



City of West Allis Matter Summary

7525 W. Greenfield Ave.
West Allis, WI 53214

File Number	Title	Status
R-2004-0115	Resolution	In Committee
Resolution Approving the Cooperation Agreement by and between the Community Development Authority and the City of West Allis for Tax Incremental District Number Seven - Summit Place Business Park Redevelopment Project.		
Introduced: 4/5/2004		Controlling Body: Safety & Development Committee

COMMITTEE RECOMMENDATION

ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>4/5/04</u>	✓		Barczak				
			Czaplewski	✓			
			Kopplin				
			Lajsic	✓			
			Narlock	✓			
			Reinke	✓			
			Sengstock				
			Trudell				
			Vitale				
		✓	Weigel	✓			
			TOTAL	<u>5</u>	<u>0</u>		

SIGNATURE OF COMMITTEE MEMBER (RECORDER)

Chair

Vice-Chair

Member

COMMON COUNCIL ACTION

ADOPT

ACTION DATE:	MOVER	SECONDER		AYE	NO	PRESENT	EXCUSED
<u>APR 05 2004</u>	✓		Barczak	✓			
			Czaplewski	✓			
			Kopplin	✓			
			Lajsic	✓			
		✓	Narlock	✓			
			Reinke	✓			
			Sengstock	✓			
			Trudell <i>ex</i>				✓
			Vitale	✓			
			Weigel	✓			
			TOTAL	<u>9</u>	<u>0</u>		<u>1</u>

C: Atty's Office
Dev. Dept.

**COMMITTEES OF THE WEST ALLIS COMMON COUNCIL
2003**

ADMINISTRATION AND FINANCE

Chair: Alderperson Czaplewski
V.C.: Alderperson Kopplin
Alderpersons: Barczak
 Lajsic
 Reinke

ADVISORY

Chair: Alderperson Reinke
V.C.: Alderperson Vitale
Alderpersons: Kopplin
 Lajsic
 Narlock

LICENSE AND HEALTH

Chair: Alderperson Barczak
V.C.: Alderperson Sengstock
Alderpersons: Kopplin
 Trudell
 Vitale

SAFETY AND DEVELOPMENT

Chair: Alderperson Lajsic
V.C.: Alderperson Weigel
Alderpersons: Czaplewski
 Narlock
 Reinke

PUBLIC WORKS

Chair: Alderperson Narlock
V.C.: Alderperson Trudell
Alderpersons: Sengstock
 Weigel
 Vitale



City of West Allis

7525 W. Greenfield Ave.
West Allis, WI 53214

Resolution

File Number: R-2004-0115

Final Action:

Resolution Approving the Cooperation Agreement by and between the Community Development Authority and the City of West Allis for Tax Incremental District Number Seven - Summit Place Business Park Redevelopment Project.

WHEREAS, the City of West Allis and the Community Development Authority of the City of West Allis are desirous of redeveloping the area generally described as Summit Place Business Park Redevelopment Project; and,

WHEREAS, the City of West Allis has created Tax Incremental District Number Seven to pay for the costs of such improvements; and,

WHEREAS, the Community Development Authority of the City of West Allis is willing to issue Four Million Four Hundred Twenty-five Thousand and 00/100 Dollars (\$4,425,000) in General Obligation Bonds/Notes to fund the project.

NOW, THEREFORE, BE IT RESOLVED by the Common Council of the City of West Allis that the Cooperation Agreement for the Summit Place Business Park Redevelopment Project by and between the City of West Allis and the Community Development Authority of the City of West Allis, a copy of which Agreement is attached hereto and made a part hereof, be and the same is hereby approved.

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.

ATTR-CoopAgreement-Whitnall Summit

ADOPTED

April 5, 2004

Paul M. Ziehler

Paul M. Ziehler, City Admin. Officer, Clerk/Treas.

APPROVED

April 9, 2004

Jeannette Bell

Jeannette Bell, Mayor

**COOPERATION AGREEMENT
TAX INCREMENTAL DISTRICT (TID) NUMBER SEVEN
SUMMIT PLACE BUSINESS PARK**

This Cooperation Agreement (hereinafter referred to as "Agreement") is entered into this 13th day of April, 2004, by and between the CITY OF WEST ALLIS, a municipal corporation (the "City") and the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS, a public body, corporate and politic, created and existing under the laws of the State of Wisconsin (the "Authority");

W I T N E S S E T H:

WHEREAS, the Authority with the cooperation of the City has undertaken to acquire and redevelop certain blighted property (hereinafter called "Project") located in the area of TID Number Seven in the City of West Allis and County of Milwaukee, State of Wisconsin (the "Project Area"), more particularly described and depicted on Map No. 1 - Project Boundaries, Tax Incremental District Number Seven Project Plan, which is attached as Exhibit "A" and made a part hereof; and,

WHEREAS, the City may, among other things, loan or contribute funds to the Authority for the purpose of carrying on redevelopment as provided in Wis. Stats. Sec. 66.1333(13); and,

WHEREAS, the Authority authorized execution hereof by Resolution No. 463, adopted April 13, 2004, and the City authorized execution hereof by Resolution No. R-2004-0115 adopted April 5, 2004; and,

WHEREAS, the City will provide financial assistance and cooperate with the Authority to provide, among other things, 100% of the cost of the Project to the Authority so that the Authority might carry out the entire Project.

NOW, THEREFORE, the parties hereby mutually agree as follows:

1. Project Definition. The Authority agrees to participate in the redevelopment of the Project Area and eliminate its status as blighted property.

2. Establishment of Funds. The City will provide to the Authority, from such sources as determined by the Common Council, in the presently estimated amount of Four Million Four Hundred Twenty-Five Thousand Dollars (\$4,425,000) for the redevelopment of the Project Area including deferred payment loans, acquisition of the Property and to pay for site improvements, administration, and other costs attendant to the Project, as generally specified in Tax Incremental District Number Seven Project Plan, Table 1 – Project Plan Activities and Estimated Costs and attached as Exhibit "A" and made a part hereof; such funds as approved by the Common Council to be made available to the Authority upon approval by the Administration and Finance Committee as may be appropriate, and upon requisition by the Executive Director of the Authority according to a procedure mutually agreed upon between the City Comptroller and the Executive Director. The requisitioned funds shall be placed in a separate bank account by the Authority and shall not be commingled with other funds of the Authority. The Authority shall draw from said deposit funds as necessary to pay for the obligations incurred under the Project. If funds in excess of the aggregate amount stated above become necessary to complete the Project, such funds must be approved by the Common Council through usual budgetary procedures.

3. Project Receipts. Receipts of the Authority from sale of land as well as other Project income are to be deposited to the bank account of the Authority and may be used as required to meet expenditure obligations of the Authority in the carrying out of the Project. Any sums remaining upon conclusion of the Project will be returned to the City by the Authority.

4. Verification by Comptroller. The City Comptroller shall from time to time, as his judgment is appropriate, review the receipts and expenditures of the Authority in connection with the Project, and the City Comptroller shall have full power to make such audit

as is necessary to provide for a full accounting to the City. The City Comptroller shall conduct an audit and report to the Common Council with respect to the results of such audit. Upon completion of the Project, the Authority shall make a full accounting to the City of income received and amounts expended and shall return to the City all unused and unneeded funds.

5. Construction of Improvements. The City will construct or cause to be constructed within the Project area at a time mutually agreeable to the City Engineer and the Authority such improvements as are necessary to the Project or as shall be determined by resolution of the Common Council. Said improvements will be fully paid for from the Project funds provided to the Authority in accordance with Paragraph 2 above.

6. Supplemental Redevelopment Activity by City.

A. The City, at no cost to the Authority, will take such lawful actions as may be deemed by the City and the Authority to be necessary or desirable in connection with the Project.

B. The Department of Development and the Office of the City Attorney shall assign sufficient personnel to implement and complete the Project in accordance with the Service Agreement between the City and the Authority.

7. Interest Payments. Any sums payable hereunder by either party to the other shall not bear any interest, but any interest earned on such sums shall be deposited by the Authority in accordance with Paragraph 3 above.

8. Compliance with Laws. The Authority agrees to comply fully with all applicable local, state and federal laws, ordinances, rules and regulations relating to the Project and any funding provided therefore.

IN WITNESS WHEREOF, the City and the Authority have caused this Agreement to be duly executed the day and year first above written.

In the Presence of:

Hermine Couturier

Hermine Couturier

CITY OF WEST ALLIS

By: Jeannette Bell (SEAL)
Jeannette Bell, Mayor

Attest:

Paul M. Ziehler (SEAL)
Paul M. Ziehler
City Administrative Officer, Clerk/Treasurer

In the Presence of:

Jean M. Prokles

Jean M. Prokles

**COMMUNITY DEVELOPMENT
AUTHORITY OF THE CITY OF
WEST ALLIS**

By: Gerald Matter (SEAL)
Gerald Matter, Chairman

Attest:

John F. Stibal (SEAL)
John F. Stibal, Executive Director

Approved as to form this 18 day
May 2004

Scott Post
Scott Post,
City Attorney

COMPTROLLER'S CERTIFICATE

Countersigned this 4 day of MAY, 2004
and I certify that the necessary funds have been
provided to pay the liability that may be incurred,
by the City of West Allis under this Agreement.

Gary Schmid
Gary Schmid, Chief Financial Officer-
Manager Finance/Comptroller

**SUMMIT PLACE BUSINESS PARK
DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT (this "Agreement"), made and entered into as of the ____ day of April 2004, by and between **WHITNALL-SUMMIT COMPANY LLC** ("Developer"), a Wisconsin limited liability corporation, and the **COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS** (the "City"), a Wisconsin Municipal Corporation.

