



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

OFFICIAL NOTICE AND AGENDA

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

Meeting of: **JOINT FINANCE COMMITTEE AND ECONOMIC DEVELOPMENT COMMITTEE**
Date/Time: **Tuesday, January 10, 2017 at 5:00 p.m.**
Location: **City Hall, Council Chambers**

Finance: Lisa Rasmussen (C), Karen Kellbach, Dave Nutting, Joe Gehin, Dennis Smith
ED members: Tom Neal (C), Romey Wagner, Pat Peckham, Joe Gehin, Lisa Rasmussen

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

Joint items

- 1 Discussion and possible action on the proposed development at 2101 West Bridge Street and the associated amendment to the Project Plan and Boundaries for Tax Increment District No. 6, City of Wausau, Wisconsin
- 2 **CLOSED SESSION** pursuant to 19.85(1)(e) of the Wisconsin Statutes for deliberating or negotiating the purchase of public properties, the investing of public funds, or conducting other specified public business, whenever competitive or bargaining reasons require a closed session:
 - ▶ Discussion and possible action on the proposed development at 2101 West Bridge Street and the Associated Amendment to the Project Plan and Boundaries for Tax Increment District No. 6, City of Wausau,
- 3 **RECONVENE** into Open Session to take action on Closed Session items, if necessary.
- 4 Discussion and possible action on the recapitalization of funding for the Live It Up Wausau Program.
- 5 Update on the Riverfront Project.
- 6 **ED ONLY ITEM:** Discussion and possible action on waiving the city's right to purchase property in the Wausau Business Campus for the property at 8450 Highland Drive.
- 7 Adjournment - ED Committee
Tom Neal, (ED Chair)

This Notice was posted at City Hall and emailed to the media on 1/04/17.

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

Please note that, upon reasonable notice, efforts will be made to accommodate the needs of disabled individuals through appropriate aids & services. For information or to request this service, contact the City Clerk at (715) 261-6620.

Other Distribution: Media, Alderpersons, Mayor City Departments

Term Sheet

Project:

Liberty Mutual Insurance Company (“Liberty Mutual”) is a U.S. financial services firm that currently operates a significant operations facility in the Wausau area. This multi-billion dollar corporation employs more than 50,000 people in over 800 offices throughout the world and is a member of the Fortune 100. The company currently leases space in Wausau.

The company is contemplating the construction of a new building of up to 150,000 square feet to house its operations and existing financial services employees (the “Project”). The Project is currently estimated to involve a capital investment in real and personal property (including site preparation, building construction and architecture and engineering costs) of approximately \$50 million. The Project also involves the previously announced transfer of ownership of the company’s existing Wausau facilities to a third party entity and the retention of the company’s current local workforce, which consists of approximately 900 employees and contractors (“Base Employment Level”). The average annual salary level of the company’s employees in Wausau is approximately \$60,000 per year (exclusive of benefits) (“Base Salary Level”).

Purpose:

To provide Liberty Mutual with Tax Increment District (“TID”) financial assistance as the desired site in Wausau will require significant capital outlays before construction can begin as sloping terrain will substantially affect design, engineering and construction costs of the Project. Preliminary cost estimates project an investment differential of approximately 10% to develop the site as compared to alternate locations, substantially due to rock/ledge and the challenging topography of the site for both the building and parking. A new facility with adequate parking will allow Liberty Mutual to remain in Wausau as a long-term community partner.

Property Tax Refund:

Liberty Mutual will be entitled to an annual property tax refund (“TID Refund”) equal to 90% of the incremental real and personal property taxes attributable to the Project. The TID Refund will be in the maximum amount of \$4,950,000, to be paid over a period of six (6) consecutive years, commencing with the first year real property taxes are payable on the new facility (the “Term”); provided, that Liberty Mutual may extend the Term for one additional year in the event of unforeseen delays in Project

completion. Liberty Mutual will report its actual employment levels during the Term and the TID Refund will be adjusted as follows:

If for any year during the Term Liberty Mutual maintains an employment level:

- (i) equal to or greater than 90% of the Base Employment Level, then Liberty Mutual will be entitled to the full TID Refund for that year;
- (ii) equal to or greater than 75% of the Base Employment Level but less than 90%, then Liberty Mutual will be entitled to a partial TID Refund, with the amount to be prorated based on the actual retention level for that year;
- (iii) less than 75% of the Base Employment Level, then Liberty Mutual would not be entitled to a TID Refund for that year;

and, in each case, provided Liberty Mutual also maintains an average annual salary level for all Wausau-based Liberty Mutual employees equal to 90% of the Base Salary Level.

