

December 16, 2015

# Project Plan for the Territory & Project Plan Amendment of Tax Incremental District No. 3



## CITY OF WAUSAU, WISCONSIN

Organizational Joint Review Board Meeting Held:	December 15, 2015
Public Hearing Held:	December 15, 2015
Consideration for Approval by Plan Commission:	December 15, 2015
Consideration for Adoption by Common Council:	Scheduled for: December 22, 2015
Consideration for Approval by the Joint Review Board:	Scheduled for: January 4, 2016

# Tax Incremental District No. 3 Territory & Project Plan Amendment

## City of Wausau Officials

### Common Council

James Tipple	Mayor
William Nagle	Council Member
Romey Wagner	Council Member
David Nutting	Council Member
Tom Neal	Council Member
Gary Gisselman	Council Member
Keene Winters	Council Member
Lisa Rasmussen	Council Member
Karen Kellbach	Council Member
David Oberbeck	Council Member
Sherry Abitz	Council Member
Robert Mielke	Council Member

### City Staff

Toni Rayala	City Clerk
Maryanne Groat	Finance Director
Anne Werth	Community Development Director
Brad Lenz	City Planner
Anne Jacobson	City Attorney

### Plan Commission

Mayor James Tipple	Phil Valitchka
Eric Lindman	Tom Atwell
David Oberbeck	Bruce Bohlken



## Standing Joint Review Board

Gary Gisselman

Audrey Jensen

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Northcentral Technical College District

Wausau School District

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# SECTION 1: Executive Summary

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## Description of District

### Type of District, Size and Location

Tax Incremental District (“TID”) No. 3 (the “TID” or “District”) is an existing blighted area district, which was created by a resolution of the City of Wausau (“City”) Common Council adopted on September 1, 1994 (the “Creation Resolution”).

### Amendments

The District was previously amended in 2000 and 2007 whereby a resolution was adopted to add additional territory to the District, and to amend the list of projects to be undertaken. These amendments were the first and second of four territory amendments permitted for this District.

The District was previously amended in 2010, whereby a resolution was adopted to amend the list of projects to be undertaken.

The District was previously amended in 2013 with special legislation with Wisconsin Act 32 which enables the District to undergo five territory amendments and extend its maximum life by ten years, as well as extend its expenditure period.

### Introduction

The impetus for this project plan amendment is the reinvigoration and redevelopment of the Wausau Center Mall. The Mall was constructed in 1983 and in 2001 it was sold to CBL and Associates Properties, Inc., one of the largest owners and developers of shopping centers in the United States. CBL renovated the facilities common space and food court in 2006. The mall, along with the three anchor properties, encompasses 423,556 square feet and supports approximately 65 specialty stores. The facility has four owners: the City is the owner of the land and the two parking ramps, Sears owns and operates the Sears anchor building, the Younkers building is owned by an independent absent landlord and CBL owns the vacated JC Penney building and the mall. Wausau Center supports about 500 jobs, generates about \$240,000 in sales tax for the County and is one of the highest assessed properties in the City.

The closing of the JC Penney store has left a large vacancy within the mall and has also opened the door for other specialty stores to vacate their lease and/or reduce their lease payments due to co-tenancy language. Increased vacancies within the mall will create growing financial difficulties and an environment where new tenants will be unwilling to locate here. While this is cause for alarm; the vacancy creates a great opportunity to restructure and adapt the property to meet the tastes and habits of today’s shoppers. Current retail and shopping center trends favor mixed use facilities combining activities such as housing, hotels, fitness centers, office space, theaters, restaurants and entertainment. In addition these facilities have become lifestyle centers which feature outdoor spaces.

CBL has proposed a multi-phased redevelopment that relies on loans from the City to finance the improvements. Their vision is to upgrade tenant spaces, attract new national retail, entertainment and mixed use tenants. This requires a redesign of some areas to incorporate a junior fashion anchor, restaurant and the connection to outdoor spaces. CBL has indicated that the loans will be repaid through increased profitability of the facility. Specifically, CBL proposes the following:

### Phase 1

Younkers is seeking to move into the vacated JC Penney's site which is slightly smaller at 85,756 square feet versus their current 100,564 square feet. Existing owners of the Younkers site have been unwilling to negotiate more realistic lease terms and the shop is operating under a temporary lease. Younkers' management has indicated that they will leave the Wausau area if they are unable to relocate to the JC Penney space. This relocation is considered desirable because Sears and Younkers will then anchor the longest corridor of specialty shops in the mall. CBL has proposed to accomplish the Younkers relocation with the following loan:

- A 20 year loan at 2% interest in the amount of \$4.1 million to renovate the existing JC Penney space and to accommodate the relocation of Younkers to this newly renovated site. Younkers and CBL have negotiated a long term lease for this newly renovated site. Lease payments made to CBL would be used to repay the City's loan.

### Phase 2

- Additional 20 year loans at 2% interest in an amount not to exceed \$8 million. These loans would be used for significant redevelopment opportunities such as adding entertainment, junior fashion anchor and restaurants.

### Phase 3

- Redevelopment of the current Younkers and perhaps Sears sites. This phase is not included within this project plan.

### Improved Profitability

- Concessions of the annual ground lease paid to the city.
- Reduction in the annual parking fee paid to the City.
- Developer payments of \$135,000 for a three year period to bolster marketing efforts.

In addition to the loans and the marketing developer payments, the project plan includes \$450,000 of parking improvements and \$650,000 of street improvements. The \$450,000 will be used to make improvements to the attached parking structures including installation of cashier-less parking technology, LED upgrades and other improvements designed to improve the parking experience within the garages. The \$650,000 of street improvements will support the central business district.

### Purposes of this Amendment

To further facilitate development and/or redevelopment within areas adjacent to the District, the City desires to amend its boundaries to add territory. A map, located in Section 3 of this plan, identifies the Territory to be added and its geographic relationship to the existing District's boundaries.

This amendment will cause territory to be added to the District, providing incentive and opportunities for additional private development and redevelopment.

This amendment will modify the categories, locations or costs of the Projects to be undertaken, providing incentive and opportunities for additional private development and redevelopment.

This amendment will allow for the District to incur project costs outside of, but within ½ mile of, the boundaries of the District as permitted under Wisconsin Statutes Section 66.1105(2)(f)1.n.

### Estimated Total Project Expenditures

The City anticipates making project expenditures of approximately \$13.7M to undertake projects in the amendment areas as listed in this Project Plan. Due to its significance, for presentation purposes, the construction of parking garages included within the original project plan have been including in the financial projections within this project plan amendment in the amount of \$12.0M. It is anticipated that the remaining and additional projects will be completed in several phases. The Expenditure Period of this District terminates on September 1, 2026. The remaining and additional projects to be undertaken pursuant to this Project Plan are expected to be financed with a combination of debt instruments including general obligation bond and developer bonds, however, the City may use other alternative financing methods which may provide overall lower costs of financing, preserve debt capacity, mitigate risk to the City, or provide other advantages as determined by the Common Council. A discussion and listing of other possible financing mechanisms, as well as a summary of project financing by phase is located in Section 10 of this plan.

### Economic Development

As a result of the amendment of this District, the City projects that additional land and improvements value of approximately \$6.5M will be created as a result of new development, redevelopment, and appreciation in the value of existing properties. This additional value will be a result of the improvements made and projects undertaken within the amended area(s) and within the original District boundaries. This analysis excludes property value growth due to the residential and mixed use projects currently under consideration on the Riverfront. A table detailing assumptions as to the timing of new development and redevelopment, and associated values is located in Section 10 of this plan. In addition, the amendment of the District is expected to result in further economic benefits as detailed in the Summary of Findings hereafter.

### Expected Termination of District

TID No. 3 has a maximum statutory life of 36 years, and must close not later than September 1, 2031, resulting in a final collection of increment in budget year 2032. Pre-amendment cash flow projections considering only existing increment value and assuming no additional projects are undertaken anticipate total cumulative revenues that will exceed total liabilities by the year 2030, enabling the District to close one year earlier than its maximum life. Based on the Economic Feasibility Study located in Section 10 of this Plan, amendment of the District would not shift the projected closure year from 2030.

