

39.



# City of West Allis

## Matter Summary

7525 W. Greenfield Ave.  
West Allis, WI 53214

File Number	Title	Status
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R-2007-0099 Resolution In Committee

Resolution relative to determination of a PILOT Agreement between the City of West Allis and Rogers Memorial Hospital for Payment in Lieu of Taxes for the property located at 11101 W. Lincoln Ave.

Introduced: 4/3/2007

Controlling Body: Safety & Development Committee

Sponsor(s): Safety & Development Committee

### COMMITTEE RECOMMENDATION ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>4/3/07</u>			Barczak	✓			
			Czaplewski				
			Dobrowski				
			Kopplin				
			Lajsic	✓			
			Narlock				
		✓	Reinke	✓			
	✓		Sengstock				
			Vitale	✓			
			Weigel	✓			
			TOTAL	<u>5</u>	<u>0</u>		

### SIGNATURE OF COMMITTEE MEMBER

Chair

Vice-Chair

Member

### COMMON COUNCIL ACTION ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>APR 03 2007</u>			Barczak	✓			
			Czaplewski	✓			
			Dobrowski	✓			
			Kopplin	✓			
	✓		Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Sengstock	✓			
		✓	Vitale	✓			
			Weigel	✓			
			TOTAL	<u>10</u>	<u>0</u>		





# City of West Allis

7525 W. Greenfield Ave.  
West Allis, WI 53214

## Resolution

**File Number: R-2007-0099**

**Final Action:**

**Sponsor(s):** Safety & Development Committee

APR 03 2007

Resolution relative to determination of a PILOT Agreement between the City of West Allis and Rogers Memorial Hospital for Payment in Lieu of Taxes for the property located at 11101 W. Lincoln Ave.

WHEREAS, the Common Council of the City of West Allis ("City"), with Resolution No. R-2007-0087 approved the application of Rogers Memorial Hospital for Special Use to construct a hospital addition located at 11101 W. Lincoln Ave. (Tax Key No. 484-0000-017) (the "Project"); and,

WHEREAS, the aforesaid Project will be exempt from the imposition of general property taxes; and,

WHEREAS, Rogers Memorial Hospital has agreed to make a payment in lieu of taxes to the City to offset the value and benefits of the municipal services the Project will enjoy.

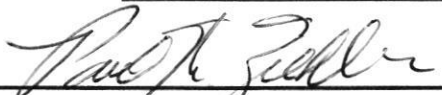
NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that the PILOT Agreement, a copy of which is attached hereto and made a part hereof, be and is hereby approved.

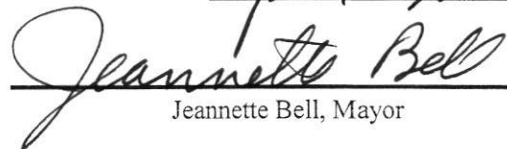
BE IT FURTHER RESOLVED that the City Attorney be and is hereby authorized to make such non-substantive changes, modifications, additions and deletions to and from the various provisions of the agreement, including any and all attachments, exhibits, addendums and amendments, as may be necessary and proper to correct inconsistencies, eliminate ambiguity and otherwise clarify and supplement said provisions to preserve and maintain the general intent thereof, and to prepare and deliver such other and further documents as may be reasonably necessary to complete the transactions contemplated therein.

BE IT FURTHER RESOLVED that the Mayor and City Administrative Officer-Clerk/Treasurer are hereby authorized and directed to execute and deliver the aforesaid agreement on behalf of the City.

cc: Department of Development

Dev-r-467-4-3-07\dlm

ADOPTED APR 03 2007  
  
\_\_\_\_\_  
Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED April 5, 2007  
  
\_\_\_\_\_  
Jeannette Bell, Mayor

## **PILOT AGREEMENT**

This Agreement, made and entered into by and between the CITY OF WEST ALLIS, a municipal corporation organized and existing under and by virtue of the laws of the State of Wisconsin, with principal offices at 7525 West Greenfield Avenue, West Allis, WI ("City"), and Rogers Memorial Hospital, a Wisconsin corporation with principal offices located at 11101 W. Lincoln Ave., West Allis, WI.

**WHEREAS**, the following conditions currently exist:

**A.** Rogers Memorial Hospital has made application to the City for a Special Use Permit (R-2007-0087) for construction of a 20,464 square foot hospital/building addition to be located at 11101 W. Lincoln Ave., West Allis, WI ("Project"); and,

**B.** By Resolution No. R-2007-0087 adopted April 3, 2007, the Common Council of the City approved Rogers Memorial Hospital's Special Use Permit; and,

**C.** Under the statutes of the State of Wisconsin, the Project is exempt from the imposition of general property taxes but will enjoy the same level of municipal services as provided to non-exempt commercial developments in the City; and,

**D.** Rogers Memorial Hospital is willing to make a payment in lieu of taxes ("PILOT") for the Project to offset a portion of the value of the municipal services the Project will receive and benefit from.