The final terms of the TID Refund, Project scope and terms and conditions will be set forth in a definitive project agreement to be negotiated and executed prior to final Project approval.



City of Wausau TIF Application

Please complete the following information and return it along with a \$125 fee made payable to Community Development.

DEVELOPER

Legal Entity: Liberty Mutual Insurance Company

d/b/a: Liberty Mutual Insurance

Main Office Location: 175 Berkeley Street, Boston, MA 02116

Type of Business: Property and casualty insurer

Project Description: Liberty Mutual is contemplating the construction of a new building to house its operations with approximately 900 employees and contractors. A new facility will enable Liberty Mutual to introduce its recently-developed office space standards to enhance the employee experience and meet its future business needs. A new facility will allow Liberty Mutual to remain in Wausau as a long-term community partner.

Reason for Application Assistance: Liberty Mutual's desired site in Wausau will require significant capital outlays before construction can begin as sloping terrain will substantially affect design, engineering and construction costs of the project. Preliminary cost estimates project an investment differential of approximately 10% to develop the site as compared to alternate locations, substantially due to rock/ledge and the challenging topography of the site for both the building and parking.

PROPERTY INFORMATION

Parcel 1

Address: 2101 W. Bridge Street

Size: 20.83 acres (Parcel 291-2907-273-0980)

Current Use: Commercial

Current Assessed Value: Estimated \$1,122,000

Current Property Taxes: Estimated \$28,000

Parcel 2

Address:

Size:

Current Use:

Current Assessed Value:

Current Property Taxes:

PROPOSED IMPROVEMENTS

Describe improvement details

Liberty Mutual will construct a new office building of up to 150,000 square feet on an approximately 20-acre parcel adjacent to its current location on Westwood Drive. This new office building will include some below-grade parking and parking spots for 900 Liberty Mutual employees and contractors. Additionally, the project will include investments in new personal property such as furniture, fixtures, and equipment. The total cost of the project is estimated to be approximately \$50 million.

RETURN ON INVESTMENT ANALYSIS

Project Costs

	Amount (\$)	Source of Funds
Purchase of Land	0	
Demolition Cost	0	
Site Improvements	5,000,000	
Purchase of Existing Facility	0	
Construction of New Building(s)	35,000,000	
Renovation of Existing Structure	0	
Machinery & Equipment	0	
Architectural & Engineering Fees	5,000,000	
Legal & Other Professional Fees	1,000,000	
Contingency	1,000,000	
Working Capital	0	
Other (please specify) Personal property, moving, security, signage, AV, etc.	3,000,000	
Total Project Costs	50,000,000	Company capital expenditure

Value of Property

- Lot Size (in acres): 20.83
- Improvement Square Footage: Up to 150,000 sq. ft.
- Current Assessed Values: Land \$ 1,122,000 + Improvements \$ 0 = \$1,122,000
- Calculated Property Value: Land \$ 1,122,000 + Improvements \$ 41,000,000¹ = \$42,122,000

Projected Property Taxes

- Current Property Taxes: \$ 28,000²
- Calculated Property Taxes: \$ 1,078,786³ (Year 1)
- Calculated Tax Increment: \$ 1,050,786 (Year 1)

Zoning:

- Current Zoning: Commercial
- Proposed Zoning: Commercial

¹Includes only the estimated improvements to real property (site improvements, building construction, parking garage, and contingency).

²Based on the current assessed value and property tax bill for parcel 291-2907-273-0980.

³Includes both real and personal property taxes captured by the Tax Increment District plus the current property tax value of the parcel. Personal property calculation includes a Year 1 depreciation factor of 92.5%.