## Summary of Findings

As required by Wisconsin Statutes Section 66.1105, and as documented in this Project Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” amendment of this District, the additional development projected to occur within the amendment areas 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 information:
  - The City has conducted an independent review of the intended developer’s sources and uses proforma for the initial proposed development project. This review has concluded that a public investment of approximately \$13.7M is required to enable the development to occur in the

manner desired by the City, while providing the developer a fair and reasonable return on their investment.

- Some sites proposed for development and/or redevelopment have become vacant over the last several years. Given that the sites are unlikely to redevelop it is the judgment of the City that the use of tax incremental financing (“TIF”) will be required to provide the necessary infrastructure and inducements to encourage development on the sites consistent with that desired by the City.
- The City has been working with a consultant for the purpose of retaining the viability of the Wausau Center Mall, and the consultant’s work has indicated the need to infuse capital into the Mall. Without said capital infusion, it is likely that the Mall’s value will continue to degrade.

2. **The economic benefits of amending the Tax Incremental District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** In making this determination, the City has considered the following information:

- As demonstrated in the Economic Feasibility Section of this Project Plan, the total tax increments projected to be collected are more than sufficient to pay for the actual and proposed Project Costs within the original District and the amended areas. On this basis alone, the finding is supported.

3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.**

- If approved, the boundary amendment would become effective for valuation purposes as of January 1, 2016. As of this date, the values of all existing development would be frozen and the property taxes collected on this base value would continue to be distributed amongst the various taxing entities as they currently are now. Taxes levied on any additional value established within the amendment area due to new construction, renovation or appreciation of property values occurring after January 1, 2016 would be collected by the TID and used to repay the costs of TIF-eligible projects undertaken within the District.
- Given that additional development is not likely to occur or in the same manner without the use of tax incremental financing (see finding # 1), and since the District will generate additional economic benefits that are more than sufficient to compensate for the additional cost of the improvements (see Finding #2), the City reasonably concludes that the overall additional benefits of the District outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. It is further concluded that since the “but for” test is satisfied, there would, in fact, be no foregone tax increments to be paid in the event the District is not amended. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been made and can be found in Appendix A of the Project Plan.

4. Not less than 50% by area of the real property within the District, as amended, is a blighted area within the meaning of Wisconsin Statutes Section 66.1105(2)(ae)1. Furthermore, at the time of adoption of the Creation Resolution for this District, and any subsequent resolutions amending its boundaries, any property standing vacant for seven years immediately preceding adoption of the resolution(s) did not comprise more than 25% of the total area in the District as required by Wisconsin Statutes Section 66.1105(4)(gm)1.

5. Based upon the findings, as stated above, and the original findings as stated in the Creation Resolution, the District remains declared a blighted area District based on the identification and classification of the property included within the District.
6. The Project Costs of the District relate directly to promoting the elimination of blight consistent with the purpose for which the District was created.
7. The improvements to be made within the territory incorporated by this Amendment are likely to enhance significantly the value of substantially all of the other real property in the District.
8. The equalized value of the taxable property within the territory to be added to the District by this amendment, plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
9. 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 Sections 66.1105(5)(b) and 66.1105(6)(am)1.
10. The Project Plan for the District, as amended, is feasible, and is in conformity with the Master Plan of the City.

## SECTION 2: Type and General Description of District

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The District was created under the authority provided by Wisconsin Statutes Section 66.1105 on September 1, 1994 by resolution of the Common Council. The District's valuation date, for purposes of establishing base value, was January 1, 1994.

The existing District is a "Blighted Area District," created on a finding that at least 50%, by area, of the real property within the District was blighted. The District will remain in compliance with this finding after the addition of the Territory identified in this Amendment. In addition, the District will remain in compliance with the "vacant land test," which requires that property standing vacant for seven years immediately preceding adoption of the Creation Resolution for this District will not comprise more than 25% of the area in the District in compliance with Wisconsin Statutes Section 66.1105(4)(gm)1. The Preliminary Parcel list found in Section 5 of this plan provides a calculation demonstrating continued compliance with both the 50% test and the 25% test.

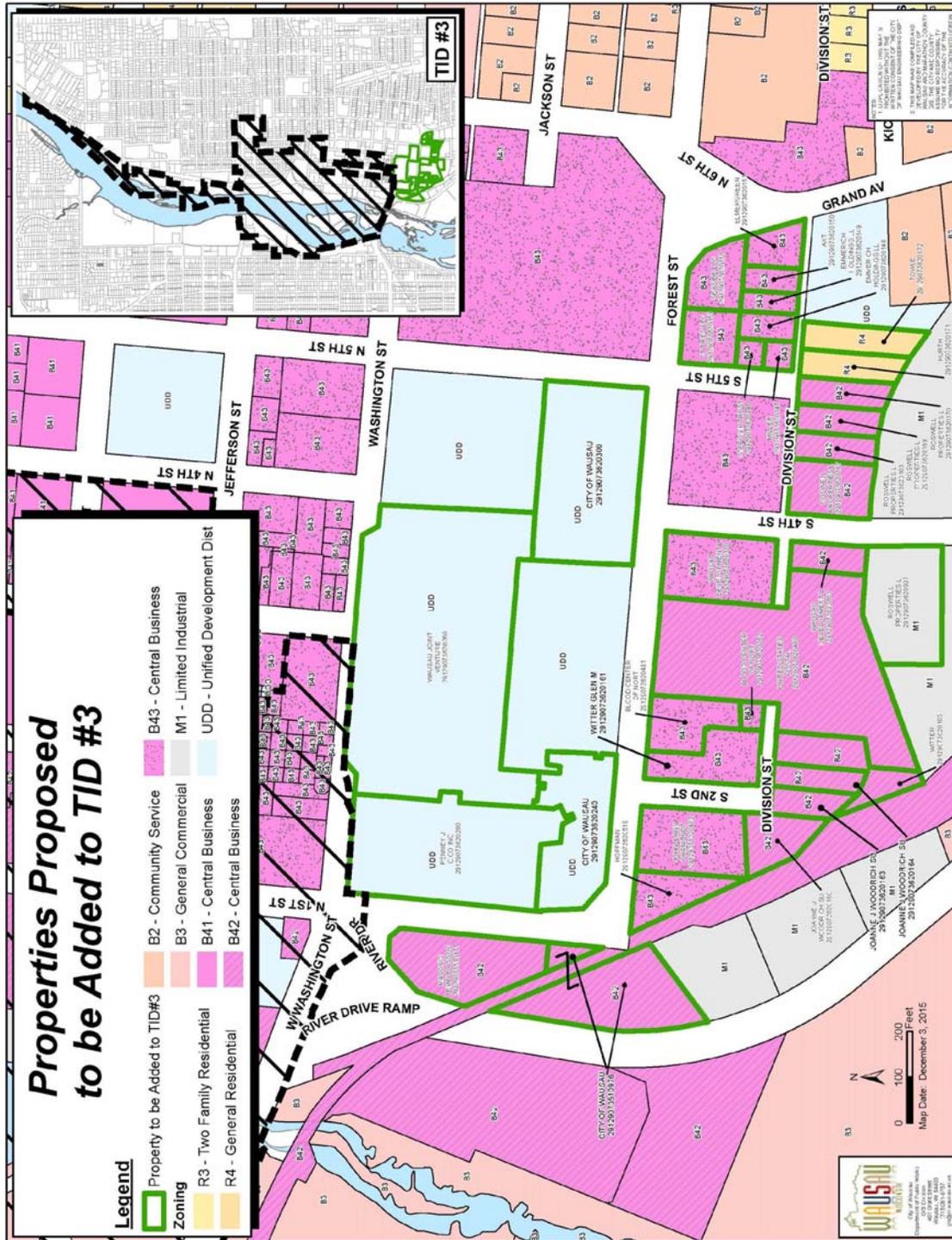
Wisconsin Statutes Section 66.1105(4)(h)2. provides authority for a City to amend the boundaries of an existing Tax Increment District for purposes of adding and/or subtracting territory up to a total of four times during the life of the District. As a result of the special legislation enacted regarding this TID, the City was granted one additional territory amendment, bringing the total allowable to five. The boundaries of the District have been amended twice prior to this Amendment.

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

The purpose of the Amendment is to facilitate development within areas adjacent to the existing District. The amendment to the District boundaries and the Project Plan will enable the City to install additional public improvements, and to make additional necessary related expenditures that will create development and/or redevelopment opportunities consistent with the original purposes for which the District was created. The amendment is also to update and/or provide for the undertaking of additional expenditures.