WITNESSETH:

WHEREAS, the City has created a Tax Incremental District (TID) Number Seven, comprised of land and improvements on a portion of the former Allis-Chalmers Manufacturing Complex, as described in Exhibit 1; and,

WHEREAS, Developer intends to rehabilitate the property located 6609R-6765 W. Washington St (Tax Key # 439-0001031) by renovating blighted industrial space and converting it into office space in addition to building a commercial office building on the site (the "Project") pursuant to the terms of this Agreement; and,

WHEREAS, City intends to buy land located at 6600 W. Washington St. (Tax key # 439-0001-015) totaling plus or minus 2.0 acres and land located at 6500 W. Washington St (Tax Key # 439-001-016) totaling plus or minus 0.7 acres, and will dedicate that portion of the Washington Street right-of-way to be vacated by the City for construction of a public parking lot in support of the parking needs for the Summit Place Business Park and surrounding businesses as set forth in Exhibit 2; and,

WHEREAS, Developer and the City desire to set forth in writing the terms and conditions under which the Developer and the City have agreed.

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. CITY'S OBLIGATIONS.

The City shall be obligated as follows:

A. Purchase of Property for and Development of Public Parking: City will acquire the above referenced approximately plus or minus 2.7 acres of land located on Tax Key #s 439-0001-015 and 439-0001-016, and construct Public Parking and Commuter Bike and Pedestrian Trail on such land and that portion of the Washington Street right-of-way to be vacated by the City in an expeditious manner. If the City is unsuccessful in acquiring said property by November 15, 2004, this Agreement shall be null and void as to the parties' obligations hereunder concerning the Public Parking and Commuter Bike and Pedestrian Trail, and neither party shall have any further rights or obligations with respect thereto and such failure shall not constitute a default of the remainder of this Agreement. Developer, at its sole cost, shall provide the City with all necessary engineering and construction plans and specifications for the Development of the approximate 3 acres of Public Parking and Trail. All engineering and construction plans and specifications shall be subject to City review and approval prior to the commencement of any work on the project. Developer shall be responsible for all maintenance, repairs and re-construction of the Public Parking and Commuter Bike and Pedestrian Trail henceforth after completion. The Developer's obligation for maintenance and replacement shall be recorded in a form acceptable to City's counsel burdening the Developer's land and/or adjacent landowners.

B. TID Funds to the Developer. The TID No. 7 total funds of \$4,425,000.00 shall be divided into three parts and applied to three targeted areas within the district as follows:

(1) The City shall retain \$1,225,000.00 to cover the cost of City Legal and Administrative fees for the entire TID No. 7 estimated to be \$75,000.00 and \$1,150,000.00 for the estimated costs of acquisition of the land and completion for a Public Parking and Commuter Bike and Pedestrian Trail (hereinafter Public Parking Trail Funds). If the cost for the acquisition and construction of the Public Parking and Commuter Bike and Pedestrian Trail is less than \$1,150,000 (Public Parking/Trail Surplus), then this Public Parking/Trail Surplus shall be added to the budget for parking improvements North of W. Washington street as set forth below.

(2) The City shall make available to the Developer the remaining TID funds of \$3,200,000 as a capital loan. Of these funds made available to the Developer, \$1,200,000.00 shall be used solely for the acquisition and construction of surface parking, a parking structure on the parcel north of Washington Street, located at 6642 W. Washington Street, and a right-of-way from the parking areas to 70th Street, and shall be designated as the "North Side Funds". If the cost of acquisition and construction of surface parking, parking structure and the right-of way to 70th Street is less than \$1,200,000, plus any Public Parking/Trail Surplus rolled into this Fund, then the resultant surplus shall be re-designated as the "North Side Surplus". The North Side Surplus, if any remaining at January 1, 2009, shall be used to retire part or all of the remaining balance of the TIF bonds.

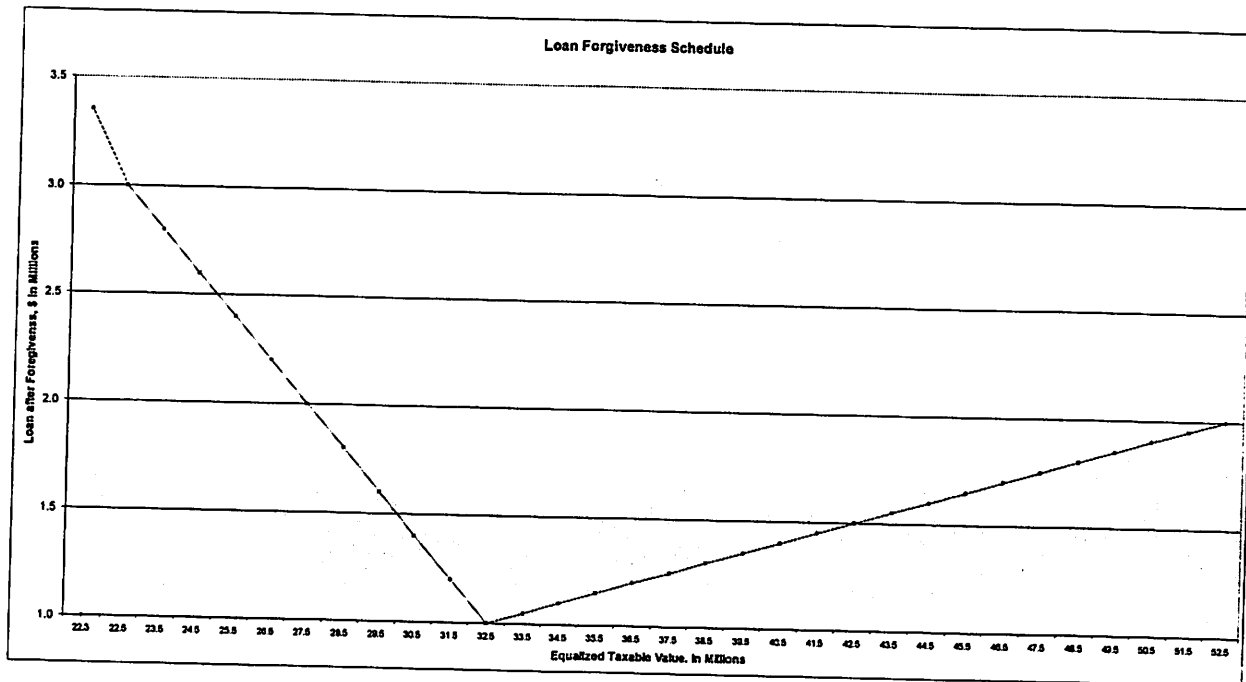
(3) The remaining \$2,000,000.00 of the Developer's capital loan shall be applied to defray the Developer's cost for such rehabilitative items including in the way of illustration and not in limitation, insert floors, ADA escalators and elevators, rest rooms, replacement

windows, tenant office space conversion and improvements, infrastructure and/or architectural fees thus accelerating the development of commercial office space for the Summit Place Office Complex, with all of these expenditures to be for work taking place on the South side of Washington Street ("South Side Funds"). The deferred payment of the Developer's capital loan shall be amortized over 10 years at the interest rate being incurred by the City of West Allis for the TID funds, as of January 1, 2009, commencing January 1, 2009. No interest shall accrue before January 1, 2009. The Developer's capital loan of \$3,200,000 will be personally guaranteed by Richard G. Carlson as set forth in Exhibit 3.

C. City Incentive to Developer to Accelerate the Project. As an incentive to accelerate the total development, the City will reduce the total principal value of the Developer's capital loan by \$200,000 on January 1, 2009 provided that the equalized taxable value of the property located at 6609R-6745 W. Washington St exceeds \$22,500,000. An amount of \$200,000 of loan principal will be forgiven for every additional \$1,000,000 the equalized taxable value of the parcel located at 6609R-6745 W. Washington St., that exceeds \$22,500,000 as of January 1, 2009, up to a maximum additional forgiveness of \$2,000,000. At an equalized taxable value of \$32,500,000 on January 1, 2009, after forgiveness, loan balance would be \$1,000,000.

Further, if the equalized taxable value on January 1, 2009 as defined above is more than \$32.5 million, for each million that the equalized taxable value exceeds \$32.5 million, Developer will repay the City \$50,000, up to a maximum equalized taxable value of \$52,500,000. For example, if the equalized taxable value is \$52,500,000 on January 1, 2009, total loan balance due to the City would be \$2,000,000. The total repayment principal established as of January 1, 2009 shall be amortized and repaid over ten years at the same rate

of interest that the City of West Allis is then incurring adjusted annually on each anniversary.



D. Method of Payment by the City to the Developer. Developer shall present to LandAmerica Lawyers Title Insurance Company designated by the City as its Title Agent AIA Documents G702 and G703 in which the Developer's Construction Manager and/or Architect shall certify that the Work covered by the Application for Payment has been completed in accordance with Contract Documents. The certified AIA Documents will include a summary payment schedule, copies of Contractors invoices and associated lien waivers. Upon receipt of the certification by the Title Agent of the Application for Payment by the Developer to the City, the City shall make the draw payment within 7 business days thereafter directly to the Developer or its designated depository. Developer shall be responsible for the administration cost of the City's Title Agent.

E. Zoning and Planning Approvals. The City shall use its best efforts to expedite the zoning and plan review process to accommodate Developer's development schedule for the construction of parking on the 6642 W. Washington St. property (Tax Key # 439-0001-018 and

for rehabilitation of industrial buildings into office space for the property located at 6609R-6745 W. Washington St., with a commencement date for additional construction not later than July 1, 2004.

F. Establishment of a Commercial Planned Development District (PDD). The City of West Allis will use its best effort to establish a Planned Development District for the entire Project area, to meet the special needs of the Project for parking at Summit Place Business Park. If the City of West Allis fails to establish a Planned Development District, the remainder of this Agreement shall continue in full force and effect.