Requested City Participation/Financing

Source	Amount	Terms: Years/Interest	Contact Information
Loans:			
Equity			
Requested City Participation:			
Loan:			
Grant:			
Other: TID Financing	\$4,950,000		
Total Financing	\$4,950,000		

City of Wausau ROI: Estimated net tax revenue after TID refund of \$10,513,271 over 15 years

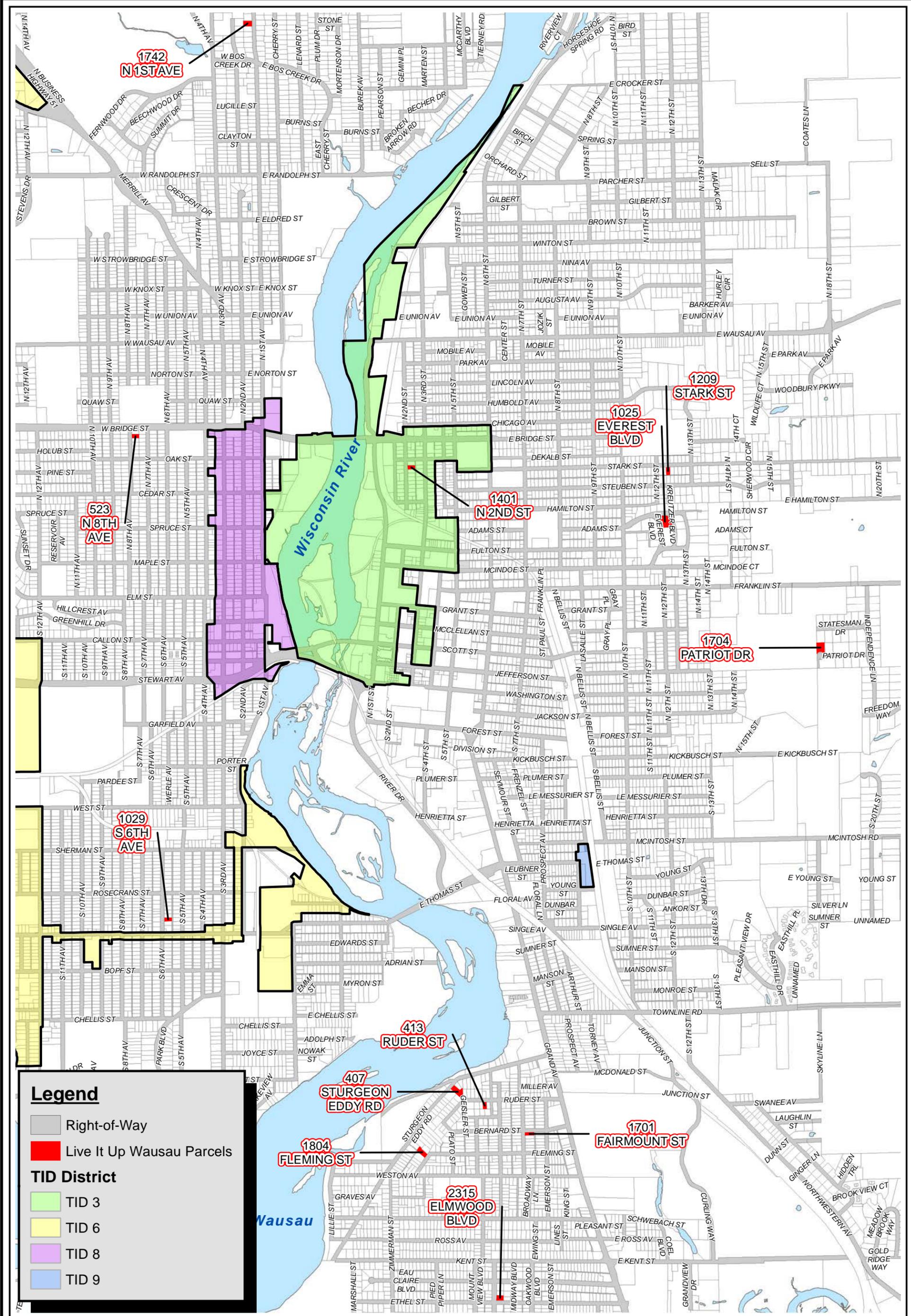
Jobs Created

- Up to \$15,000: _____
- \$15,001-\$30,000: _____
- \$30,001-\$45,000: _____
- \$45,001-\$60,000: _____
- \$60,001 and above: _____

• Description of Employee benefits: Liberty Mutual employees enjoy a benefits package that is competitive within its industry. Benefits include a 401(k) with matching benefits, a cash balance retirement plan, an annual bonus program, healthcare and wellness benefits, and paid time off.

Liberty Mutual currently employs approximately 900 employees and contractors at its Wausau facility and expects its employment level to remain stable. Liberty Mutual employees are paid an average salary of approximately \$60,000 per year (exclusive of benefits).

