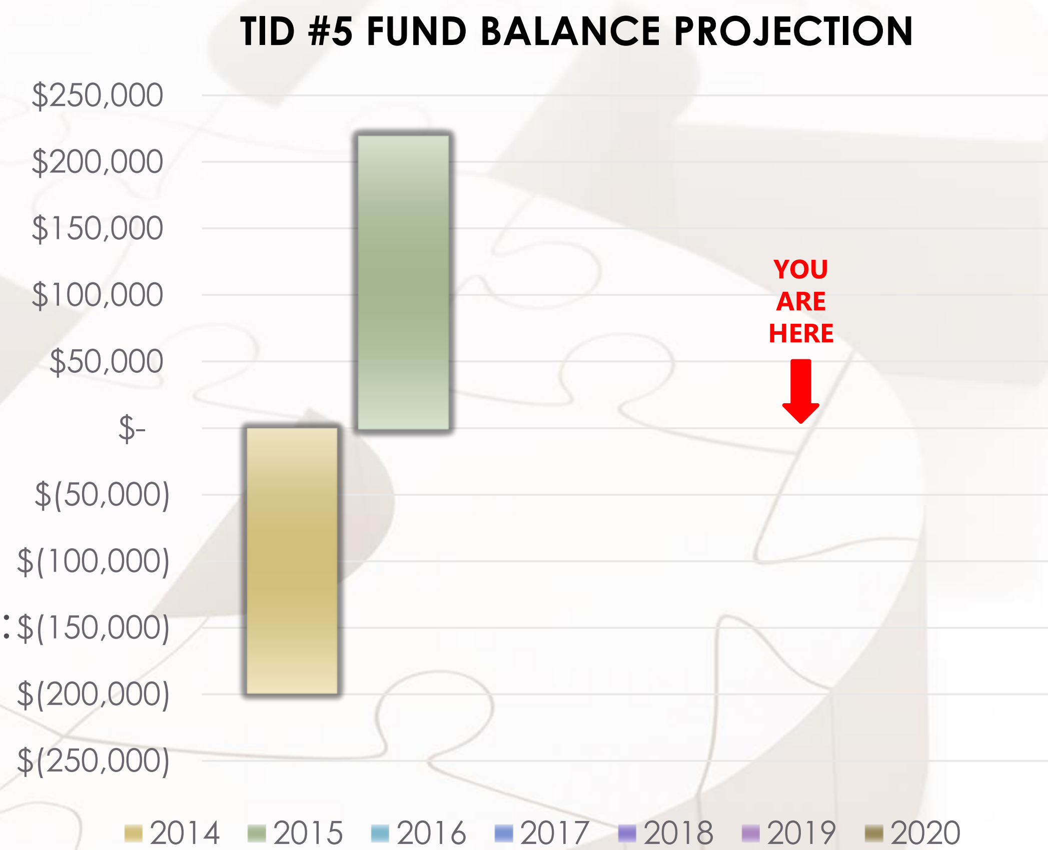
12/31/19 Fund Balance
$0

Current/Future Projects
None

Excess Increment will be donated to TID #3
2020

Debt Statistics 12/31/2019:
Balance $0

TERMINATED!
March 10,2020



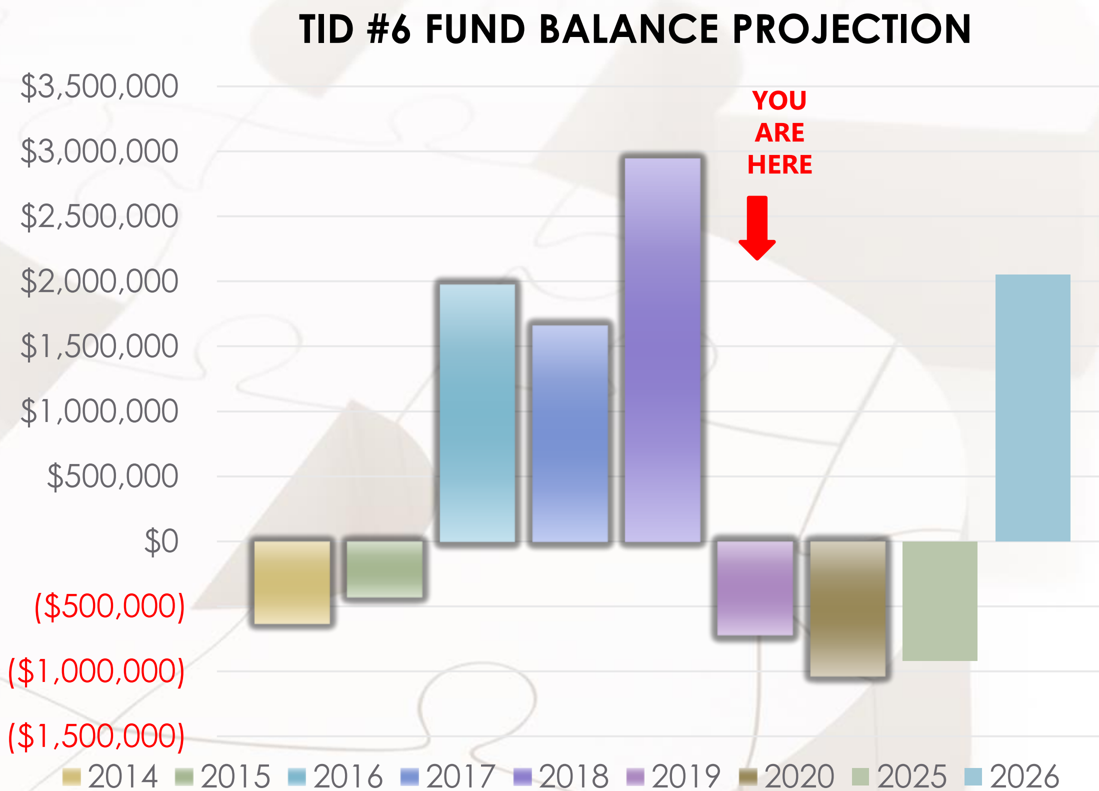
TID #6 – West Side Development

12/31/19 Fund Deficit