# SECTION 4: Map Showing Existing Uses and Conditions Within The Territory To Be Added



# Section 5: Preliminary Parcel List and Analysis Within The Territory To Be Added

CITY OF WAUSAU																								Assessment Roll Classification? (Residential = Class 1, Commercial = Class 2, Manufacturing = Class 3, Ag = Class 4, Undeveloped = Class 5, Ag Forest = Class 5M, Forest = Class 6, Other = Class 7 & Exempt = X)			
TID NO. 3 BLIGHT DISTRICT BOUNDARY AMENDMENT - Territory Add																											
Base Property Information																											
Parcel Number	Street Address	Owner	Acreage	Annexed Post 1/1/04? <small>...Indicate Specific Parcel date</small>	Municipally Owned? <small>...Indicate Specific Parcel Property Use</small>	Part of Existing TID? <small>...Indicate TID #</small>	Assessment Information				Equalized Value				District Classification					District Classification							
							Land	Imp	PP	Total	Equalized Value Ratio	Land	Imp	PP	Total	Industrial (Zoned and Suitable)	Commercial/Business	Existing Residential	Newly Platted Residential	Suitable for Mixed Use	Blighted	Rehab/Conservation	Vacant				
29129073620480	235 FOREST ST	UNITED STATES POSTAL	3.22	No		No				0	100.5248761%	0	0	0	0		3.22			3.22					X		
29129073620481	211 FOREST ST	BLOOD CENTER OF NORT	0.45	No		No				0	100.5248761%	0	0	0	0		0.45			0.45					X		
29129073620482	115 FOREST ST	JOHN & ANN OHRMUNDT	0.77	No		No	228,000	244,500	55,300	527,800	100.5248761%	226,810	243,223	55,011	525,044		0.77			0.77		0.00			2		
29129073620519	101 FOREST ST	HOFFMAN	0.39	No		No	57,500	65,000	8,200	130,700	100.5248761%	57,200	64,661	8,157	130,018		0.39			0.39		0.00			2		
29129073620997	218 S 4TH ST	ROSWELL PROPERTIES L	0.96	No		No	58,500			58,500	100.5248761%	58,195	0	0	58,195		0.96			0.96		0.96			2		
29129073620146	111 S 5TH ST	STEPONIK TRUST	0.09	No		No	28,800	20,000		48,800	100.5248761%	28,650	19,896	0	48,545		0.09			0.09		0.09			2		
29129073620147	115 S 5TH ST	MILLER	0.09	No		No	23,400	52,300		75,700	100.5248761%	23,278	52,027	0	75,305		0.09			0.09		0.09			2		
29129073620148	508 DIVISION ST	EMMERICH HOLDINGS LL	0.17	No		No	11,400	131,000		142,400	100.5248761%	11,340	130,316	0	141,656		0.17			0.17		0.00			1		
29129073620149	510 DIVISION ST	EMMERICH HOLDINGS LL	0.13	No		No	27,100	111,300		138,400	100.5248761%	26,959	110,719	0	137,677		0.13			0.13		0.00			2		
29129073620150	512 DIVISION ST	AXT	0.15	No		No	10,300	144,400		154,700	100.5248761%	10,246	143,646	0	153,892		0.15			0.15		0.00			1		
29129073620151	114 GRAND AVE	ELMERGREEN	0.25	No		No	87,600	158,100	33,600	279,300	100.5248761%	87,143	157,275	33,425	277,842		0.25			0.25		0.00			2		
29129073620158	100 GRAND AVE	SEASIDE LLC	0.38	No		No	165,700	213,800	14,700	394,200	100.5248761%	164,835	212,684	14,623	392,142		0.38			0.38		0.00			2		
29129073620159	503 FOREST ST	CT TIRES LLC	0.34	No		No	144,000	204,600	30,000	378,600	100.5248761%	143,248	203,532	29,843	376,623		0.34			0.34		0.00			2		
29129073620160	116 S 2ND ST	JOANNE J WOODRICH SU	0.37	No		No	20,000	101,500		121,500	100.5248761%	19,896	100,970	0	120,866		0.37			0.37		0.00			2		
29129073620161	201 FOREST ST	WITTER	0.52	No		No	154,000	52,600	2,800	209,400	100.5248761%	153,196	52,325	2,785	208,307		0.52			0.52		0.52			2		
29129073620162	210 DIVISION ST	BLOOD CENTER OF NORT	0.07	No		No	5,600	43,800		49,400	100.5248761%	5,571	43,571	0	49,142		0.07			0.07		0.00			1		
29129073620165	205 DIVISION ST	WITTER	0.52	No		No	38,200	4,700		42,900	100.5248761%	38,001	4,675	0	42,676		0.52			0.52		0.52			2		
29129073620166	202 S 4TH ST	WAUSAU DEVELOPMENT L	0.24	No		No	121,100			121,100	100.5248761%	120,468	0	0	120,468		0.24			0.24		0.24			2		
29129073620167	111 S 4TH ST	ROSWELL PROPERTIES L	0.5	No		No	44,600			44,600	100.5248761%	44,367	0	0	44,367		0.5			0.50		0.50			2		
29129073620168	413 DIVISION ST	ROSWELL PROPERTIES L	0.25	No		No	57,600	58,900		116,500	100.5248761%	57,299	58,592	0	115,892		0.25			0.25		0.00			2		
29129073510171	130 N 1ST ST	MASONIC TEMPLE ASSOC	0.95	No		No				0	100.5248761%	0	0	0	0		0.95			0.95					2		
29129073620169	415 DIVISION ST	ROSWELL PROPERTIES L	0.26	No		No	42,800	122,200	55,100	220,100	100.5248761%	42,577	121,562	54,812	218,951		0.26			0.26		0.00			2		
29129073620170	417 DIVISION ST	ROSWELL PROPERTIES L	0.28	No		No	43,200	69,000		112,200	100.5248761%	42,974	68,640	0	111,614		0.28			0.28		0.00			2		
29129073620171	501 DIVISION ST	KURTH	0.31	No		No	54,100	45,700	2,500	102,300	100.5248761%	53,818	45,461	2,487	101,766		0.31			0.31		0.31			2		
29129073620172	507 DIVISION ST	TOWLE	0.35	No		No	12,900	70,700		83,600	100.5248761%	12,833	70,331	0	83,163		0.35			0.35		0.00			1		
29129073620260	301 WASHINGTON ST	WAUSAU JOINT VENTURE	5.13	No		No		10,000,000	2,851,000	12,851,000	100.5248761%	0	9,947,786	2,836,114	12,783,900		5.13			5.13		0.00			2		
29129073620280	101 WASHINGTON ST	PENNEY J C CO INC	2.2	No		No		2,000,000		2,000,000	100.5248761%	0	1,989,557	0	1,989,557		2.2			2.20		0.00			2		
29129073620310	321 FOREST ST	WAUSAU DEVELOPMENT L	0.81	No		No	360,000			360,000	100.5248761%	358,120	0	0	358,120		0.81			0.81		0.81			2		
29129073510976	381 RIVER DR	CITY OF WAUSAU	1.09	No	Parking Lot	No				0	100.5248761%	0	0	0	0		1.09			1.09					X		
29129073620163	119 DIVISION ST	JOANNE J WOODRICH SU	0.22	No		No	19,300			19,300	100.5248761%	19,199	0	0	19,199		0.22			0.22		0.22			2		
29129073620164	201 DIVISION ST	JOANNE J WOODRICH SU	0.23	No		No	20,400			20,400	100.5248761%	20,293	0	0	20,293		0.23			0.23		0.23			2		
29129073620240	200 N 1ST ST	CITY OF WAUSAU	1.07	No	Parking Lot and Ramp	No				0	100.5248761%	0	0	0	0		1.07			1.07					X		
29129073620300	400 FOREST ST	CITY OF WAUSAU	1.98	No	Parking Ramp	No				0	100.5248761%	0	0	0	0		1.98			1.98					X		
<b>Total Acreage</b>			<b>24.74</b>				1,836,100	13,914,100	3,053,200	18,803,400		1,826,513	13,841,450	3,037,258			0	24	0.74	0	24.74	0	24.74	4.4			
											<b>Estimated Base Value</b>		<b>18,705,221</b>														
											0.00%		97.01%		2.99%		0.00%		100.00%		0.00%		100.00%		17.78%		

## SECTION 6: Equalized Value Test

The following calculations demonstrate that the City is in compliance with Wisconsin Statutes Section 66.1105(4)(gm)4.c., which requires that the equalized value of the Territory to be added to the District, plus the value increment of the District being amended, plus the value increment of all other existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

The equalized value of the Territory to be incorporated by this Amendment, plus the increment value of TID No. 3, plus the value increment of all other existing tax incremental districts within the City, totals \$234,343,621. This value is less than the maximum of \$316,061,916 in equalized value that is permitted for the City of Wausau. The City is therefore in compliance with the statutory equalized valuation test and may proceed with amendment of this District.