Please return to Community Development, 407 Grant Street, Wausau, WI 54403.



Legend

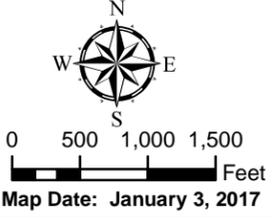
- Right-of-Way
- Live It Up Wausau Parcels
- TID District**
- TID 3
- TID 6
- TID 8
- TID 9

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.

Live It Up Wausau

City of Wausau

Marathon County, Wisconsin



Wausau Riverfront Vision





15+ ACRES OF RIVERFRONT DEVELOPMENT OPPORTUNITIES

DISTANCE TO WAUSAU, WISCONSIN

Appleton..... 94 miles	Madison, WI..... 142 miles
Chicago, IL..... 275 miles	Milwaukee, WI..... 192 miles
Green Bay, WI..... 97 miles	Minneapolis, MN... 185 miles

Wausau is the safest metro area in the Midwest, according to FBI crime statistics, and our citizens have the nation's highest average credit score (789) according to Forbes.

CITY OF WAUSAU
Our Investment and Commitment



A Active Public Green Space
Miles of new riverfront trail, championship whitewater kayaking course, largest ski slope in Wisconsin, four seasons of active recreation.



B Commercial Redevelopment
Expanding entertainment and commercial uses, growing metro population of over 135,000, and a retail trade area of over 330,000.



C Mixed-Use Redevelopment
Active waterfront, adjacent to thriving downtown of over 250 businesses, welcoming partners in investment!



FOR MORE INFORMATION

MAYOR
JIM TITTLE
715.261.6800
jim.tittle@ci.wausau.wi.us

COMMUNITY DEVELOPMENT DIRECTOR
ANN WERTH
715.261.6686
ann.werth@ci.wausau.wi.us

ECONOMIC DEVELOPMENT MANAGER
CHRISTIAN SCHOCK
715.261.6683
christian.schock@ci.wausau.wi.us

www.wausauriverdistrict.com | www.wausaudevelopment.com



Transformation





Engagement





Entertainment





River Wharf





PEDESTRIAN BRIDGE PERSPECTIVE



Wausau, Wisconsin / January 26th, 2016
WAUSAU EAST RIVERFRONT DEVELOPMENT



River's Edge Trail



PEDESTRIAN BRIDGE PERSPECTIVE



Wausau, Wisconsin / January 25th, 2016
WAUSAU EAST RIVERFRONT DEVELOPMENT



Project # : 393803117



River's Edge Trail





10/25/2013



Before



Atrium Lofts



After





Before





WHARF AREA AERIAL PERSPECTIVE



Wausau, Wisconsin / January 26th, 2016
WAUSAU EAST RIVERFRONT DEVELOPMENT



After





Before





After





10/25/2013



Before





After





10/25/2013



Before





After





10/25/2013



Before





ARCH. ELEVATION
1/8" = 1'-0"