2. DEVELOPER'S OBLIGATIONS.

Developer shall be obligated as follows:

A. Construction of Commercial Office and Parking

(1) The Developer will construct and landscape the Project, including all parking areas, in accordance with building and site plans and specifications filed with the City from time to time, and approved by the City according to its review and approval procedures as herein referenced. The Project shall consist of the completion of construction of the four-story Class A+ office building consisting of approximately 40,000 square feet (now under construction), rehabilitation of up to 650,000 square feet of industrial space into commercial office space and indoor parking, and construction of surface parking, right of way development to 70th Street, and/or a parking structure on the parcel north of Washington Street, located at 6642 W. Washington Street.

(2) Developer has commenced construction of the Project, but shall commence construction of the surface parking area located at 6642 W. Washington St. within 60 days but no later than one hundred twenty (120) days of the completion of the

purchase of the approximate 10.7 acres less the PCB acre from the City and shall proceed with due diligence to complete the rehabilitation of Project by January 1, 2009. Said purchase of approximately 10.7 acres is contingent on the parties entering into a Purchase and Sale Agreement therefore.

(3) (a) Developer guarantees that Developer's contemplated rehabilitation of the Property shall generate a minimum assessed value of Twenty-Two Million Five Hundred Thousand Dollars (\$22,500,000) as of January 1, 2009. To the extent the general property taxes for the Property in any calendar year after 2009 are less than the equivalent of the guaranteed assessed value multiplied by that year's mill rate, Developer shall pay the difference between that year's actual tax payment and the tax payment that would have been generated by the guaranteed valuation. Developer's obligation to guarantee the payment of any property tax shortfall against the guaranteed valuation shall continue for fifteen years.

(b) Developer hereby agrees that the amount of any property tax shortfall due and owing to the City of West Allis in any given year may be treated as a special charge (as defined in Wis. Stat. §74.01(4)) levied against the Property, without notice or hearing, such notice and hearing being expressly waived by the Developer. The special charge shall be a lien on the Property and shall be extended upon the tax roll for the year in which it is due and owing against the Property. All proceedings in relation to collection, return and sale of the Property for delinquent real estate taxes shall apply to any such special charge.

B. Conveyance. Developer shall not sell, transfer or convey the Property to anyone prior to January 1, 2009 without the written consent of City, which shall not be

unreasonably withheld.

C. Nondiscrimination. No owner or occupant of the Property shall restrict the use or enjoyment of the Property or the Facility upon the basis of a protected status in the sale, use or occupancy thereof.

D. No Subdivision. Without the prior written consent of the Common Council of the City, no owner of the Property may subdivide the Property nor sell, transfer or convey less than the entire Property.

E. Payment in Lieu of Taxes. Ownership of the Property by any person or in any manner which would render any part of the Property exempt from property taxation during the 15 year period set forth in Section 2.B.(3) shall result in a payment in lieu of taxes from the owner to the City each year in an amount equal to the amount of taxes that would be due and owing on the property if it was not tax exempt and in no event less than the tax based upon an assessed value as set forth in Paragraph 2.B.(3). Such payment shall be due and payable in the same manner as property taxes.

3. PROPERTY TAX IMPACT.

The City has undertaken this project to enhance the property tax base of the City. During the period set forth in Section 2.B.(3) the restrictions upon sale, transfer, conveyance, and subdivision herein set forth, shall be applicable notwithstanding any shorter time periods which may be specified herein.

4. CITY'S CONTINGENCIES.

Developer acknowledges that the City of West Allis is a body politic, its governing body is elected and the membership of the governing body may change. In addition, various specific undertakings of the City described herein may require public hearings and other legal

procedures, as conditions precedent thereto. The City's agreements hereunder are conditioned upon the obtaining of all such required approvals in the manner required by law. The City cannot assure that all of such approvals will be obtained; however, it agrees to use reasonable efforts to obtain them on a timely basis. If the City has not provided written notice to Developer on or before December 31, 2004, that it has obtained all approvals necessary for the undertakings described herein, this Agreement shall be restructured at that time to properly reflect approvals that have been obtained. The City's inability to grant or obtain the necessary approvals described herein shall not constitute a default hereunder.

5. **DEVELOPER'S CONTINGENCIES.**

The obligations of Developer hereunder for improvements North of West Washington St. are contingent upon the procurement by the City of the 10.7 acre parcel which has VPLE classification, less the PCB acre commonly known as 6642 W. Washington St. with Tax key # 439-0001-018 and re-sale to the Developer for a price not to exceed \$40,000. Developer shall close on the purchase of the Property no later than November 15, 2004 unless the time for Closing is extended by mutual agreement of the parties. If said contingency is not waived or satisfied within the time period provided herein, this Agreement shall be null and void as to the Developer's Obligations hereunder concerning improvements to the North Side of West Washington St., and neither party shall have any further rights or obligations with respect thereto and such failure shall not constitute a default of the remainder of this Agreement. .

6. **NO ASSIGNMENT.**

Neither Developer nor the City may assign its rights in this Agreement without the prior written consent of the other. Such consent shall not be unreasonably withheld.

7. BUILDING STANDARDS AND UTILITIES.

All buildings and other site improvements (collectively "Improvements") to be constructed under this Agreement shall comply with the following minimum standards:

A. Improvements shall be designed by an architect or engineer. All sides, elevations or facades of the Project's buildings visible from and all public areas shall be visually pleasing and architecturally and aesthetically compatible with the surrounding environment. Building Improvements are subject to architectural review and approval by the Plan Commission of the City as provided herein.

B. All trash disposal areas shall be screened in such a manner as to be harmonious with the building exterior and design.

C. No additional building Improvements or structures shall be constructed on the Property until a site plan therefore (showing location, land coverage, building intensity, landscaping and off-street parking) has been submitted to and approved by the Planning Commission of the City (the "Site Plan"). Improvements shown and determined on the Site Plan shall include, but not be limited to:

- (1) All finished grade levels;
- (2) Location of all buildings and other structures (to include a schedule showing: lot area and total square feet in building (each floor);
- (3) Sidewalks and driveways (including types of materials);
- (4) Parking and access drive dimensions and locations, stall numbers and dimensions, curbs, tire stops, loading docks, and snow storage areas;
- (5) Loading areas (including types of materials);
- (6) Elevators and Escalators;

- (7) Utility and storage areas (including types of materials);
- (8) Lawns and landscaped areas (including types of materials);
- (9) Water impoundments;
- (10) Fences (including types of materials);
- (11) Lights (including types);
- (12) Areas of fill or cuts;
- (13) Storm water drainage plans and facilities;
- (14) On-site sewer, water and other utility locations, sizes and easement locations;
- (15) Location, screening and type of refuse collection facilities; and
- (16) All exterior signs and all other signs visible from the exterior of the building and other structures.
- (17) Dimensions of all front, side, and rear yards, drives, etc.
- (18) Other paved areas and uses, fencing and walls, outdoor lighting (location and direction of beams).
- (19) A landscaping and screening plan showing the location, common and botanical names, planting size, root condition and quantity of all plant material. The plan shall also show all ground cover and mulch areas and landscape construction materials.
- (20) Locations and dimensions of all easements.
- (21) Surface details of all outside areas, such as paving.
- (22) Signs: design, size, location, and illumination.
- (23) Designation of future expansion areas.

(24) Locations of all hydrants within the Site.

(25) Grading Plan.

a. Existing and proposed grades and contours.

b. Surface water drainage and detention and/or retention.

c. Finished grade at building.

d. Catch basins and storm sewer locations.

e. Connection to existing utilities.

8. **REFUSE.**

All trash containers, including dumpsters, must be enclosed by a solid wall or fence that matches the building facade and provide a suitable visual screen. Such wall shall be of sufficient height to cover the material stored and shall be maintained so as to present a good appearance at all times.

9. **UTILITIES AND SITE LIGHTING.**

All utility lines within the Site shall be installed underground in easements provided therefore. No overhead electric power, telephone or cable service will be permitted. Building lighting may be wall mounted. Building, parking and roadway lighting (fixture, height, type and intensity) where provided shall be approved by the City Subject to approval by the Plan Commission.

10. **OTHER SITE IMPROVEMENTS.**

A. **Traffic Circulation.** The location and design compatibility of all lanes, drives, parking arrangements and ingress and egress plans for the Property, including the impact on traffic circulation, shall be part of the site plan review conducted by the Plan Commission under Sub-section 7.C., above.

B. Landscaping. Landscaping improvements shall be required as an integral part of the Property. All areas on the Property not used for building, storage, parking, walks, and access roads, shall be suitably graded and drained, seeded or sodded, and maintained in grass and landscaped areas as provided in Sec. 12.13 of the Revised Municipal Code. Landscaped areas shall contain trees, shrubs, grass and/or other suitable groundcover in accordance with a landscape plan for the Property approved in writing by the Plan Commission. All required landscaping shall be completed within one year of the completion of construction of the principal building on the Property and shall, thereafter, be maintained in a manner acceptable to the City. Landscape materials shall be suitable to the climate, soil conditions and intended use of the Property and shall be of sufficient size and density (trees must be at least 2 1/2" caliper, unless otherwise specifically approved by the Plan Commission) to create an "immediate environment."

11. BUILDING LOCATION.

The Project Building Improvements shall be located on the Property as indicated on the Site Plan.

12. BUILDING DESIGN AND MATERIALS.

Building plans and specifications, including architectural elevations, for the Project, to include construction materials, are subject to review and final approval by the City's Building inspection Department pursuant to the provisions of this Agreement. Facade treatments must be compatible with site standards and aesthetically appropriate.