($716,721)

Current/Future Projects
- Streetscape
- Street Improvements
- River Trail and Improvements

Closure 2025

Debt Statistics 12/31/2019:
Balance $13,057,050
Retirement 2025



TID #7 – West Side Development

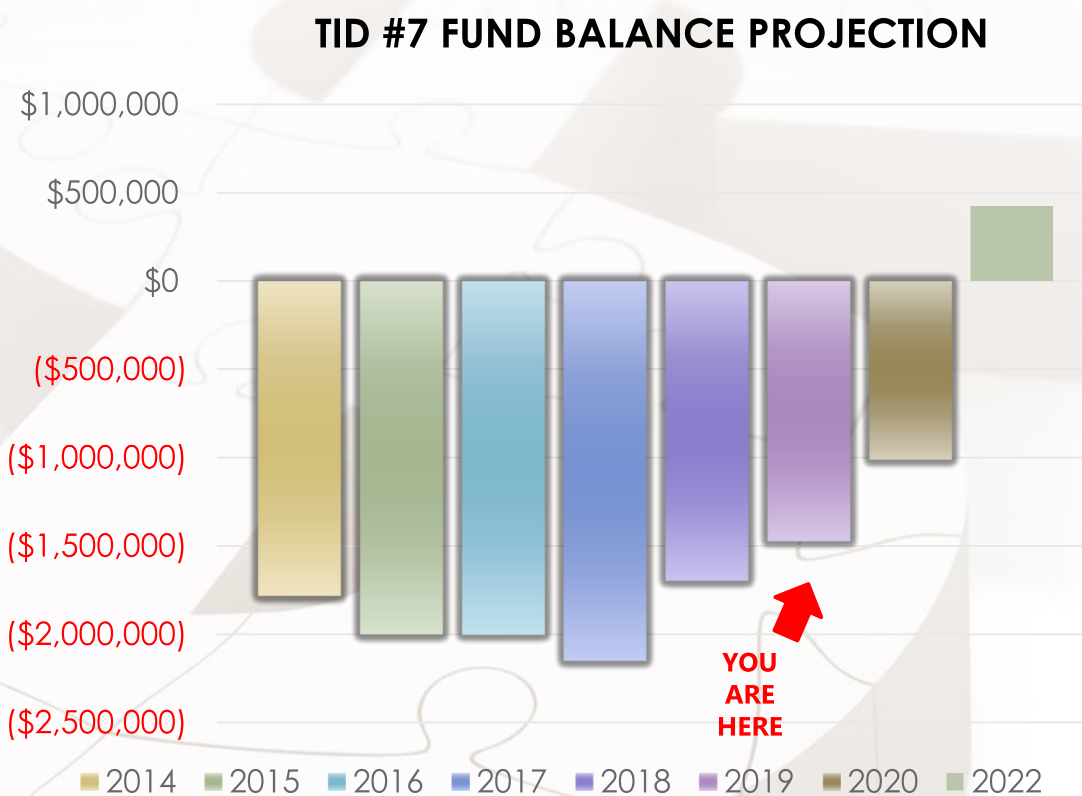
12/31/19 Fund Deficit
($1,468,947)