APARTMENT BUILDING #1
OPTION A
RIVER EAST VILLAGE
WAUSAU, WISCONSIN
PAGE 22, 21/2

 Mudrovich
architects



After





Before





ADIRONDACK PLAZA PERSPECTIVE



Wausau, Wisconsin / January 26th, 2016
WAUSAU EAST RIVERFRONT DEVELOPMENT

Stantec
Project # 193803147



After





Last chance!
Vote now

4

Fizzled
fireworks
frustrates
residents

5

Do a little
garlic scaping

10

Mr. Robot:
It's gotten a
lot better

18

Grossout
comedy of
the season

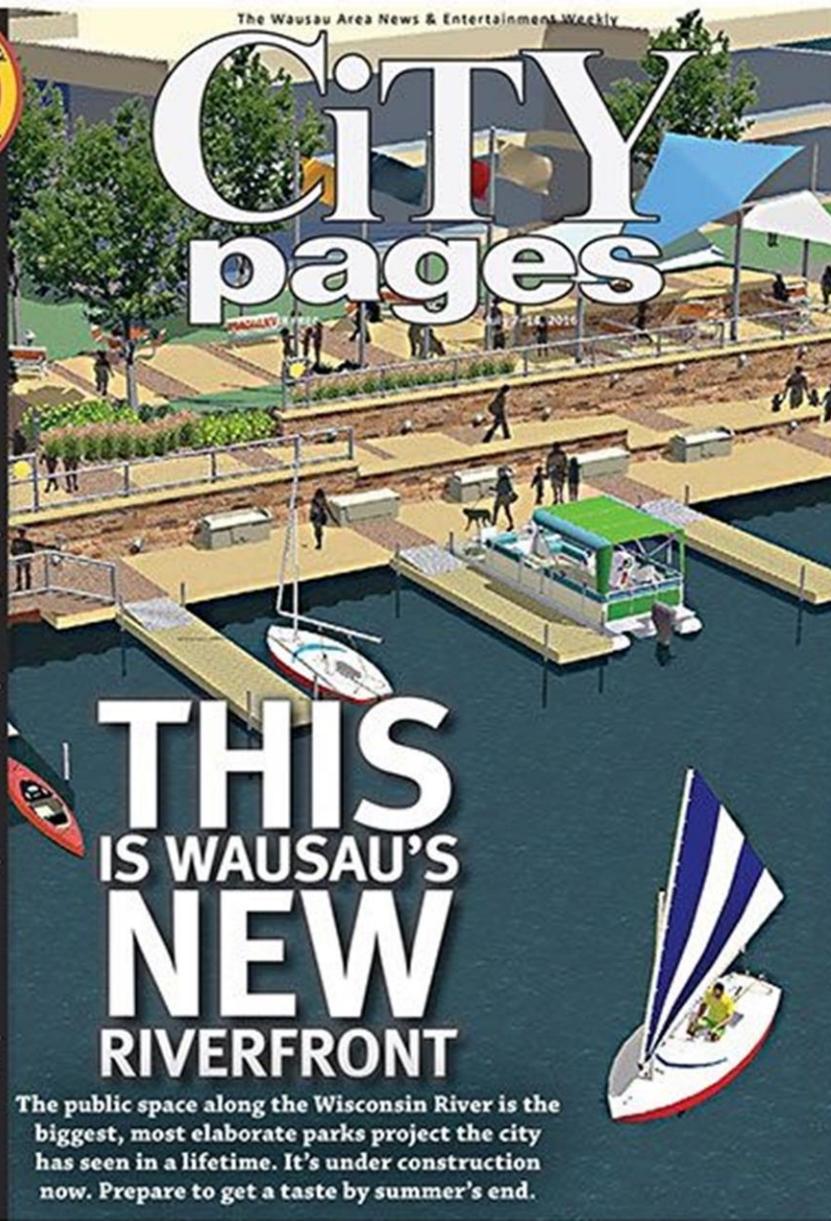
20

Bring on the
banh mi

23

The Wausau Area News & Entertainment Weekly

CiTY pages



THIS IS WAUSAU'S NEW RIVERFRONT

The public space along the Wisconsin River is the biggest, most elaborate parks project the city has seen in a lifetime. It's under construction now. Prepare to get a taste by summer's end.



From: Ryan Ashton [<mailto:ryan@centrictool.com>]
Sent: Tuesday, January 3, 2017 10:16 AM
To: Christian Schock <Christian.Schock@ci.wausau.wi.us>
Subject: Request to waive first right of refusal (8450 Highland Dr)

Chris,

My wife and I are in the process of purchasing a business in the Wausau west industrial park. Currently we are 50% owners and will complete the buy-out tomorrow (1/4/2017). The business name is Centric, Inc. and it is located at 8450 Highland Drive. The building that Centric is located within is currently owned by Rick and Amy Lorbecki and they have agreed to sell us the building.

Therefore, I'd like to request that you waive the first right of refusal for the sale of this property. There will be no changes to the building tenants, nor will the day-to-day operations be impacted.

If you have any questions or need further information, please do not hesitate to contact me. My understanding is that you have an upcoming economic development meeting on Jan 10th. Hopefully, this waiver can be processed as part of the agenda for that day.