<b>City of Wausau</b>	
<b>Tax Increment District #3</b>	
<b>Valuation Test Compliance Calculation</b>	
Creation Date	9/1/1994
	2015 Valuation Data Currently Available
Total EV (TID In)	2,633,849,300
12% Test	316,061,916
Increment of Existing TIDs	
TID #3	77,100,700
TID #5	47,802,700
TID #6	59,267,700
TID #7	21,000,900
TID #8	7,112,500
TID #9	886,400
TID #10	2,467,500
Total Existing Increment	215,638,400
Projected Base of New or Amended District	18,705,221
Total Value Subject to 12% Test	234,343,621
Compliance	<b>PASS</b>

## SECTION 7:

# Statement of Kind, Number and Location of Proposed Public Works and Other Projects

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The following is a list of public works and other TIF-eligible projects that the City has implemented, or expects to implement, within the original District or within the Territory to be incorporated by this Amendment. Any costs directly or indirectly related to the public works and other projects are considered "Project Costs" and eligible to be paid with tax increment revenues of the District.

### Property, Right-of-Way and Easement Acquisition

#### Property Acquisition for Development and/or Redevelopment

In order to promote and facilitate development and/or redevelopment the City may acquire property within the District. The cost of property acquired, and any costs associated with the transaction, are eligible Project Costs. Following acquisition, other Project Costs within the categories detailed in this Section may be incurred in order to make the property suitable for development and/or redevelopment. Any revenue received by the City from the sale of property acquired pursuant to the execution of this Plan will be used to reduce the total project costs of the District. If total Project Costs incurred by the City to acquire property and make it suitable for development and/or redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered "real property assembly costs" as defined in Wisconsin Statutes Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Cost.

#### Acquisition of Rights-of-Way

The City may need to acquire property to allow for installation of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire rights-of-way are eligible Project Costs.

#### Acquisition of Easements

The City may need to acquire temporary or permanent easements to allow for installation and maintenance of streets, driveways, sidewalks, utilities, stormwater management practices and other public infrastructure. Costs incurred by the City to identify, negotiate and acquire easement rights are eligible Project Costs.

#### Relocation Costs

If relocation expenses are incurred in conjunction with the acquisition of property, those expenses are eligible Project Costs. These costs may include, but are not limited to: preparation of a relocation plan; allocations of staff time; legal fees; publication of notices; obtaining appraisals; and payment of relocation benefits as required by Wisconsin Statutes Sections 32.19 and 32.195.

### Site Preparation Activities

#### Environmental Audits and Remediation

The City has conducted extensive environmental studies and remediation work within the original TID area. It is not expected that significant study will be needed in the amended area. If, however, it becomes necessary to evaluate any land or improvement within the District, any cost incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.

## **Demolition**

In order to make sites suitable for development and/or redevelopment, the City may incur costs related to demolition and removal of structures or other land improvements, to include abandonment of wells or other existing utility services.

## **Site Grading**

Land within the District may require grading to make it suitable for development and/or redevelopment, to provide access, and to control stormwater runoff. The City may need to remove and dispose of excess material, or bring in fill material to provide for proper site elevations. Expenses incurred by the City for site grading are eligible Project Costs.

## **Utilities**

### **Sanitary Sewer System Improvements**

To allow development and/or redevelopment to occur, the City may construct, alter, rebuild or expand sanitary sewer infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: collection mains; manholes and cleanouts; service laterals; force mains; interceptor sewers; pumping stations; lift stations; wastewater treatment facilities; and all related appurtenances. To the extent sanitary sewer projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. The improvements to the wastewater treatment facilities, although not within the ½ mile radius, are an eligible project cost under Section 66.1105(2)(f)1 k.

### **Water System Improvements**

To allow development and/or redevelopment to occur, the City may construct, alter, rebuild or expand water system infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: distribution mains; manholes and valves; hydrants; service laterals; pumping stations; wells; water treatment facilities; storage tanks and reservoirs; and all related appurtenances. To the extent water system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs.

### **Stormwater Management System Improvements**

Development and/or redevelopment within the District will cause stormwater runoff and pollution. To manage this stormwater runoff, the City may construct, alter, rebuild or expand stormwater management infrastructure within the District. Eligible Project Costs include, but are not limited to, construction, alteration, rebuilding or expansion of: stormwater collection mains; inlets, manholes and valves; service laterals; ditches; culvert pipes; box culverts; bridges; stabilization of stream and river banks; and infiltration, filtration and detention Best Management Practices (BMP's). To the extent stormwater management system projects undertaken within the District provide direct benefit to land outside of the District, the City will make an allocation of costs based on such benefit. Those costs corresponding to the benefit allocated to land within the District, and necessitated by the implementation of the Project Plan, are eligible Project Costs. Implementation of the Project Plan may also require that the City construct, alter, rebuild or expand stormwater management infrastructure located outside of the District.

### **Electric Service**

In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade electric services. Relocation may require abandonment and removal of

existing poles or towers, installation of new poles or towers, or burying of overhead electric lines. Costs incurred by the City to undertake this work are eligible Project Costs.

### **Gas Service**

In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade gas mains and services. Costs incurred by the City to undertake this work are eligible Project Costs.

### **Communications Infrastructure**

In order to create sites suitable for development and/or redevelopment, the City may incur costs to provide, relocate or upgrade infrastructure required for voice and data communications, including, but not limited to: telephone lines, cable lines and fiber optic cable. Costs incurred by the City to undertake this work are eligible Project Costs.

## **Streets and Streetscape**

### **Street Improvements**

There are inadequate street improvements serving areas of the District. To allow development and/or redevelopment to occur, the City may need to construct and/or reconstruct streets, highways, alleys, access drives and parking areas. Eligible Project Costs include, but are not limited to: excavation; removal or placement of fill; construction of road base; asphalt or concrete paving or repaving; installation of curb and gutter; installation of sidewalks and bicycle lanes; installation of culverts, box culverts and bridges; rail crossings and signals; utility relocation, to include burying overhead utility lines; street lighting; installation of traffic control signage and traffic signals; pavement marking; right-of-way restoration; installation of retaining walls; and installation of fences, berms, and landscaping.

### **Parking Lots/Structures**

The original and amended TID plans call for the expansion of parking facilities within the TID area. It is anticipated that the City will construct additional parking lots and/or structured parking facilities and improvements to existing parking facilities to facilitate economic development and/or redevelopment.

### **Streetscaping and Landscaping**

In order to attract development and/or redevelopment consistent with the objectives of this Plan, the City may install amenities to enhance development sites, rights-of-way and other public spaces. These amenities include, but are not limited to: landscaping; lighting of streets, sidewalks, parking areas and public areas; installation of planters, benches, clocks, tree rings, trash receptacles and similar items; and installation of brick or other decorative walks, terraces and street crossings. These and any other similar amenities installed by the City are eligible Project Costs.

## **CDA Type Activities**

### **Contribution to Community Development Authority**

As provided for in Wisconsin Statutes Sections 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its CDA to be used for administration, planning operations, and capital costs, including but not limited to real property acquisition, related to the purposes for which it was established in furtherance of any redevelopment or urban renewal project. Funds provided to the CDA for this purpose are eligible Project Costs.

### **Loan/Grant Program**

To encourage private redevelopment consistent with the objectives of this Plan, the City may provide

loans and/or matching grants to eligible property owners in the District. Loan and/or matching grant recipients will be required to sign an agreement specifying the nature of the property improvements to be made. Eligible improvements will be those that are likely to improve the value of the property, enhance the visual appearance of the property and surrounding area, correct safety deficiencies or as otherwise specified.