Current/Future Projects
Developer Payments
$525,000

Street Improvements
Streetscape
Parking Improvements

Termination 2022

Debt Statistics 12/31/2019:
Balance $168,000
Retirement 2023



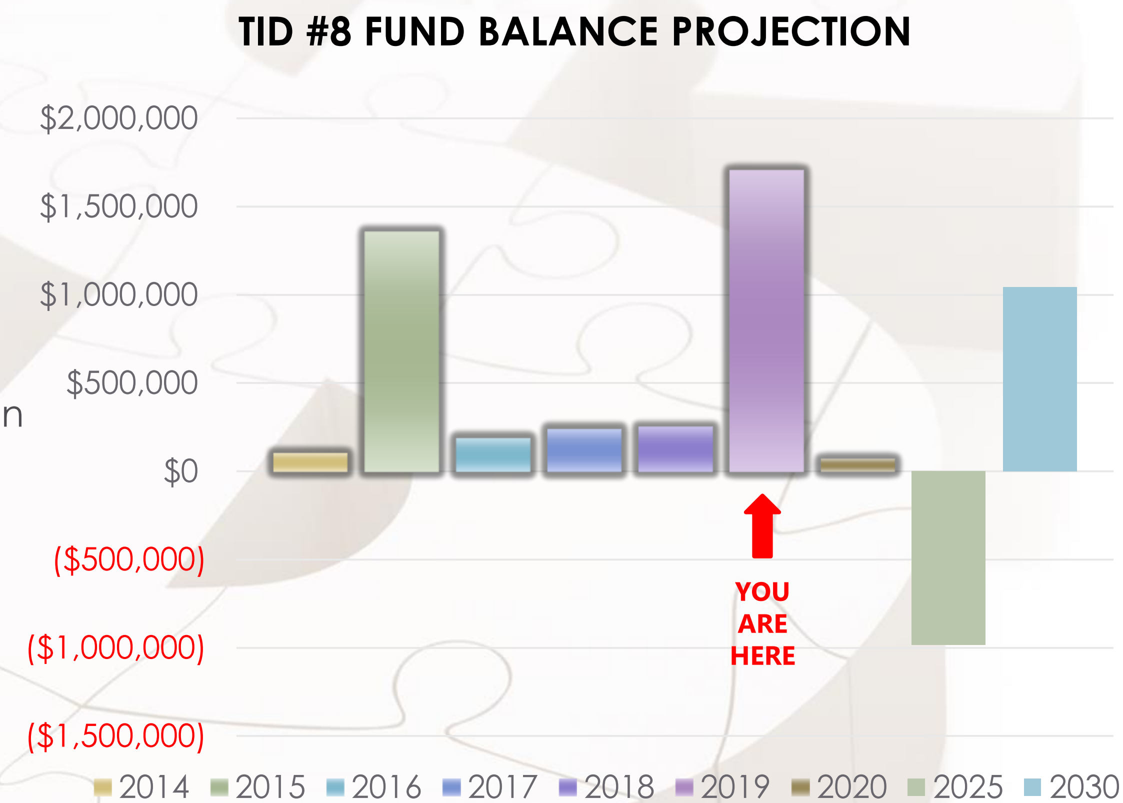
TID #8 – Near West Side

12/31/19 Fund Balance:
$1,707,065

Current/Future Projects

- 18th Ave Reconstruction
- Multi housing developer grants
- Hotel redevelopment loan and grant
- Mall loan
- Final 1st Ave payments

Debt Statistics 12/31/2019:
Balance $4,040,000
Retirement 2032

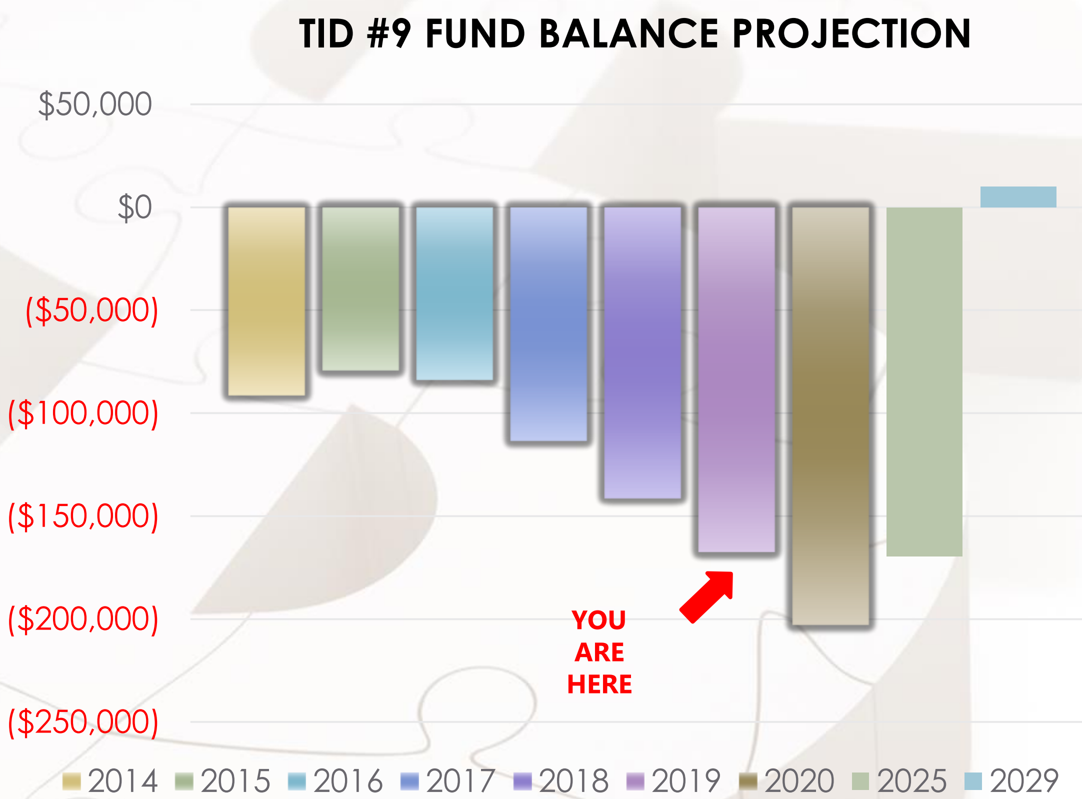


TID #9 – Big Bull Falls

12/31/19 Fund Deficit
($167,025)

