



## PRESS RELEASE

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**To:** The City of Mauston  
**From:** Nathan Thiel, City Administrator  
**Subject:** Woodside Sports Complex & City Financing  
**Date:** April 13, 2016

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For several months, the City of Mauston has been in discussion with the Woodside Sports Complex reviewing confidential asset information as well as their operations and development plans. Woodside Sports Complex's intent for the review was to request financial assistance for the expansion of their Juneau County site just outside of Mauston. The main reason for the City to consider assisting a project of this scope is the regional impact Woodside Sports Complex has had and will have to our City and the area, and because both the City and Woodside anticipate the future connection of the development to City water and sanitary systems. The City spent significant time and energy weighing the options.

As a result at last night's meeting, the Council approved a developer's agreement to lend \$1,000,000 to Woodside Sports Complex. The term of the loan is 10 years with incentive for prepayment within the first two years. Should Woodside reach the full term the City will receive the equivalent value of 4.5% interest through the combination of 2% interest payments as well as a Woodside investment, of \$200K, for construction of a City owned lift station on Hwy 82.

Due to the connection to our utilities, excess reserves in both the water and sewer fund will be used to finance this loan. Currently these reserve funds make minimal interest and are held to balance the depreciation of utility assets and for future projects. It is important to clarify:

1. This is a loan. The City is not giving money or a subsidy to Woodside.
2. Further, neither taxes nor utility rates will increase because of this loan.
3. This agreement was reached only after the City confirmed there was a substantial collateral position to support both the bank loan as well as the City's assistance.

While Woodside had already begun development of the hotel, they did so putting faith in the City that we would participate. Had the City elected not participated, it would have placed significant financial pressure on the project, caused unnecessary delay this year, and restricted potential for future growth. The City financing is more or less acting as a bridge. We anticipate that in the near term, Woodside will repay all remaining principle.

Finally there are significant benefits to the City of Mauston for participating, these include:

1. There was a strong argument that this hotel should have been built at the Dells complex. County and City participation won the argument for locating it here, which will divert a greater amount of Woodside tourism traffic from the Dells to Mauston.
2. This project will allow Woodside to host weekday events and camps, which will expand the tourism impact to the City businesses beyond the historical concentration of traffic on the weekends.

3. The project paves the way for expansion along Hwy 82 and enables additional access to City utilities. Because our sanitary system is only at 50% capacity, increased use will reduce overhead costs and capture efficiency.
4. Woodside's success will strengthen our argument for and attract additional retail and restaurant development in Mauston. In recent years we have seen significant growth, and this should leverage more.
5. This project expansion does provide job growth, for our area.

By participating, the City of Mauston is also demonstrating true regional leadership. The City is setting an example that we are not an island, and that the success of the County or neighboring townships can be our success. Regional and mutual cooperation can benefit everyone involved.

*\*We would thank all our consultants Ehlers, MBE, and Quarles & Brady for their assistance on this project. A special thank you to MBE, for taking time in the middle of tax season to perform an uncommon service.*