## Miscellaneous

### Cash Grants (Development Incentives)

The City may enter into agreements with property owners, lessees, or developers of land located within the District for the purpose of sharing costs to encourage the desired kind of improvements and assure tax base is generated sufficient to recover Project Costs. No cash grants will be provided until the City executes a developer agreement with the recipient of the cash grant. Any payments of cash grants made by the City are eligible Project Costs.

### 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 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 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 anticipated \$650,000 for street and sidewalk improvements.

### 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 the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

### 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 the implementation of the Plan.

### Financing Costs

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

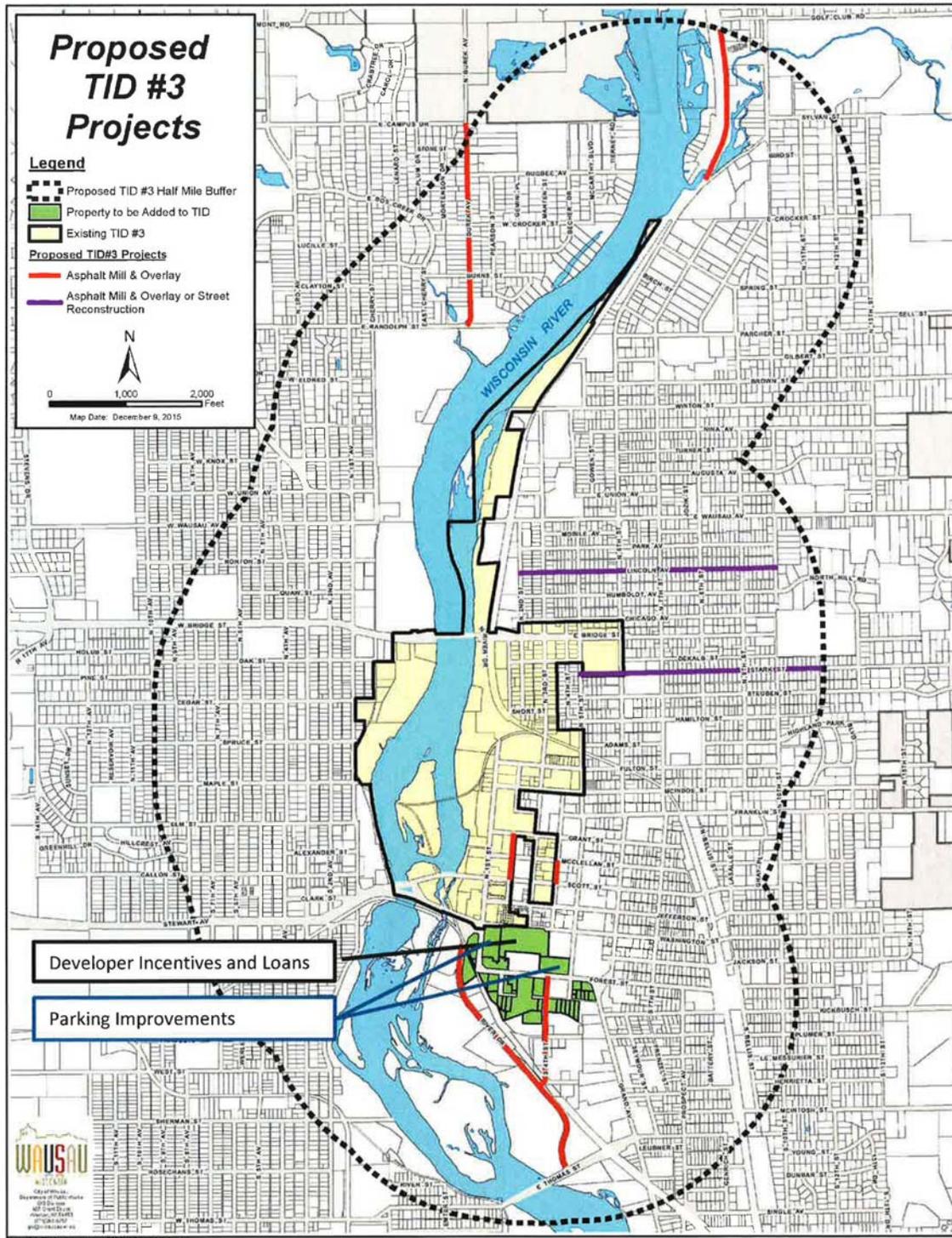
With all projects the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, site preparation, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages, and other expenses are included as Project Costs.

In the event any of the public works project expenditures are not reimbursable out of the special tax increment finance fund under Wisconsin Statutes Section 66.1105, in the written opinion of counsel retained by the City for such purpose or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of this Project Plan Amendment.

**The City reserves the right to implement only those projects that remain viable as the Plan period proceeds.**

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred, by the City and as outlined in this Plan or the original Project Plan. To the extent the costs benefit the City outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in the Plan are also estimates and subject to change based upon implementation, future assessment policies and user fee adjustments. 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.

# SECTION 8: Map Showing Proposed Improvements and Uses Within The Territory To Be Added



## SECTION 9: Detailed List of Additional Project Costs

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This Section contains information relative to the specific projects and expenditures that the City anticipates it will undertake or make within the Territory to be incorporated into the District by this Amendment.

All costs are based on 2015 prices and are preliminary estimates. The City reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2015 and the time of construction. The City also reserves the right to increase certain Project Costs to the extent others are reduced or not implemented without amending the Plan. The tax increment allocation is preliminary and is subject to adjustment based upon the implementation of the Plan.

**This Plan is not meant to be a budget, nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the Common Council, without further amending this Plan.**

# City of Wausau

## Tax Increment District #3

### Estimated Project List

Project ID	Project Name/Type	Phase I 2016	Phase II 2017	Phase III 2018	Phase IV 2019	Phase V	Total (Note 1)
1	Developer Backed Loans	4,100,000	3,000,000	5,000,000			12,100,000
2	Marketing Incentives	135,000	135,000	135,000			405,000
3	Miscellaneous Parking Improvements	450,000					450,000
4	Professional Services	25,000	25,000	25,000			75,000
5	Street Improvements Outside District					650,000	650,000
<b>Total Projects</b>		<u>4,710,000</u>	<u>3,160,000</u>	<u>5,160,000</u>	<u>0</u>	<u>650,000</u>	<u>13,680,000</u>

Notes:

**Note 1** Project costs are estimates and are subject to modification

## SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

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The information and exhibits contained within this Section demonstrate that the District, as proposed to be amended by the addition of territory, will remain economically feasible insofar as:

- The City has available to it the means to secure the necessary financing required to accomplish the remaining projects contained within this Plan. A listing of “Available Financing Methods” follows.
- The City expects to complete the remaining projects in multiple phases, and can adjust the timing of implementation as needed to coincide with the pace of private development and/or redevelopment. A discussion of the phasing and projected timeline for project completion is discussed under “Plan Implementation” within this Section. A table identifying the financing method for each phase and the time at which that financing is expected to be incurred is included.
- The development anticipated to occur as a result of the continued implementation of this Plan will generate sufficient tax increments to pay for the cost of the projects. Within this Section are tables identifying: 1) the development and/or redevelopment expected to occur, 2) an updated projection of tax increments to be collected resulting from that development and/or redevelopment and other economic growth within the District, and 3) an updated cash flow model demonstrating that the projected tax increment collections and all other revenues available to the District will be sufficient to pay all Project Costs.

### Available Financing Methods

The following is a list of the types of obligations the City may choose to utilize.

#### General Obligation (G.O.) Bonds or Notes

The City may issue G.O. Bonds or Notes to finance the cost of projects included within this Plan. The Wisconsin State Constitution limits the principal amount of G.O. debt that the community may have outstanding at any point in time to an amount not greater than five percent of its total equalized value (TID IN). As of the date of this plan, the City has a G.O. debt limit of \$131,692,465, of which \$84,353,890 is currently unused and could be made available to finance Project Costs.