Current/Future Projects
None

Debt Statistics 12/31/2019:
Balance $240,000
Retirement 2023

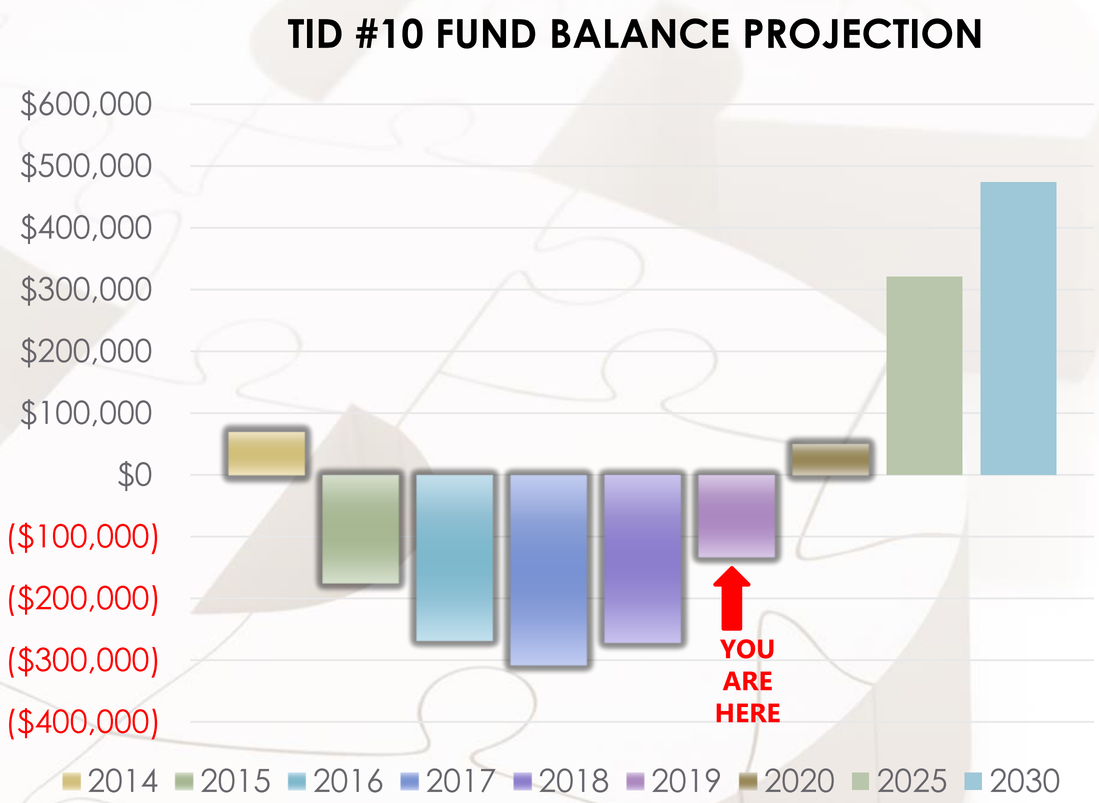


TID #10 – Business Campus

12/31/19 Fund Deficit
($132,247)