Thank you,

Ryan Ashton



8450 Highland Drive
Wausau, WI 54401
715 848 4242 ph
608 213 6407 cell
centrictool.com

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

RESOLUTION OF THE ECONOMIC DEVELOPMENT COMMITTEE

Waiving City's right to purchase property in the Wausau Business Campus in order to allow the title transfer of 8450/8454 Highland Drive from Richard A. Lorbecki and Amy R. Lorbecki as Trustees of the Richard A. Lorbecki and Amy R. Lorbecki Joint Revocable Trust dated May 19, 2014 to Rowan & Wren Investments, LLC

Committee Action: Pending

Fiscal Impact: None

File Number: 95-0508

Date Introduced: January 10, 2017

FISCAL IMPACT SUMMARY

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

RESOLUTION

WHEREAS, Richard A. Lorbecki and Amy R. Lorbecki as Trustees of the Richard A. Lorbecki and Amy R. Lorbecki Joint Revocable Trust dated May 19, 2014 intends to transfer title of 8450/8454 Highland Drive to Rowan & Wren Investments, LLC ; and

WHEREAS, deed restrictions on the property give the City of Wausau the right to exercise its option to repurchase the property at the lesser of the price and terms offered to Grantee by a prospective buyer; or at the original sale price, plus interest at the rate of 5 percent per annum; and

WHEREAS, the prospective buyers are exercising a \$200,000.00 option contained in a Purchase and Option Agreement which is part of a broader buyout of a family business; and

WHEREAS, your Economic Development Committee, at their January 10, 2017 meeting, considered the matter and wishes to waive the right to purchase the property.

NOW THEREFORE, BE IT RESOLVED by the Common Council of the City of Wausau that the City hereby waives its right to exercise its option to purchase the property at 8450/8454 Highland Drive in the Wausau Business Campus in order to allow the transfer of title of the property to Rowan & Wren Investments, LLC.

BE IT FURTHER RESOLVED by the Common Council of the City of Wausau that the Mayor

and Clerk are hereby authorized to execute the attached Waiver of Right to Repurchase.

BE IT FURTHER RESOLVED that Rowan & Wren Investments, LLC will abide by all terms and conditions set forth in the Wausau Business Campus covenants and that any previous deed restrictions run with the property.

Approved:

Robert B. Mielke, Mayor

WAIVER OF RIGHT TO REPURCHASE

Document Number

Document Title

The City of Wausau, a Wisconsin Municipal corporation ("City") reserved certain Rights, including a right to purchase the property located at 8450/8454 Highland Drive in the City of Wausau, in a Warranty Deed dated May 19, 1995 and recorded in the office of the Register of Deeds for Marathon County, Wisconsin, on May 19, 1995 in Micro-Record 706 on page 893, as Document No. 1049817 ("Warranty Deed") and which is legally described in Exhibit A attached hereto ("Property").

Richard A. Lorbecki and Amy R. Lorbecki as Trustees of the Richard A. Lorbecki and Amy R. Lorbecki Joint Revocable Trust dated May 19, 2014 has received an offer to purchase the Property from Rowan & Wren Investments, LLC, a summary of which offer has been provided to the City of Wausau, and intends to transfer title to the Property to Rowan & Wren Investments, LLC (the "Transfer").

The City of Wausau does not wish to exercise its right under the Warranty Deed to repurchase this Property.

Recording Area

Name and Return Address:

Attorney David Eckert
P O Box 1185
Wausau WI 54402-1185

PIN: 291.2906.253.0990

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the City of Wausau, Wisconsin, hereby waives any right to exercise its option to repurchase the Property with respect to or as a result of this Transfer.

Dated this ____ day of _____, 2017.

CITY OF WAUSAU

By: _____
Robert B. Mielke, Mayor

ATTEST:

By: _____
Toni Rayala, City Clerk

STATE OF WISCONSIN)
) ss.
COUNTY OF MARATHON)

Personally came before me this ____ day of _____, 2017, Robert B. Mielke, Mayor and Toni Rayala, City Clerk, to me known to be the persons who executed the foregoing instrument and acknowledged the same.

_____, Notary Public
Marathon County, Wisconsin
My Commission _____.

This instrument was drafted by Anne L. Jacobson, City Attorney, 407 Grant Street, Wausau, Wisconsin 54403

EXHIBIT A

LEGAL DESCRIPTION OF PROPERTY

Lot one (1) of Certified Survey Map No. 8614 recorded in the office of the Register of Deeds for Marathon County, Wisconsin, in Volume 33 of Certified Survey Maps on page 182; being a part of the southwest quarter (SW1/4) of the southwest quarter (SW ¼) of Section twenty-five (25), Township twenty-nine (29) North, Range six (6) East, in the City of Wausau, Marathon County, Wisconsin.