#### Bonds Issued to Developers (“Pay as You Go” Financing)

The City may issue a bond or other obligation to one or more developers who provide financing for projects included in this Plan. Repayment of the amounts due to the developer under the bonds or other obligations are limited to an agreed percentage of the available annual tax increments collected that result from the improvements made by the developer. To the extent the tax increments collected are insufficient to make annual payments, or to repay the entire obligation over the life of the District, the City’s obligation is limited to not more than the agreed percentage of the actual increments collected. Bonds or other obligations issued to developers in this fashion are not general obligations of the City and, therefore, do not count against the City’s statutory borrowing capacity.

## **Tax Increment Revenue Bonds**

The City has the authority to issue revenue bonds secured by the tax increments to be collected. These bonds may be issued directly by the City, or as a form of lease revenue bond by its Community Development Authority (CDA) or by a Redevelopment Authority (RDA). Tax Increment Revenue Bonds and Lease Revenue Bonds are not general obligations of the City and therefore do not count against the City's statutory borrowing capacity. To the extent tax increments collected are insufficient to meet the annual debt service requirements of the revenue bonds, the City may be subject to either a permissive or mandatory requirement to appropriate on an annual basis a sum equal to the actual or projected shortfall.

## **Utility Revenue Bonds**

The City can issue revenue bonds to be repaid from revenues of its various utility systems, including revenues paid by the City that represent service of the system to the City. There is neither a statutory nor constitutional limitation on the amount of revenue bonds that can be issued, however, water rates are controlled by the Wisconsin Public Service Commission and the City must demonstrate to bond purchasers its ability to repay revenue debt with the assigned rates. To the extent the City utilizes utility revenues other than tax increments to repay a portion of the bonds, the City must reduce the total eligible Project Costs in an equal amount.

## **Special Assessment "B" Bonds**

The City has the ability to levy special assessments against benefited properties to pay part of the costs for street, curb, gutter, sewer, water, storm sewers and other infrastructure. In the event the City determines that special assessments are appropriate, the City can issue Special Assessment B bonds pledging revenues from special assessment installments to the extent assessment payments are outstanding. These bonds are not counted against the City's statutory borrowing capacity. If special assessments are levied, the City must reduce the total eligible Project Costs under this Plan in an amount equal to the total collected.

## **Plan Implementation**

As stated in the original project plan, projects identified will provide the necessary anticipated governmental services and/or development incentives to the remaining district. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements, if any. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Projects identified will provide the necessary anticipated governmental services and/or development incentives to the additional territory. It is anticipated these expenditures will be made in a phased approach beginning in 2016. However, public debt and expenditures should be made at the pace private development and/or redevelopment occurs to assure increment is sufficient to cover expenses. The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective. In any event, all additional Project Costs are to be incurred within the period specified in Wisconsin Statutes Section 66.1105(6)(am).

It is anticipated developer agreements between the City and property owners will be in place prior to major public expenditures. These agreements can provide for development guarantees or a payment in lieu of development. To further assure contract enforcement these agreements might include levying of special assessments against benefited properties.

The order in which expenditures are made should be adjusted in accordance with development and execution of developer agreements. The City reserves the right to alter the implementation of this Plan to accomplish this objective.

Interest rates projected are based on current market conditions. Municipal interest rates are subject to constantly changing market conditions. In addition, other factors such as the loss of tax-exempt status of municipal bonds or broadening the purpose of future tax-exempt bonds would affect market conditions. Actual interest expense will be determined once the methods of financing have been approved and securities or other obligations are issued.

**If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.**

# Implementation and Financing Timeline

City of Wausau					
Tax Increment District #3					
Estimated Financing Plan					
	Taxable G.O. Note 2016	Taxable G.O. Note 2017	Taxable G.O. Note 2018	G.O. Promissory Note Year	Totals
<b>Projects</b>					
Phase I	4,100,000			450,000	4,550,000
Phase II		3,000,000			3,000,000
Phase III			5,000,000		5,000,000
Phase IV					0
Phase V				650,000	650,000
Less Funds on Hand				(1,100,000)	
<b>Total Project Funds</b>	<b>4,100,000</b>	<b>3,000,000</b>	<b>5,000,000</b>	<b>0</b>	<b>13,200,000</b>
<b>Estimated Finance Related Expenses</b>					
Financial Advisor	16,500	16,500	16,500		
Bond Counsel	12,000	12,000	12,000		
Rating Agency Fee	10,000	10,000	10,000		
Paying Agent	675	675	675		
Underwriter Discount	8.00 33,360 8.00	24,480 8.00	40,600 8.00	0	
Debt Service Reserve					
Capitalized Interest					
<b>Total Financing Required</b>	4,172,535	3,063,655	5,079,775	0	
Estimated Interest	0.25% (5,125) 0.25%	(3,750) 0.25%	(6,250) 0.25%	0	
Assumed spend down (months)	6	6	6	6	
Rounding	2,590	95	1,475	0	
<b>Net Issue Size</b>	<b>4,170,000</b>	<b>3,060,000</b>	<b>5,075,000</b>	<b>0</b>	<b>12,305,000</b>
<b>Notes:</b>					

# Development Assumptions & Increment Projections

## City of Wausau

### Tax Increment District #3

#### Tax Increment Projection Worksheet

Type of District	Blighted Area		Base Value	42,718,700	Apply to Base Value
Creation Date	September 1, 1994		Appreciation Factor	1.00%	
Valuation Date	Jan 1,	1994	Base Tax Rate	\$26.60	
Max Life (Years)	27		Rate Adjustment Factor		
Expenditure Periods/Termination	22	9/1/2016	See Notes		
Revenue Periods/Final Year	27	2022	See Notes		
Extension Eligibility/Years	Yes	0		Tax Exempt Discount Rate	3.50%
Recipient District	Yes			Taxable Discount Rate	5.00%

Construction Year	Value Added	Valuation Year	Inflation Increment	Total Increment	Revenue Year	Tax Rate	Tax Increment	Tax Exempt NPV Calculation	Taxable NPV Calculation
20	2013	2014		70,248,100	2015	\$26.60	1,868,669	939,129	704,282
21	2014	6,852,600	2015	77,100,700	2016	\$26.60	2,050,955	1,935,013	1,440,456
22	2015		2016	77,871,707	2017	\$26.60	2,071,465	2,906,842	2,148,586
23	2016	1,750,000	2017	80,400,424	2018	\$26.60	2,138,731	3,876,298	2,844,896
24	2017	0	2018	81,204,428	2019	\$26.60	2,160,118	4,822,337	3,514,679
25	2018	0	2019	82,016,473	2020	\$26.60	2,181,719	5,745,525	4,158,947
26	2019	0	2020	82,836,637	2021	\$26.60	2,203,537	6,646,414	4,778,671
27	2020	0	2021	83,665,004	2022	\$26.60	2,225,572	7,525,542	5,374,787
28	2021	0	2022	84,501,654	2023	\$26.60	2,247,828	8,383,435	5,948,193
29	2022	0	2023	85,346,670	2024	\$26.60	2,270,306	9,220,607	6,499,756
30	2023	0	2024	86,200,137	2025	\$26.60	2,293,009	10,037,556	7,030,306
31	2024	0	2025	87,062,138	2026	\$26.60	2,315,939	10,834,773	7,540,645
32	2025	0	2026	87,932,760	2027	\$26.60	2,339,098	11,612,733	8,031,543
33	2026	0	2027	88,812,087	2028	\$26.60	2,362,489	12,371,902	8,503,740
34	2027	0	2028	89,700,208	2029	\$26.60	2,386,114	13,112,733	8,957,948
35	2028	0	2029	90,597,210	2030	\$26.60	2,409,975	13,835,670	9,394,853
36	2029	0	2030	91,503,182	2031	\$26.60	2,434,075	14,541,144	9,815,114
37	2030	0	2031	92,418,214	2032	\$26.60	2,458,416	15,229,579	10,219,366
<b>Totals</b>		<b>8,602,600</b>	<b>13,567,514</b>		<b>Future Value of Increment</b>		<b>40,418,016</b>		

Notes:

Actual results will vary depending on development, inflation of overall tax rates.

NPV calculations represent estimated amount of funds that could be borrowed (including project cost, capitalized interest and issuance costs).