Current/Future Projects
Streets and pedestrian improvements

Debt Statistics 12/31/2019:
Balance $1,305,000
Retirement 2030

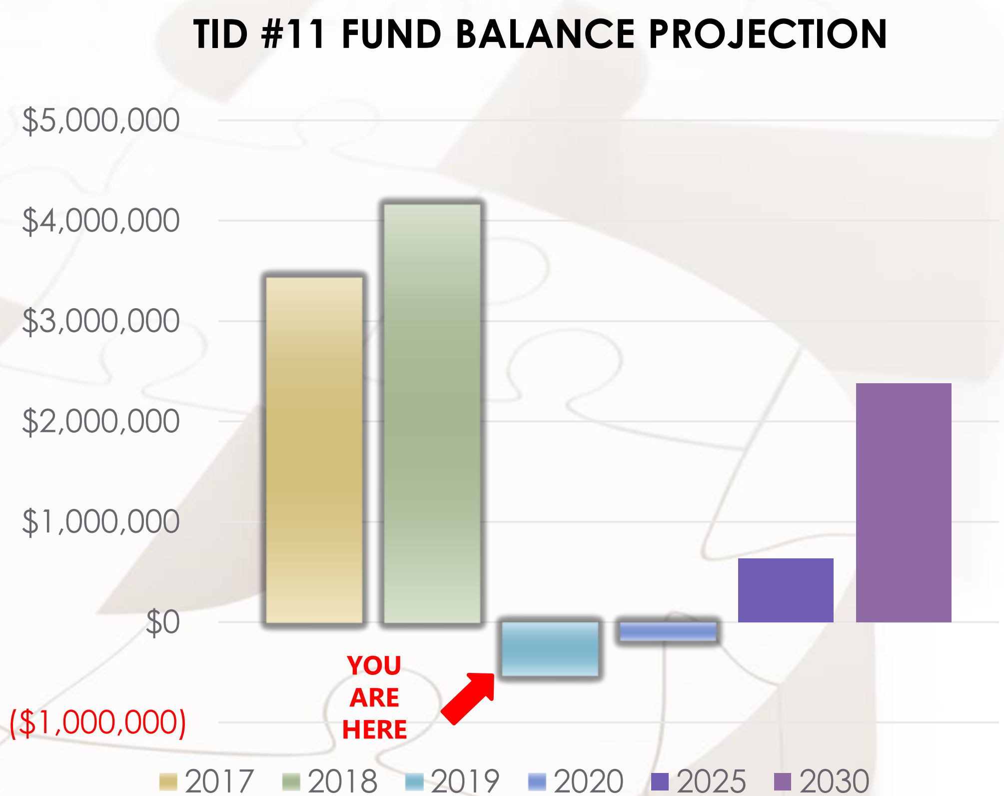


TID #11 – Business Campus Expansion

12/31/19 Fund Deficit
($530,515)