Rooftop mechanical units, such as ventilating and air conditioning equipment shall be appropriately screened with building material sensitive/compatible with the rest of the architecture.

13. **PROPERTY IMPROVEMENTS.**

A. **Plan Review.** No additional buildings or other Improvements shall be erected, placed or altered on the Property until the building plans and specifications for such improvements, including the Site Plan, and grading plan have been submitted to and approved by the Plan Commission of the City. The Plan Commission shall review and approve, approve conditionally, or disapprove the building plans and specifications with respect to their conformity with this Agreement and applicable enactments of the City, and with respect to the harmony of design and land use as it affects other property adjacent to the Property.

B. **Plan Submittal.** Within sixty (60) days of the purchase of the property at 6642 W. Washington St., Developer shall submit to the City's Plan Commission its building plans and specifications for parking and possible parking structure north of Washington St. sufficient for review purposes (but not for building permit review) pursuant to this Section.

C. **Plan Requirements.** Plans drawn to scale shall be submitted to the Plan Commission for review. Ten (10) sets of all site plans and two (2) sets of all building plans shall be submitted as follows:

- (1) Floor plans of typical floors.
- (2) Entrances, exits, loading docks, and building service areas.
- (3) Storage areas and buildings.
- (4) Architectural treatment of building exteriors including building materials, and colors.
- (5) Samples of construction materials.

D. **Determination.** After review, the Plan Commission shall make a reasonable effort to approve or disapprove the building and parking plans and specifications within forty-

five (45) days of submittal. If the Plan Commission denies a request, written evidence shall be provided as to why the request was denied. Subsequent changes to approved building plans and specifications shall also be subject to review and approval by the Plan Commission in accordance with the procedures set forth herein.

E. Enforcement. In the event the Developer proceeds to make improvements and/or construction without first having received the approval, as provided above; or, in the event the Developer proceeds in a manner, which does not comply with the plans and specifications as approved by the Plan Commission, the City may take action to stop construction of the improvements. Action by the City shall consist of a notice to the Developer who is proceeding in violation of, or without approval from Plan Commission, which notice shall be in writing, pursuant to Section 26. The Notice shall advise the Developer of the nature of the violation and shall order immediate cessation of work on the improvements. The Developer may request a meeting with the City, which shall be granted within fifteen (15) days of the request. If the Developer can demonstrate compliance with approved plans and specifications to the satisfaction of the Plan Commission, the City shall rescind its order stopping construction. If the Developer is still in violation, the City may take all legal and equitable action it deems necessary to ensure compliance.

14. ACCESSORY STRUCTURES.

Approval of location, size and design compatibility of all permitted accessory structures in the Project, such as garages, maintenance buildings, etc., shall be in writing by the Plan Commission pursuant this Agreement, before construction. The term "accessory structure" includes, but is not limited to, the following (if such structures are to be located within the required setbacks): ground-mounted telephone and electrical transformers, gas meters, ground-

mounted air conditioners, exhaust ducts and similar structures.

15. **FENCING.**

Fenced areas are permitted under the following terms and conditions:

A. **Placement.** Not permitted in front yard or easement areas, with the exception of fencing required by code or by specific approval from the Plan Commission.

B. **Type.** The type and style of fencing material used is subject to approval by the Plan Commission.

C. **Height.** Fences shall not exceed four (4) feet in height with solid side facing outward from property. Additional height may be approved by the Plan Commission.

D. **Maintenance.** All fences shall be maintained in good condition including painting as required.

16. **SIGNAGE.**

A. **Review.** The Plan Commission reserves the right to review all exterior signs and to approve only those which comply with the City's signage regulations, and which are environmentally and aesthetically suitable. Developer shall submit a plan to the Plan Commission indicating, in sufficient detail for review and approval, the type, size, shape and location of its proposed signs. Planning Commission approval shall be required prior to the fabrication or installation of a sign or the filing of a formal application for a permit with the Department of Building Inspection and Zoning.

B. **Standards.**

(1) No surface mounted signs other than two Facility identification signs and directional signs shall be permitted on the Site south of Washington St., exclusive of signs mounted on the exterior building, which must be in compliance with City's

signage regulations. No off-premise, roof-mounted or wall-mounted billboards or signs will be permitted. Any signs affixed to the exterior of the buildings must comply with City regulations for signage and must be approved by the Plan Commission.

(2) The Facility identification sign located at the curb must include a landscaped setting of ornamental shrubs, flowers, ground cover or a combination of the three in an area equal to two times the area of the sign.

(3) Sign lighting, if desired, must be ground-mounted hidden from view from the street. Individual letters may be internally illuminated.

(4) Directional Signage shall be a post and panel system and shall be limited in size to four (4) square feet and not posted more than six (6) feet above the grade. Not more than one sign shall be provided at each access drive.

17. SATELLITE DISH ANTENNAS

All satellite dish placements will require a special permit from the Plan Commission, unless such satellite dish placements when installed are not visible from public roads or sidewalks. Approvals will be subject to the following criteria:

A. Antennas shall be erected or maintained in the rear yard of buildings and not on the street side of buildings. The Plan Commission shall have the authority to authorize other locations based on demonstrated site constraints.

B. Height restriction: 35 feet

C. Antennas shall not be located in any required setback or easement area.

D. The antenna shall be located and designed so as to minimize the visual impact on surrounding properties and its visibility from the public street. Antennas should be screened through the addition of harmonious architectural features and/or landscaping in

keeping with the elements and characteristics of the property.

E. No obstruction shall protrude into the airspace defined by the forward extension of a plane from the outer edge of the antenna dish to infinity and at the same horizontal and vertical angle as the central axis of the antenna dish.

F. Materials used in constructing the antenna shall not be unnecessarily bright, shiny, garish, or reflective.

G. Advertising placed on the dish face or any other antenna component is prohibited except for the corporate name and/or identification logo.

18. MAINTENANCE RESPONSIBILITIES

A. The Developer shall keep the Property, all contiguous street right-of-way to edge of pavement, and easement areas in a well maintained, safe, clean, and attractive condition at all times. Such maintenance includes, but is not limited to, the following:

(1) The removal of all litter, trash, refuse, and wastes.

(2) The mowing of all lawn areas to a height of less than five (5) inches unless otherwise approved in writing by the Plan Commission. Those designated and approve unused lot areas shall be cut a minimum of three (3) times per year.

(3) The maintenance of lawn and landscape areas in a weed-free, healthy and attractive condition.

(4) The care and pruning of trees and shrubbery outside of easements within property boundaries.

(5) The maintenance of exterior lighting, signs, and mechanical facilities in working order.

(6) The keeping of all exterior building surfaces in a clean, well maintained condition.

(7) The striping and sealing of parking and driveway areas.

(8) The removal of unlicensed or inoperable vehicles.

(9) Snow and ice removal.

B. During construction, it shall be the responsibility of the Developer to insure that construction sites are kept free of unsightly accumulations of rubbish and scrap materials; and that construction materials, trailers, and the like are kept in a neat and orderly manner. Burning of excess or scrap construction material is prohibited. Construction site erosion control practices shall be implemented to prevent erosion, sedimentation and pollution of air or water during construction. Erosion control plan to be submitted and approved by the Building Inspection Department.

19. **CONSTRUCTION TIMETABLE FOR BUILDING IMPROVEMENTS.**

A. **Construction Timetable.** Developer has commenced construction of the Project as hereinabove stated (Paragraph 2.B.(2)) and shall proceed with due diligence to completion no later than January 1, 2009. The Project shall be constructed in accordance with the approved final plans.

B. **Construction Remedies.**

(1) In the event Developer does not complete construction of the Project as hereinabove set forth, because of the public interest involved the City shall have the right to specific performance of the covenants and obligations of Developer to be performed hereunder by it, in addition to all other remedies the City may have under this Agreement or at law or in equity.

(2) In addition to all other remedies the City may have under this Agreement or at law or in equity, and as an alternative thereto, in the event the Developer does not complete construction of parking north of Washington Street as herein above set forth, the City may, but shall not be required, to purchase the 6642 W. Washington St. parcel for the price paid to the City by the Developer.

The notice of intention to exercise the repurchase right can be given at any time after failure of Developer to comply with this section. Title to the Property shall be conveyed to the City in the same condition as conveyed by the City to Developer and a title insurance policy shall be provided at the expense of Developer in the amount of the repurchase price and insuring the City's title is in the aforementioned condition. This section shall terminate upon final completion of construction of the parking, parking structure and/or building and related improvements on the Property pursuant to plans approved in accordance with the terms hereof.

20. **DEFAULT.**

A. **Remedies of the City.** In the event of Developer's default hereunder, and in addition to other rights and remedies provided for in this Agreement, the City shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, the City shall have the following specific rights and remedies:

(1) With respect to matters that are capable of being corrected by the City, the City may at its option enter upon the Property for the purpose of correcting the default and the City's reasonable costs in correcting same shall be paid by Developer to the City immediately upon demand.

B. Reimbursement to the City. Any amounts expended by the City in enforcing this Agreement, and any amounts expended by the City in curing a default on behalf of Developer, together with interest at the rate provided in Subsection E., below, shall be paid to the City and shall constitute a lien against the Property until such amounts are reimbursed or paid to the City, with such lien to be in the nature of a mortgage and enforceable pursuant to the procedures for foreclosure of a mortgage.

C. Remedies are Cumulative. All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

D. Failure to Enforce Not a Waiver. Failure of a Party to enforce any provision contained herein shall not be deemed a waiver of its rights to enforce such provision or any other provision in the event of a subsequent default.

E. No Indirect Damages. In the event of a default, neither Developer nor City shall be liable to the other for consequential, indirect, incidental or exemplary damages, whether based on contract, negligence, strict liability or otherwise.