**NOW, THEREFORE**, in consideration of mutual benefits, the parties agree as follows:

**A. Incorporation of Whereas Clauses.**

The parties acknowledge that the above whereas clauses are part of this Agreement.

**B. City Services.**

The City agrees to furnish governmental services and benefits to Rogers Memorial Hospital and the Project of the same type and to the same extent as are furnished from time to time, without cost or charge (except by means of property tax), to other commercial properties in the City.

**C. PILOT Assessment.**

1. The Project which includes the approved 20,464 sq. ft. addition will be assessed each year for real property tax purposes in accordance with the assessment procedures of the State of Wisconsin, commencing January 1, 2008, and without regard to Rogers Memorial Hospital's eligibility for property tax exemption.

2. For tax year January 1, 2007 through December 31, 2007 there will be no PILOT payment.

3. For tax year January 1, 2008 through December 31, 2008 Rogers will pay PILOT based on the percent of construction completed as of January 1, 2008 times the estimated construction cost dollar figure of \$5,000,000 (amount that was indicated on the Special Use application to the City) at the West Allis city tax rate.

4. For the tax year January 1, 2009 through December 31, 2009 Rogers will pay PILOT on based on a value of \$5,000,000 at the West Allis city tax rate.

5. For the tax year January 1, 2010 through December 31, 2010 Rogers will pay PILOT at the assessed value of the new addition at the West Allis city tax rate.

6. For subsequent years and until termination as stated in section F of this Agreement, Rogers will pay PILOT at the assessed value of the new addition times the West Allis city tax rate.

7. In December, 2008, and each year thereafter, the City will send Rogers Memorial Hospital a statement for the PILOT due based upon the City's net tax rate in each such year.

8. Rogers Memorial Hospital will pay to the City the amount indicated in the statement on or before January 31<sup>st</sup> of the subsequent year.

9. Rogers Memorial Hospital shall have the right to contest the amount due on the statement as if it were a regular taxpayer, utilizing the same statutory procedures provided.

**D. Exempt Status.**

Rogers Memorial Hospital has represented to the City and the City has determined that Rogers Memorial Hospital and the Project will, at the present time, qualify for real and personal property tax exemption under Wisconsin law. The City may review the Project's exempt status under Wisconsin Statutes Section 70.11 from time to

time with the respective January 1<sup>st</sup> dates being the reference dates for those exemption reviews. If the City determines that the use or ownership of the Project has changed such that it no longer qualifies for exemption from property tax for the year in which the determination is made: (i) the City will provide notice of such determination to Rogers Memorial Hospital no later than May 15<sup>th</sup> of that year; (ii) this Agreement shall terminate with respect to that and any subsequent years for which the exemption no longer applies; and, (iii) if a PILOT payment has been made for that year, the City shall promptly refund such PILOT payment. If Rogers Memorial Hospital disagrees with the City's determination that the Project no longer qualifies for property tax exemptions, Rogers Memorial Hospital may challenge such determination by any procedure provided under Wisconsin law.

**E. Successors and Assigns.**

All of the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties and their respective successors and assigns.

**F. Term.**

This Agreement shall terminate effective December 31<sup>st</sup> of the year immediately prior to the year during which any of the following events occur:

1. The City determines that the Project no longer qualifies for property tax exemption pursuant to Section D of this Agreement.
2. Enactment by the State of Wisconsin of a mandatory payment for municipal services by owners of property exempt from the general property tax or similarly situated owners of exempt property.
3. Repeal by the State of Wisconsin of the property tax exemption for the Project and other similarly situated property.
4. Sale or conveyance of the Project by Rogers Memorial Hospital to an unrelated third party.

**7. Amendment.**

The parties expressly reserve the right to modify and amend this Agreement from time to time as they shall mutually agree in writing executed by the parties.

**8. Governing Law.**

This Agreement shall be governed by the laws of the State of Wisconsin and any legal action concerning this Agreement shall be properly filed and maintained in the Milwaukee County Circuit Court, State of Wisconsin.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed  
this 22 day of August, 2007.

**ROGERS MEMORIAL HOSPITAL**

By: Gerald A. Noll  
Mr. Gerald Noll, Chief Financial Officer

Attest: [Signature]  
Mr. John Blake,  
Environmental Services Manager

**CITY OF WEST ALLIS**

By: Jeannette Bell  
Jeannette Bell, Mayor

Attest: Paul M. Ziehler  
Paul M. Ziehler,  
City Admin. Officer, Clerk/Treasurer

Approved as to form  
this 3rd day of APRIL, 2007.

[Signature]  
Jeffrey F. Warchol,  
Assistant City Attorney