Current Projects
Finalize Street and Utility Improvements
GLC increment grants

Debt Statistics 12/31/2019:
Balance $10,605,000
Anticipation Notes

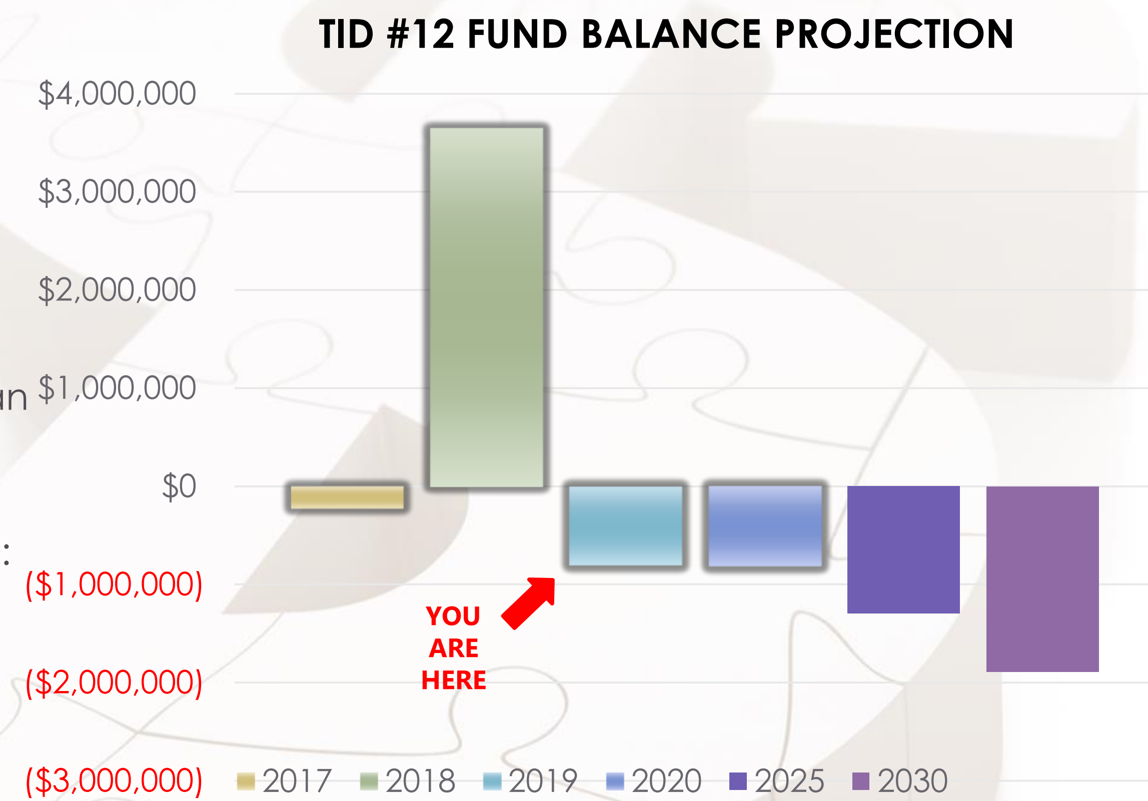


TID #12 – Downtown/Riverfront/Mall

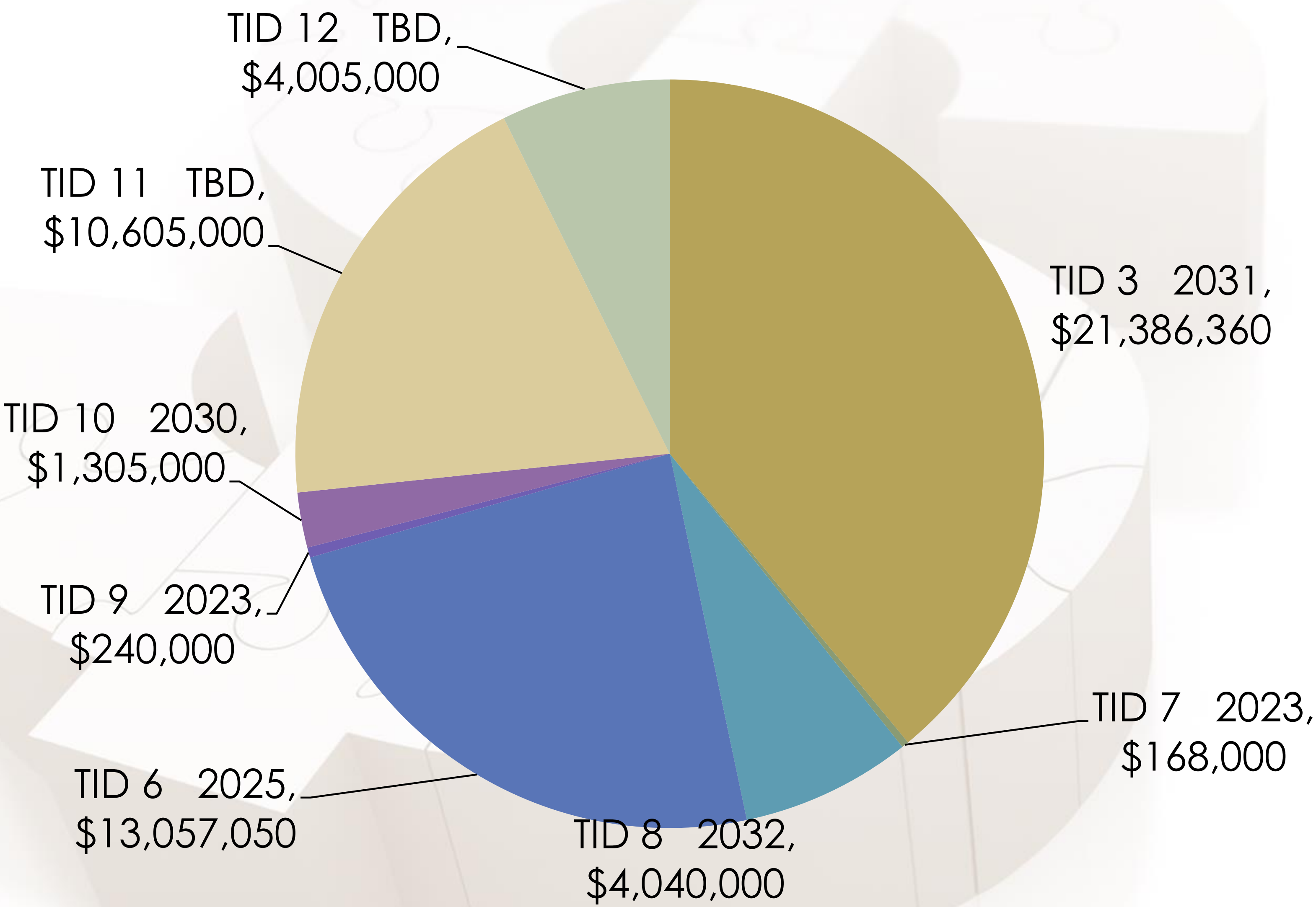
12/31/19 Fund Deficit
($795,236)