21. **NO PERSONAL LIABILITY.**

Under no circumstances shall any alderman, officer, official, director, member, partner or employee of the City or any officer of Developer have any personal liability arising out of this Agreement, and neither Developer nor the City shall seek or claim any such personal liability.

22. **FORCE MAJEURE.**

No Party shall be responsible to any other Party for any resulting losses and it shall not be a default hereunder if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of enemies, strikes, fires, floods, acts of God, unusual adverse weather conditions, legally required environmental remedial actions, shortage of materials, or by any other cause not within the control of the Party whose performance was interfered with, and which by the exercise of reasonable diligence such Party is unable to prevent, whether of the class of causes hereinabove enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause.

23. **PARTIES AND INTERESTS; SURVIVAL OF AGREEMENTS.**

Except as otherwise expressly provided herein, this Agreement is made solely for the benefit of the Parties hereto and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Agreement shall remain operative and in full force and effect until fulfilled and shall survive the closing.

24. **TIME.**

Time is of the essence with regard to all dates and time periods set forth herein.

25. **INDUCEMENTS AND RELIANCE.**

Developer acknowledges that the warranties and representations made here by the Developer are a material inducement to City entering into the Purchase and Sale Agreement for property located at 6642 W. Washington St. and Development Agreement for the Property, and that City is entitled to rely upon these warranties and representations despite independent investigation undertaken by City and that the warranties and representations made here and by

the Developer shall survive the Closing and the execution and delivery of the Deed for the Property.

26. **NOTICES.**

All notices, demands, certificates or other communications under this Agreement shall be given in writing and shall be considered given (i) upon receipt if hand-delivered to the party or person intended, or (ii) one business day after deposit if deposited with a nationally recognized overnight commercial courier service, air bill prepaid, or (iii) two (2) business days after deposit if deposited in the United States mail postage prepaid, by certified mail, return receipt requested, addressed by name and address to the party or person intended as follows:

To the City: City of West Allis
7525 West Greenfield Avenue
West Allis, WI 53214
Attn: John Stibal, Director of Development

with a copy to: Scott E. Post
City Attorney
City of West Allis
7525 West Greenfield Avenue
West Allis, WI 53214

To Developer: Whitnall Summit Company, LLC
6737 W. Washington St., Ste 2220
West Allis WI 53214
Attn: Richard G. Carlson

with a copy to: Anthony G. Henika, S.C.
9114 W. Puetz Road
Franklin WI 53132
Attn: Anthony Henika

Any Party may, by written notice to the other Party, designate a change of address for the purposes aforesaid.

27. **ENTIRE AGREEMENT.**

Except for the Purchase and Sale Agreement, this writing constitutes the entire Agreement between the Parties hereto, and all prior statements, letters of intent, representations and offers, if any, are hereby terminated. This Agreement may be modified or amended only by written instrument signed by the City and Developer.

28. **CONSTRUCTION.**

The City and the Developer acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

29. **GOVERNING LAW.**

The laws of the State of Wisconsin shall govern this Agreement and all actions concerning this Agreement shall be commenced in Milwaukee County, State of Wisconsin.

30. **CAPTIONS.**

The captions or headings in the Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement.

31. **COUNTERPARTS.**

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

32. **SEVERABILITY.**

If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or

provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

33. **CONTINUITY**

The property shall be conveyed subject to the restrictions, covenants, agreements and conditions contained herein, all of which are to run with the land and shall be binding on all parties and all persons claiming the Property in perpetuity, unless a resolution adopted by the City and the property owners has been recorded, agreeing to change, modify, or amend the Agreement in whole or in part.

34. **MEMORANDUM OF AGREEMENT.**

The Parties agree that at the request of the City they will execute a memorandum of this Agreement to be recorded in the Office of the Register of Deeds of Milwaukee County.

35. **GOOD FAITH.**

The Parties covenant and agree to act in good faith in the performance and enforcement of the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date first above written.

WHITNALL-SUMMIT COMPANY LLC

By: _____
Richard G. Carlson, President

By: _____
Anthony G. Henika, Legal Counsel as Witness

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF WEST ALLIS**

By: _____
John F. Stibal,
Executive Director

Countersigned at West Allis, Wisconsin this ____ day of April, 2004, and I hereby certify that provision has been made to pay the liability that will accrue under this Agreement by the City of West Allis.

Gary Schmid, Comptroller

Approved as to form this
____ day of April, 2004.

Scott E. Post, City Attorney

Exhibit 1: TID Plot Plan

Exhibit 2: Public Parking Plot Plan

Exhibit 3: Continuing Guaranty (Limited)

CONTINUING GUARANTY (LIMITED)

Dated April __, 2004

GUARANTY. For value received, and to induce the City of West Allis, Wisconsin ("Lender") to grant credit to WHITNALL-SUMMIT COMPANY, LLC ("Debtor"), subject to the limitations set forth below, the undersigned, Richard G. Carlson and Sandra K. Carlson ("Guarantors") guarantee payment of the Obligation defined below when due or, to the extent not prohibited by law, at the time Debtor becomes the subject of bankruptcy or other insolvency proceedings. "Obligation" means the Summit Place Business Park Development Agreement and all other debts, obligations and liabilities of every kind and description, whether of the same or a different nature, arising out of credit contemporaneously granted or credit granted in the future by Lender to Debtor in accordance with the terms and conditions of the Summit Place Business Park Development Agreement as contained therein. Obligation includes interest and charges less the amount of any payments made to Lender or another by or on behalf of Debtor which are recovered from Lender by a trustee, receiver, creditor or other party pursuant to applicable federal or state law, and to the extent not prohibited by law, all costs, expenses and attorneys' fees at any time paid or incurred before and after judgment in endeavoring to collect all or part of any of the above, or to realize upon this Guaranty, or any collateral securing any of the above ("costs of collection"). No claim, including a claim for contribution or subrogation, which the Guarantors may have against another guarantor of any of the Obligation or against Debtor shall be enforced nor any payment accepted until the Obligation is paid in full and no payments to or collections by Lender are subject to any right of recovery excepting therefrom any amounts in excess of Lender's full compensatory damages. To the extent not prohibited by law, this Guaranty is valid and enforceable against the undersigned even though any Obligation is invalid or unenforceable against Debtor.

NOTICE. Lender shall give notice to Guarantors of the creation of any future Obligation, default under any Obligation, proceedings to collect from Debtor, another guarantor, or anyone else, and all diligence of collection and presentment, demand, notice and protest.

CONSENT. With respect to any of the Obligation, the Lender may from time to time with notice to Guarantors but without affecting the liability of the Guarantors, (a) surrender, release or agree not to sue any other guarantor or surety, (b) fail to realize upon any of the Obligation or to proceed against the Debtor or any guarantor or surety, (c) renew or extend the time of payment (d) increase or decrease the rate of interest, (e) accept additional security or collateral, (f) determine the allocation and application of payments and credits and accept partial payments, and (g) settle or compromise the amount due or owing or claimed to be due or owing. To the extent not prohibited by law, Guarantors consent that venue for any legal proceeding relating to the collection of the Guaranty shall be in the State of Wisconsin, Milwaukee County and this Guaranty shall be interpreted and governed by the laws of the State of Wisconsin.

REPRESENTATIONS. Guarantors acknowledge and agree that Lender (a) has not made any representations or warranties with respect to (b) does not assume any responsibility to the undersigned for, and (c) has no duty to provide information to the Guarantor regarding, the enforceability of any of the Obligation or the financial condition of any Debtor or guarantor. **Guarantors have independently determined the credit worthiness of Debtor and the enforceability of the Obligation and until the Obligation is paid in full will independently and without reliance on Lender continue to make such determinations.**

ENTIRE AGREEMENT. This Guaranty is intended by the Guarantors and Lender as a final expression of this Guaranty and as a complete and exclusive statement of its terms, there being no conditions to the full effectiveness of this Guaranty. This Guaranty may not be supplemented or amended except in writing.

PERSONS BOUND. This Guaranty benefits Lender, its successors and assigns, and binds the Guarantors, their respective heirs, personal representatives, successors and assigns.

LIMITATIONS. The amount of liability under this Guaranty is limited to \$3,200,000.00, plus costs of collection.

TERMINATIONS. This Guaranty shall terminate upon the earlier of the equalized taxable value of the property located at 6609R-6745 W. Washington St exceeds \$22,500,000, or payment in full of -the Obligation and satisfaction of the terms thereunder.

NOTICE TO GUARANTOR

You are being asked to guarantee a limited amount of the present and future Obligations of the Debtor. If the Debtor does not pay, you will have to. You may also have to pay collection costs. The Lender can collect the Obligations from you without first trying to collect from the Debtor or another guarantor.

Richard G. Carlson

Sandra K. Carlson

For Wisconsin Married Residents Only: Each guarantor who signs above represents that this obligation is incurred in the interest of his or her marriage or family.

STATE OF WISCONSIN)
)
MILWAUKEE COUNTY)

Personally came before me, the above-named Richard G. Carlson and Sandra K. Carlson, this ____ day of April, 2004, to me known to be the person who executed the foregoing instrument and acknowledged the same.

Notary Public, State of Wisconsin
My Commission is Permanent.