Special Legislation to keep district open for 36 years, sunseting on September 1, 2031, with final revenue collected in 2032

CASH FLOW – PRE AMENDMENT

City of Wausau														
Tax Increment District #3														
Cash Flow Projection														
Year	Projected Revenues					Expenditures				Balances			Year	
	Tax Increments	Interest Earnings/ (Cost)	Premium	Revenue Share - TID #5	Other Revenue	Total Revenues	Existing Debt Outstanding	Misc Capital Expenses	Admin.	Total Expenditures	Annual	Cumulative		Principal Outstanding
2014	0					0				0	0	(3,248,091)	17,883,447	2014
2015	1,868,669	(8,120)			85,000	1,945,549	2,090,133	413,815	50,000	2,553,948	(608,399)	(3,856,490)	16,088,447	2015
2016	2,050,955	(9,641)	(61,330)		85,000	2,064,984	2,041,961		35,000	2,076,961	(11,976)	(3,868,466)	14,433,447	2016
2017	2,071,465	(9,671)			85,000	2,146,793	2,086,240		35,000	2,121,240	25,554	(3,842,912)	12,678,447	2017
2018	2,138,731	(9,607)			85,000	2,214,124	2,949,053		35,000	2,984,053	(769,929)	(4,612,842)	10,023,447	2018
2019	2,160,118	(11,532)			85,000	2,233,586	2,148,972		35,000	2,183,972	49,615	(4,563,227)	8,103,447	2019
2020	2,181,719	(11,408)			85,000	2,255,311	2,130,985		35,000	2,165,985	89,327	(4,473,900)	6,158,000	2020
2021	2,203,537	(11,185)			85,000	2,277,352	1,662,161		35,000	1,697,161	580,191	(3,893,710)	4,640,000	2021
2022	2,225,572	(9,734)			85,000	2,300,838	799,736	12,000,000	35,000	12,834,736	(10,533,898)	(14,427,608)	3,955,000	2022
2023	2,247,828	(36,069)			85,000	2,296,759	490,627		35,000	525,627	1,771,132	(12,656,477)	3,565,000	2023
2024	2,270,306	(31,641)			85,000	2,323,665	490,055		35,000	525,055	1,798,610	(10,857,867)	3,165,000	2024
2025	2,293,009	(27,145)			85,000	2,350,864	488,713		35,000	523,713	1,827,151	(9,030,716)	2,755,000	2025
2026	2,315,939	(22,577)			85,000	2,378,362	491,065		35,000	526,065	1,852,297	(7,178,418)	2,330,000	2026
2027	2,339,098	(17,946)			85,000	2,406,152	487,130		35,000	522,130	1,884,022	(5,294,396)	1,895,000	2027
2028	2,362,489	(13,236)			85,000	2,434,253	492,370		35,000	527,370	1,906,883	(3,387,512)	1,440,000	2028
2029	2,386,114	(8,469)			85,000	2,462,646	486,745		35,000	521,745	1,940,901	(1,446,612)	975,000	2029
2030	2,409,975	(3,617)			85,000	2,491,359	381,876		35,000	416,876	2,074,483	627,871	600,000	2030
2031	2,434,075	1,570			85,000	2,520,645	600,000		35,000	635,000	1,885,645	2,513,516	0	2031
2032	2,458,416	6,284			85,000	2,549,700	0		35,000	35,000	2,514,700	5,028,216	0	2032
<b>Total</b>	<b>40,418,016</b>	<b>(233,745)</b>	<b>(61,330)</b>		<b>1,530,000</b>	<b>41,652,942</b>	<b>20,317,820</b>	<b>12,413,815</b>	<b>642,410</b>	<b>33,376,635</b>				<b>Total</b>

Notes:  
 Current Cash flow  
 No additional revenues

CASH FLOW – CBL DEVELOPMENT ONLY

City of Wausau																								
Tax Increment District #3																								
Cash Flow Projection - CBL Only																								
Year	Projected Revenues							Proposed CBL Phases										Balances			Year			
	Tax Increments	Interest Earnings/ (Cost)	CBL Payment Phase I	CBL Payment Phase II	CBL Payment Phase III	Other Revenue	Total Revenues	Proposed 2015 CBL Phase I 4,170,000			Proposed 2017 CBL Phase II 3,060,000			Proposed 2018 CBL Phase III 5,075,000				Misc Capital Expenses	Marketing Assistance	Admin.		Total Expenditures	Annual	Cumulative
							Dated Date: Principal	Est. Rate	Interest	Dated Date: Principal	Est. Rate	Interest	Dated Date: Principal	Est. Rate	Interest									
2014						0															0		4,170,000	2014
2015	0	0				0													75,000	75,000	(75,000)	(75,000)	4,170,000	2015
2016	0	(188)				(188)			156,375							450,000	135,000			741,375	(741,563)	(816,563)	4,170,000	2016
2017	0	(2,041)				(2,041)	400,000	3.75%	148,875								135,000			683,875	(685,916)	(1,502,479)	6,830,000	2017
2018	93,103	(3,756)	663,112	366,200		1,118,659	420,000	3.75%	133,500	305,000	4.50%	130,838					135,000			1,124,338	(5,678)	(1,508,157)	11,180,000	2018
2019	93,103	(3,770)	663,112	360,100	606,500	1,719,045	425,000	3.75%	117,656	305,000	4.50%	117,113	505,000	4.50%	217,013					1,686,781	32,264	(1,475,894)	9,945,000	2019
2020	172,906	(3,690)	663,112	354,000	596,400	1,782,728	425,000	3.75%	101,719	305,000	4.50%	103,388	505,000	4.50%	194,288					1,634,394	148,335	(1,327,559)	8,710,000	2020
2021	172,906	(3,319)	663,112	347,900	586,300	1,766,899	450,000	3.75%	85,313	305,000	4.50%	89,663	505,000	4.50%	171,563					1,606,538	160,362	(1,167,197)	7,450,000	2021
2022	172,906	(2,918)	663,112	341,800	576,200	1,751,100	475,000	3.75%	67,969	305,000	4.50%	75,938	505,000	4.50%	148,838					1,577,744	173,356	(993,841)	6,165,000	2022
2023	172,906	(2,485)	663,112	335,700	566,100	1,735,334	525,000	3.75%	49,219	305,000	4.50%	62,213	505,000	4.50%	126,113					1,572,544	162,790	(831,051)	4,830,000	2023
2024	172,906	(2,078)	663,112	329,600	561,000	1,724,541	525,000	3.75%	29,531	305,000	4.50%	48,488	510,000	4.50%	103,275					1,521,294	203,247	(627,804)	3,490,000	2024
2025	172,906	(1,570)	663,112	323,500	550,800	1,708,749	525,000	3.75%	9,844	305,000	4.50%	34,763	510,000	4.50%	80,325					1,464,931	243,817	(383,987)	2,150,000	2025
2026	172,906	(960)	663,112	322,400	540,600	1,698,058		3.75%	0	310,000	4.50%	20,925	510,000	4.50%	57,375					898,300	799,758	415,771	1,330,000	2026
2027	172,906	1,039		316,200	530,400	1,020,546		3.75%	0	310,000	4.50%	6,975	510,000	4.50%	34,425					861,400	159,146	574,917	510,000	2027
2028	172,906	1,437			520,200	694,544		3.75%	0		4.50%	0	510,000	4.50%	11,475	650,000				1,171,475	(476,931)	97,986	0	2028
2029	172,906	245				173,151		3.75%	0		4.50%	0		4.50%	0					0	173,151	271,137	0	2029
2030	172,906	678				173,584		3.75%	0		4.50%	0		4.50%	0					0	173,584	444,722	0	2030
2031	172,906	1,112				174,018	0	3.75%	0	0	4.50%	0	0	4.50%	0					0	174,018	618,740	0	2031
2032	172,906	1,547				174,453		3.75%			4.50%			4.50%						0	174,453	793,193	0	2032
Total	2,433,991	(20,716)	5,968,006	3,397,400	5,634,500	17,413,181	4,170,000		900,000	3,060,000		690,300	5,075,000		1,144,688	1,100,000	405,000	75,000	16,619,988					Total

Notes:  
**NO Revenue Share from TID #5**  
 Phase I CBL Payment of 75% of cash flow starting in 2018  
 Phase II & Phase III CBL Payments based on level principal + 2% interest