Current Projects
Wausau Chemical Loan
Skywalk

Debt Statistics 12/31/2019:
Balance $4,005,000
Anticipation Notes



TID Debt Outstanding 12/31/2019



Outstanding TID Obligations to Developers

- TID 3 – Riverfront - agreement under development with Riverlife Wausau LLC
- TID 3 - Dudley Tower Skywalk
- TID 3 – Resurrection Church green space
- TID 7 – 2800 Stewart Avenue increment grant $525,000
- TID 8 – Schierl TFB MI – LLC increment grant $230,000
- TID 8 – 1401 Elm Street LLC increment grant $601,520
- TID 8 – WOZ forgivable loan $1,000,000 and grant
- TID 11 – GLC increment grant - $6,400,000
- TID 12 – Macndon Ventures LLC $95,000

TID Expected Termination Date

DISTRICT	EXPECTED CLOSURE	MANDATED CLOSURE
TID 5	CLOSED	7/8/2020
TID 7	8/1/2022	1/10/2026
TID 6	5/10/2025	5/10/2025
TID 9	12/31/2030	9/25/2039
TID 10	12/31/2031	9/10/2033
TID 3	9/1/2031	9/1/2031
TID 11	12/31/2031	7/11/2037
TID 8	12/31/2032	04/10/2039
TID 12	7/18/2044	7/18/2044

Internal Service Funds

	Motor Pool	Insurance Fund	Employee Benefit Fund
Change in Net Assets	$521,493	($18,537)	$120,841
Depreciation	$990,497		
New Equipment Purchases	$982,995		
Unrestricted Net Position 12/31/2018	$2,029,893	$396,271	$1,228,638
Unrestricted Net Position 12/31/2019	$2,581,918	$377,734	$1,349,479

Enterprise Funds

	Waste Water Utility	Water Utility
Change In Net Position 2019	$504,499	$175,503
Change In Net Position 2018	$1,605,471	$1,916,746
Change In Net Position 2017	$242,037	$204,065
Change In Net Position 2016	$775,605	$432,379
Change in Net Position 2015	$1,174,812	$345,782

Enterprise Funds – Levy Dependent

	MetroRide Fund	Parking Fund	Airport Fund	Animal Control Fund
Change in Net Position - Profit/(Loss)	($481,609)	$174,386	($108,459)	$4,221
Depreciation	$314,077	$676,609	$150,383	-
General Fund Contribution	-	$200,000	$50,000	-
2019 Property Tax Levy	$830,413	$50,000	$101,000	$40,747
2018 Property Tax Levy	$809,906	$0	$94,000	$50,676
2017 Property Tax Levy	$601,600	$211,052	$90,000	$50,139

Fiduciary & Agency Funds

- Funds Held for Others

- $516,559

- Entrepreneurial Center $178,986
- Wausau Events $239,558
- Main Street $98,015

Cemetery Trust Fund $707,895