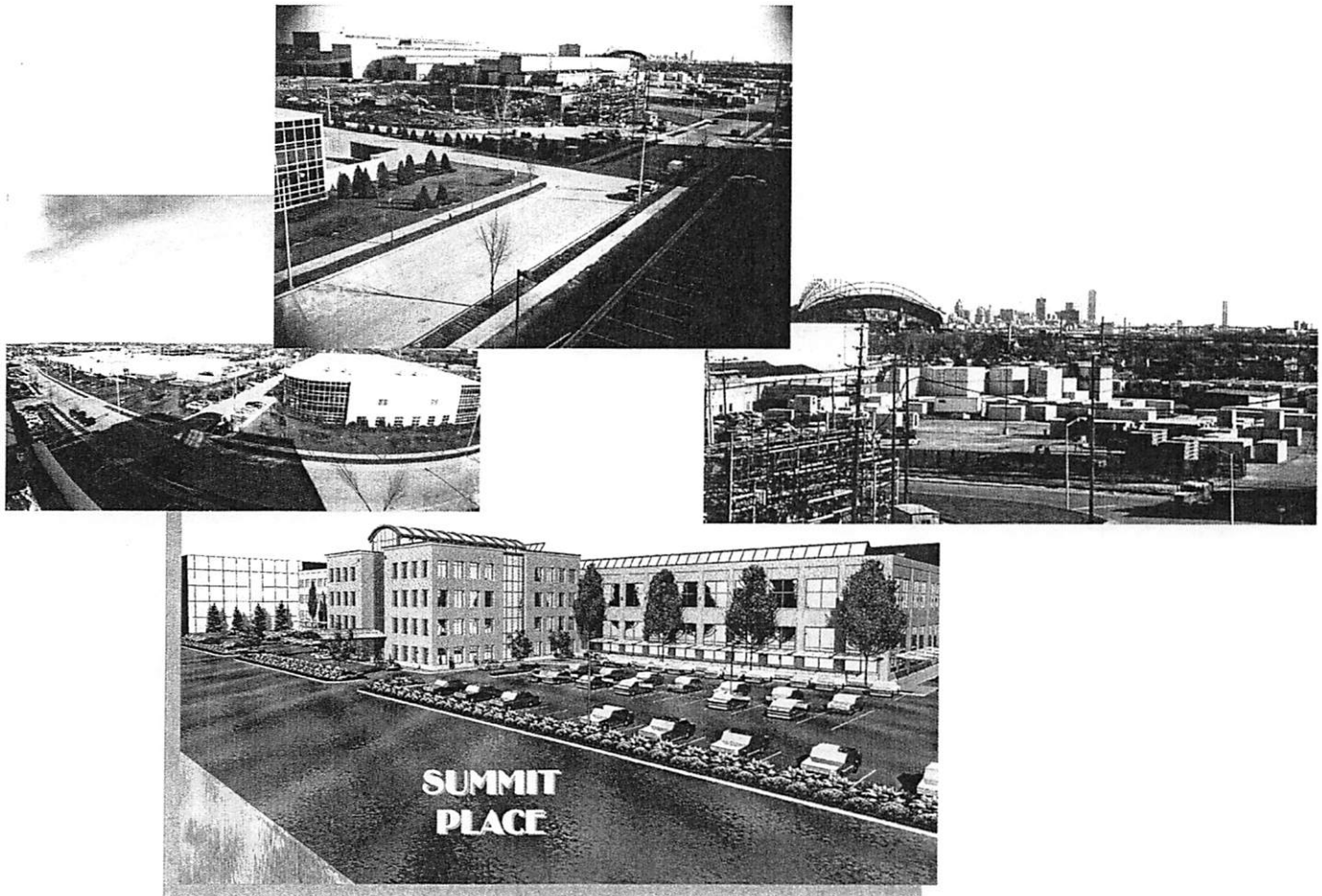
TAX INCREMENTAL DISTRICT NUMBER SEVEN

CITY OF WEST ALLIS

PROJECT PLAN

SUMMIT PLACE BUSINESS PARK

(Former Allis-Chalmers Manufacturing Complex)



Prepared by:
Department of Development
City of West Allis

For Public Hearing January 13, 2004

Last Revision date as of: 1.21.04

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EXECUTIVE SUMMARY

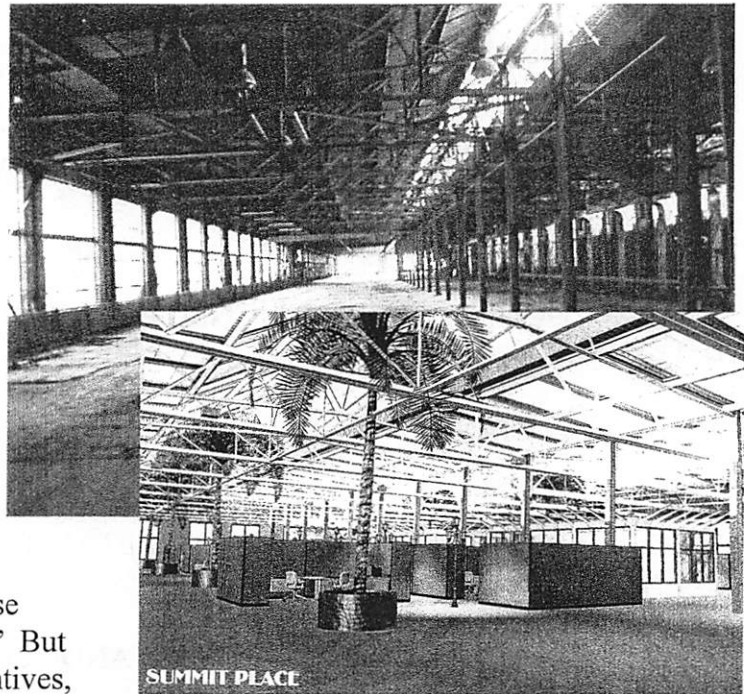
With vistas overlooking Miller Park and the Milwaukee Skyline, and showcasing a panoramic view of the western suburbs, the former Allis-Chalmers Mfg. Complex is both a symbolic and tangible summit of West Allis redevelopment.

Tax Incremental District No. Seven is designed to encourage the revitalization of the last two undeveloped vacant and dilapidated former Allis-Chalmers Mfg. Co. properties; (1) the deteriorating Shop Buildings (about 7.8 acres of vacant warehouses) south of W. Washington St. and, (2) an obsolete Utility Corridor (10.7 acres) on the north side of the street. These two underutilized resources, in their current state, continue to foster blighting influence on the area, provide little if any property tax relief and produce virtually no employment.

Historically, there have been two major barriers that make further redevelopment virtually impossible -- lack of parking and lack of available financing.

A fairly aggressive and unique Public Private Partnership is proposed that offers a redevelopment package, requiring the least amount of public funding, to remove these current barriers to private redevelopment. This package will also allow the city to achieve the highest amount of property tax relief and greatest potential for creation of family supporting jobs.

The guiding policy behind these initiatives is the "but for Test." But for these public financial incentives, the new additional redevelopment would not take place, or would not have taken place in the foreseeable future.



For the City of West Allis and Milwaukee County, the legacy of Allis-Chalmers could be a one-of-a-kind office facility that would be the second largest office complex in the Metro Milwaukee area. This campus of one new building and three renovated buildings can accommodate near-term office requirements and future growth totaling over 650,000 sq. ft., provide nearly \$1,400,000 in new annual property taxes and allow for the creation

of over 2,600 jobs.

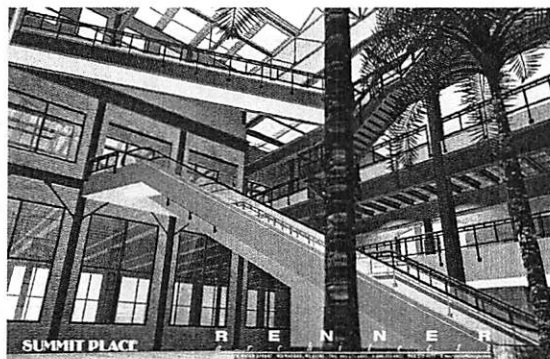
Time has demonstrated that these remaining, undeveloped areas are extremely difficult to redevelop. These areas are the last to be developed because of their economic obsolescence, substantial deterioration and dilapidation, prevailing blighting influences, environmental challenges, private market conditions, and the tremendous amount of time and capital needed to complete the project.

This Tax Incremental Financing (TIF) Plan describes four scenarios for dealing with these last remaining undeveloped properties and the barriers that hold private redevelopment back. The first two scenarios are described to give perspective and vision to scenarios three & four (which are the proposed action steps) and the resulting future scenario of the redevelopment project.

1. The Do Nothing Strategy. The first scenario would be the continuation of the same strategy since the Allis-Chalmers bankruptcy in 1986. The carved out taxable value of the Shop Buildings and the Utility Corridor is less than a half-million dollars, pays about \$13,100 in property taxes and provides virtually no jobs.

2. The Reinvestment Incentive Strategy. This second scenario has provided a \$300,000 Deferred Payment Loan from the Wisconsin Department of Commerce Brownfield Grant Program to the developer to induce the start of the restoration process. This strategy has produced the start of new construction of a four-story, first-class “front door” (now referred to as Building 1) and the 25,000 sq. ft. of renovation of the first of the three Shop Buildings (now referred to as Building 2). This strategy is providing an additional or incremental increased taxable value of \$4,700,000, which will yield \$125,200 in new property taxes and will generate approximately 260 new jobs.

How the redevelopment of all the remaining Shop Buildings is achieved by removing the barriers of lack of available parking and lack of available financing, as noted above, is the subject of this TIF Plan and the focus of scenarios three and four.



3. The Parking Lot Development Strategy. At the completion of the second scenario there will be available parking for only another 10,000 sq. ft. of renovation. The third scenario provides the development of two parking lots at an estimated cost of about \$2,000,000. This initiative provides for assembly of land and construction of surface parking lots that could accommodate approximately 1,500 vehicles. This third scenario would provide a further increase in taxable value in the vicinity of \$18,800,000, an

additional \$500,000 in annual property taxes and approximately of 940 additional new jobs. The property tax increment from this strategy alone would amortize the TIF costs in 16 years.