CASH FLOW – COMBINED W/REVENUE SHARE

City of Wausau

Tax Increment District #3

Combined Cash Flow w/Ramp & TID #5 Revenue Share

Year	Projected Revenues					Expenditures				Balances			Year
	Base Revenues	CBL Revenues	Interest Earnings/ (Cost)	Revenue Share - TID #5	Total Revenues	BASE TID Expenditures	CBL TID Expenditures	Parking Ramp	Total Expenditures	Annual	Cumulative	Principal Outstanding	
2014	0	0			0					0	(3,248,091)	22,053,447	2014
2015	1,953,669	0	(8,120)		1,945,549	2,771,600	75,000		2,846,600	(901,051)	(4,149,142)	20,258,447	2015
2016	2,197,284	0	(10,373)	1,065,000	3,251,912	2,076,961	741,375		2,818,336	433,576	(3,715,566)	22,773,447	2016
2017	2,203,764	0	(9,289)	1,065,000	3,259,475	2,277,615	683,875		2,961,490	297,985	(3,417,581)	23,678,447	2017
2018	2,272,030	1,122,415	(8,544)	1,065,000	4,450,901	3,140,428	1,124,338		4,264,765	186,136	(3,231,445)	25,373,447	2018
2019	2,304,417	1,722,815	(8,079)	1,065,000	5,084,154	2,340,347	1,686,781		4,027,128	1,057,026	(2,174,419)	22,218,447	2019
2020	2,326,018	1,786,418	(5,436)	1,065,000	5,172,001	2,322,360	1,634,394		3,956,754	1,215,247	(959,172)	19,038,000	2020
2021	2,347,836	1,770,218	(2,398)	1,060,000	5,175,656	2,147,911	1,606,538		3,754,449	1,421,207	462,035	15,960,000	2021
2022	2,369,871	1,754,018	1,155		4,125,044	1,372,361	1,577,744	12,000,000	14,950,105	(10,825,061)	(10,363,025)	13,590,000	2022
2023	2,392,127	1,737,818	(25,908)		4,104,037	1,048,252	1,572,544		2,620,796	1,483,242	(8,879,784)	11,465,000	2023
2024	2,414,605	1,726,618	(22,199)		4,119,024	1,032,680	1,521,294		2,553,974	1,565,050	(7,314,734)	9,325,000	2024
2025	2,437,308	1,710,318	(18,287)		4,129,339	1,016,338	1,464,931		2,481,269	1,648,070	(5,666,664)	7,175,000	2025
2026	2,460,238	1,699,018	(14,167)		4,145,090	1,003,690	898,300		1,901,990	2,243,100	(3,423,564)	5,530,000	2026
2027	2,483,397	1,019,506	(8,559)		3,494,345	1,082,880	861,400		1,944,280	1,550,065	(1,873,499)	3,775,000	2027
2028	2,506,788	693,106	(4,684)		3,195,211	1,069,370	1,171,475		2,240,845	954,366	(919,133)	2,310,000	2028
2029	2,530,413	172,906	(2,298)		2,701,022	1,044,995	0		1,044,995	1,656,027	736,894	1,345,000	2029
2030	2,554,275	172,906	1,842		2,729,023	921,376	0		921,376	1,807,647	2,544,541	470,000	2030
2031	2,578,374	172,906	6,361		2,757,642	502,563	0		502,563	2,255,080	4,799,621	0	2031
2032	2,543,416	172,906	11,999		2,728,321	0	0		0	2,728,321	7,527,942	0	2032
Total	42,875,831	17,433,896	(126,982)	6,385,000	66,567,745	27,171,725	16,619,988	12,000,000	55,791,712				Total

Notes:

2022 Miscellaneous Project is Construction of New Parking Ramp, approximately \$11,000,000 borrowing

## **SECTION 11: Annexed Property**

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There are no lands within the Territory proposed to be included within the District by this amendment that were annexed by the City on or after January 1, 2004.

## **SECTION 12: Estimate of Additional Property to be Devoted to Retail Business**

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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.

## **SECTION 13: Proposed Zoning Ordinance Changes**

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The City does not anticipate the need to change any of its zoning ordinances in conjunction with the implementation of this Amended Project Plan.

## **SECTION 14: Proposed Changes in Master Plan, Map, Building Codes and City of Wausau Ordinances**

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It is expected that this Plan will be complementary to the City's Master Plan. There are no proposed changes to the Master Plan, map, building codes or other City ordinances for the implementation of this Plan.

## SECTION 15: Relocation

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It is not anticipated there will be a need to relocate persons or businesses in conjunction with this Plan. 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.

## SECTION 16: Orderly Development and/or Redevelopment of the City of Wausau

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This amendment contributes to the orderly development and/or redevelopment of the City by providing the opportunity for continued growth in tax base, job opportunities and general economic activity. Failure to undertake improvements to the Wausau Center Mall will ensure continued value degradation of the mall property.

## SECTION 17: List of Estimated Non-Project Costs

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Non-Project Costs are public works projects that only partly benefit the District or are not eligible to be paid with tax increments, or costs not eligible to be paid with TIF funds.

SECTION 18:  
Opinion of Attorney for the City of Wausau Advising  
Whether the Plan is Complete and Complies with  
Wisconsin Statutes 66.1105

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December 16, 2015

**SAMPLE**

Mayor James Tipple  
City of Wausau  
407 Grant Street  
Wausau, Wisconsin 54403

**RE: City of Wausau, Wisconsin Tax Incremental District No. 3 Amendment**

Dear Mayor:

As City Attorney for the City of Wausau, I have reviewed the Project Plan and, in my opinion, have determined that it is complete and complies with Section 66.1105 of the Wisconsin Statutes. This opinion is provided pursuant to Wisconsin Statutes Section 66.1105(4)(f).

Sincerely,

Attorney Anne Jacobson  
City of Wausau

Exhibit A:  
**Calculation of the Share of Projected Tax Increments  
 Estimated to be Paid by the Owners of Property in the  
 Overlying Taxing Jurisdictions**

Estimated portion of taxes that owners of taxable property in each taxing jurisdiction overlaying district would pay by jurisdiction.													
Statement of Taxes Data Year:		2014		Percentage									
County	12,741,256			18.37%									
Technical College	2,994,215			4.32%									
Municipality	27,573,426			39.75%									
School District of Wausau	26,063,439			37.57%									
<b>Total</b>	<b>69,372,336</b>												
Revenue Year	County	Municipality	School District	Technical College	Total	Revenue Year							
2015	343,209	742,740	702,066	80,655	1,868,669	2015							
2016	376,688	815,193	770,551	88,522	2,050,955	2016							
2017	380,455	823,345	778,257	89,408	2,071,465	2017							
2018	392,810	850,081	803,529	92,311	2,138,731	2018							
2019	396,738	858,582	811,564	93,234	2,160,118	2019							
2020	400,705	867,168	819,680	94,166	2,181,719	2020							
2021	404,712	875,840	827,877	95,108	2,203,537	2021							
2022	408,759	884,598	836,155	96,059	2,225,572	2022							
2023	412,847	893,444	844,517	97,020	2,247,828	2023							
2024	416,975	902,379	852,962	97,990	2,270,306	2024							
2025	421,145	911,402	861,492	98,970	2,293,009	2025							
2026	425,356	920,516	870,107	99,959	2,315,939	2026							
2027	429,610	929,722	878,808	100,959	2,339,098	2027							
2028	433,906	939,019	887,596	101,969	2,362,489	2028							
2029	438,245	948,409	896,472	102,988	2,386,114	2029							
2030	442,628	957,893	905,437	104,018	2,409,975	2030							
2031	447,054	967,472	914,491	105,058	2,434,075	2031							
2032	451,524	977,147	923,636	106,109	2,458,416	2032							
<table border="1" style="width: 100%; text-align: center;"> <tr> <td style="border: none;"></td> <td style="border: none;">7,423,367</td> <td style="border: none;">16,064,951</td> <td style="border: none;">15,185,196</td> <td style="border: none;">1,744,503</td> <td style="border: none;">40,418,016</td> <td style="border: none;"></td> </tr> </table>								7,423,367	16,064,951	15,185,196	1,744,503	40,418,016	
	7,423,367	16,064,951	15,185,196	1,744,503	40,418,016								
<b>Notes:</b> The projection shown above is provided to meet the requirements of Wisconsin Statute 66.1105(4)(i)4.													