4. Access To Capital Strategy. The fourth scenario allows for making available up to a \$2,000,000 Deferred Payment Loan to induce the developer to substantially accelerate reinvestment in building improvements. With west suburban office vacancy rates at 25%, fierce competition for credit-quality tenants and a lending community holding back capital in this precariously tight market it is extremely hard to get access to capital.

The developer is proposing that if the TIF District provides an additional \$2.0 million deferred payment loan, the developer would agree to assume, as an additional loan, of \$1.25 million of the (\$2.0 million) parking lot development cost, and thereby guaranteeing the TIF debt service repayment of a \$3.25 million deferred payment loan.

This fourth scenario would provide a further increase of the office complex by another 150,000 sq. ft. and another \$12,000,000 in taxable value, an extra approximately \$319,200 in annual property taxes, and the ability to produce 600 additional new jobs. The property tax increment resulting from undertaking the third and fourth strategies in consort would allow for the amortization of all TIF Project Costs in 13 years or 3 years less than the third scenario alone.

5. Resulting Future. As a continuing benefit of the above strategies the complex will include the 200,000 sq. ft. Building D, which will ultimately increase the development to an office complex of 650,000 sq. ft., provide nearly \$1,400,000 in new annual property taxes and allow for the creation of over 2,600 jobs.

CONCLUSION: This proposed Tax Incremental Financing Project Plan has been structured so that the two major initiatives of parking lot development and access to capital incremental scenarios can be explored to readily determine the potential effect and risk of each proposed initiative. Each of the last two scenarios has varying degrees of future risk (cost) and resultant rewards (increased tax base, annual property tax and job creation).

Some people will say West Allis cannot afford the cost of redevelopment. Others will say West Allis cannot afford not to redevelop.

The following charts briefly compare all four scenarios potential risks and rewards from both perspectives. Chart I analyzes from an accumulative results perspective, the public cost, the effect of that strategy on the property tax base, resulting property tax generating capacity, and job creation potential of each of the four scenarios. Chart II provides essentially the same information but on an incremental basis which are as follows:

CHART I
ACCUMULATIVE RESULTS

Scenario	RISKS		REWARDS				
	Strategy	Public Cost	Office Sq. Ft.	Taxable Value	Annual Taxes	TIF Years	Job Creation
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,100	0	few
Scenario No. Two	Reinvestment Incentive	\$300,000	65,000	\$5,700,000	\$138,300	0	260
Scenario No. Three	Parking Lot Development	\$2,725,000	300,000	\$24,500,000	\$638,400	15	1,200
Scenario No. Four	Capital Loan	\$4,725,000	450,000	\$36,500,000	\$957,600	13	1,800
Resulting Future			650,000	\$52,500,000	\$1,396,500		2,600

CHART II
INCREMENTAL RESULTS

Scenario	RISKS		REWARDS				
	Strategy	Public Cost	Additional				
			Office Sq. Ft.	Taxable Value	Annual Taxes	TIF Years	Job Creation
Scenario No. One	Do Nothing	\$0	0	\$500,000	\$13,300	0	few
Scenario No. Two	Reinvestment Incentive	\$300,000	65,000	5,200,000	\$138,320	0	260
Scenario No. Three	Parking Lot Development	\$2,425,000	235,000	18,800,000	\$500,080	15	940
Scenario No. Four	Capital Loan	\$2,000,000	150,000	12,000,000	\$319,200	13	600
Resulting Future			200,000	16,000,000	\$425,600		800
Total		4,725,000	650,000	52,500,000	1,396,500	13	2,600

RECOMMENDATION: The TIF Plan, as presented, is financially feasible and would be of tremendous benefit to the stability of the future tax base and long-term economic vitality of the City of West Allis and Milwaukee County. This redevelopment package provides for the minimum inducement necessary to catalyze the developer into an aggressive and massive five year capital reinvestment program within one of this city's most historical hallmark structures.

West Allis is on the verge of turning one of our oldest commercial neighborhoods into a shining example of industrial redevelopment, economic revitalization, creating quality jobs and effectively recreating a world-class urban center.

I. INTRODUCTION

This document is the Project Plan ("Project Plan") for Tax Incremental District Number Seven, City of West Allis (the "District"). This Tax Incremental District (TID), often referred to as Tax Incremental Financing (TIF) Project Plan has been prepared in conformance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law").

The District consists of seven parcels located within approximately 63.5 acres of land comprising the major remaining industrial complex of the former Allis-Chalmers Mfg. Co. The goals, objectives and strategies set forth in the Project Plan are consistent with those of the District.

The Project Plan, as approved by the Mayor and Common Council, will be implemented by the Community Development Authority (the "Authority") of the City of West Allis,

II. STATEMENT OF BOUNDARIES

The District is approximately bounded on the **west** generally by about the S. 6700 block; on the **north** by the West Allis city limits; on the **south** generally by Greenfield Ave.; and on the **east**

generally by S.

63rd Street. A

map of the

District is

reproduced on the

following page.

The legal

description for the

District is

attached as

Exhibit No. 1 -

Legal Description.

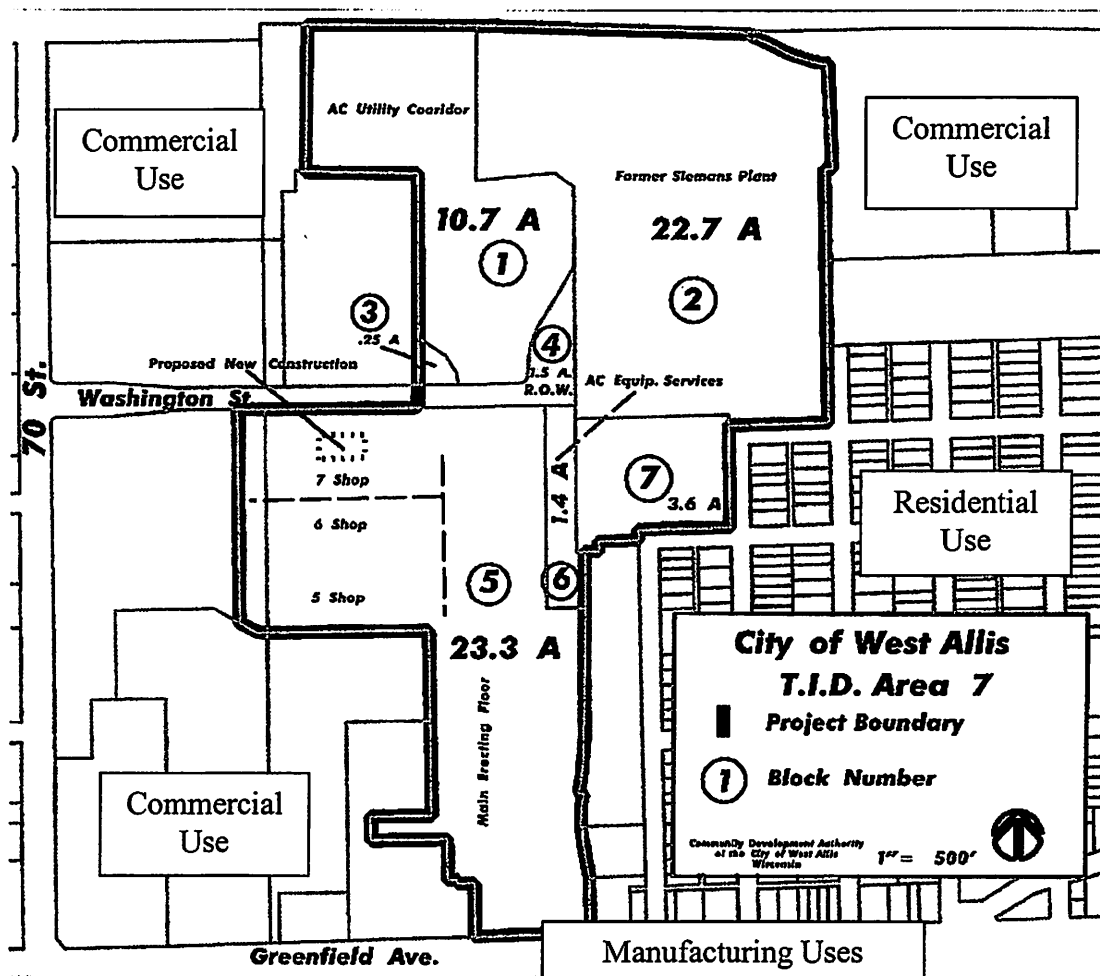
The total area of
the District is

approximately 63.45 acres, which includes 1.5 acres of public roads.



The following project boundary map depicts more clearly the precise limits of the District.

Map No. 1 – Project Boundaries



III. PROJECT DESCRIPTION

The activities of the District are designed to encourage redevelopment of the former Allis-Chalmers Manufacturing Complex through a comprehensive series of steps needed to return the site to optimum reuse. Next to the community's children, one of the most valuable resources West Allis has is land. The city, being fully developed, can only look inward for any hope of future property tax relief and new job opportunities.

The city must explore the redevelopment of underutilized assets for adaptive reuse and must encourage the restoration of buildings and structures that will add to the tax base and stimulate business activity. The following four scenarios show the building blocks to removing the barriers to private redevelopment.

1. Doing Nothing Strategy:

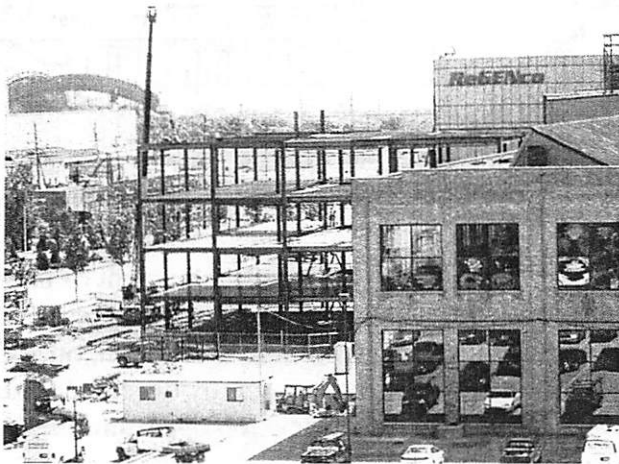
Do nothing is always an option. The “Doing Nothing Strategy” has essentially been the strategy since the bankruptcy in 1986. This strategy has yielded vacant and deteriorating Shop Buildings (the entire Whitnall Summit parcel is 23.3 acres, of this amount 7.8 acres is attributable to the Shop Buildings) and 10.7 acres to an obsolescent Utility Corridor. These two underutilized resources continue, in their current state, to foster blighting influences on the area and produce little, if any, property tax relief. Both land masses, if combined today, would cover about 18.5 acres and yield taxable values totaling no more than about \$500,000. This limited value generates only about \$13,100 in annual property taxes and virtually no jobs.

Whitnall Summit LLC attempted to co-venture with a major local real estate developer several years ago to redevelop this property. After reviewing the projected cash flow and resulting rates of return, this developer declined the investment opportunity. This developer further advised Whitnall Summit LLC that they would be better off to lease the first floor warehouse as is with minimal additional reinvestment.

This was Whitnall Summit LLC’s intended course of action until the City offered an incentive to peak their interest in reinvestment.

2. Incentive to Reinvest Strategy:

In an effort to start the revitalize the vacant former Allis-Chalmers Mfg Shop Buildings, the City of West Allis obtained a Brownfield Grant from the State of Wisconsin



Department of Commerce to encourage Whitnall Summit LLC to convert these obsolescent manufacturing buildings into a modern office complex.

With the City providing a \$300,000 Deferred Payment Loan from the Brownfield Grant Program, Whitnall Summit LLC commenced redeveloping one of the Shop Buildings. These historic buildings have served West Allis well for almost a century, but need substantial reinvestment to “retool” them to compete in the high technology office world of the 21st Century.

This initial project involves the construction of a four-story, 40,000 square foot, new office building, and the redevelopment of 25,000 square feet of the historic former Allis-

Chalmers Manufacturing “Shop Buildings” into office space.

The project would not have been undertaken unless the financial incentive was provided that make this additional private financing an attractive investment decision.

It is estimated that the new building (Building No. 1) and the renovated portion of the first Shop Building (Building No. 2) will house an additional 260 office workers. The reinvestment is projected to increase the existing taxable value by \$4.7 million and to provide an additional \$125,200 in annual tax relief for the citizens of West Allis.



3. SCENARIO NO. THREE – Provision of Additional Parking Spaces Strategy:

The initial 65,000 sq. ft. office development noted above will require nearly 300 parking spaces. The Whitnall Summit manufacturing building complex does not have a sufficient number of on-site parking spaces to support conversion of the remaining former Allis Chalmers Buildings into an office complex.

Fully developed, Summit Place will need to offer a parking ratio of over 4 parking spaces for each 1,000 sq. feet of office space. Many high tech companies will specify minimum requirements of a parking ratio of 6 to 8 parking spaces per 1000 sq. feet of office. For the conversion to office space to continue, additional parking spaces will need to be developed off site, as well as additional indoor parking.

Summit Place will need to provide additional parking spaces to meet the normal parking requirements for an office facility. Current projections are that the total development will need to deliver about 1,500 additional parking spaces.

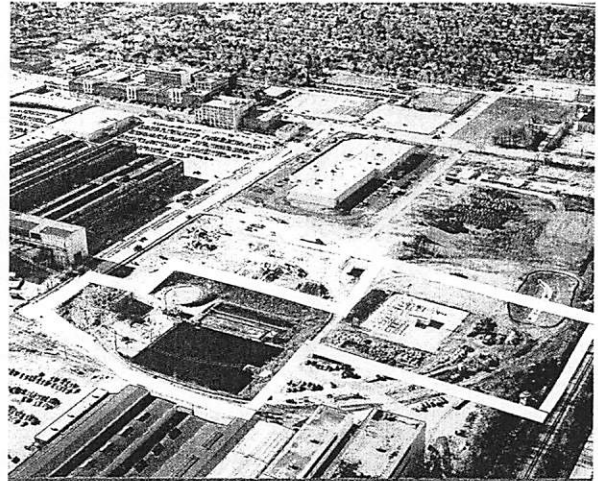
A key concept of this initiative is that for every square foot of indoor space that is converted to parking space, there is resulting loss of higher producing office space, in terms of both jobs and property taxes.

For every 50,000 square feet of warehouse that can be converted to office and not require the use of 160 indoor parking spaces, the taxable value of the total development can be increased by \$4.0 million and receive over \$100,000 per year in additional property tax payments plus the potential for 200 more jobs.

The areas that offer two unique venues for providing additional parking facilities are the Allis-Chalmers (A-C) Utility Corridor and the landmass immediately east of S. 66th and W. Washington Sts.

A. Public Utility Improvements:

The 10.7-acre former Allis-Chalmers Utility Corridor, directly across the street and north of Summit Place, is currently owned by the A-C Reorganization Trust (A-C Trust). The A-C Trust and the Wisconsin Department of Natural Resources (DNR) have agreed to expend about \$1.3 million for site improvements. These improvements include: (1) the construction of a state-of-the-art storm water retention facility; (2) any DNR-required environmental remediation of the site; and most importantly, (3) the relocation of the electrical transfer station and other structures. About 4 acres will be needed for the Storm Sewer facility, which will allow the balance of 6.7 acres available for development of parking facilities.



In a wide-ranging agreement with the A-C Trust, in exchange for the City assuming future operations of the storm water reservoir system, the A-C Trust will deed the parcel to the City of West Allis. The storm sewer fees, which can then be charged to abutting properties, will pay for all of the City's maintenance costs of the public utility.

B. Parking Facility # 1 – Private:

The frontage of this former A-C utility Corridor will accommodate the construction of an additional 300-car surface parking lot. The area around the new storm water retention facility could potentially accommodate about 200 additional parking spaces and the northernmost portion (north of the storm water retention facility) will have potential capacity for an additional 400 parking spaces.

In the summer of 2004, when the above utility reconstruction is completed, the plan is to transfer ownership of this site to Whitnall Summit LLC for development of a private parking lot. This new parking lot development would allow office development to expand an additional 225,000 sq. ft. The costs for the redesigned retention facility and the development of a 900 vehicle surface parking lot are currently estimated at about \$1,000,000.

C. Private Building Improvements:

The developer is already investing \$5,600,000 for the initial 65,000 of new construction and renovation of office space. Under this strategy the developer will commit to investing an additional \$18,400,000 for an additional 235,000 Sq. ft. of office space resulting in about \$489,400 annual property tax revenues.

D. Parking Facility # 2-a Public: and

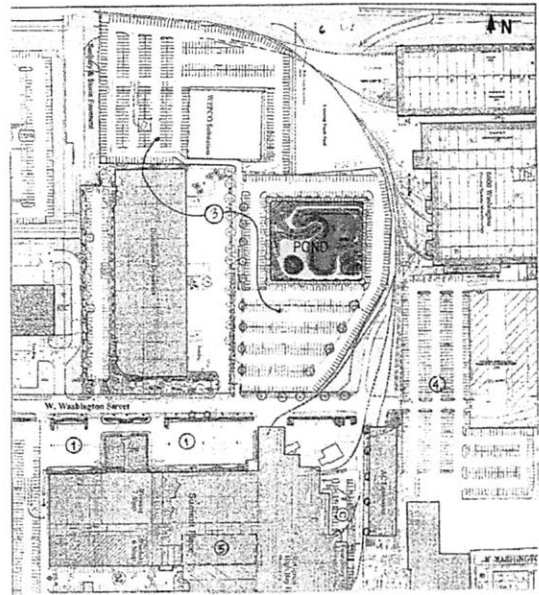
E. Parking Facility # 2-b Public:

The next problem is finding more available land on which to build the additionally needed parking. At the east end of West Washington Street in West Allis, at approximately 6600 West Washington, are the surfacing parking lot for the former Siemen’s plant (D. Parking Facility # 2-a Public) and, immediately south of that, is a large parcel owned by Motor Castings Company, a/k/a Standard Ductile & Grey (E. Parking Facility # 2-b Public).

The City has a framework agreement with 6600 Washington LLC and Motor Castings for the assembly of portions of their existing properties for the development of a Public Parking Lot. Approximately 4.2 acres from 6600 Washington LLC (the former Siemen’s Building) and Standard Ductile & Grey (Motor Castings) may need to be assembled.

The City would develop approximately 600 public parking stalls.

6600 Washington LLC would no longer own the current industrial parking lot immediately south of their existing building. However, both 6600 Washington LLC and Motor Castings could use the public parking and claim availability of adequate parking for any future expansion plans. All property owners within 800 feet of this parking lot and their tenants could use the public parking area and could count these parking stalls in meeting any city code parking requirements.



These adjacent property owners would participate in the operating costs for the public parking lot – maintenance, snow plowing, lighting, etc. on a practical, anticipated-use basis, including a Payment-In-Lieu-Of-Taxes (PILOT) with an allocation formula to be

developed in joint agreement with the adjacent property owners. Most likely a Business Improvement District (BID) or Parking Assessment District would be established.

This voluntary District will be created by the following four businesses; (1.) Whitnall Summit LLC, (2.) 6600 Washington LLC (the former Siemen's property, (3.) A-C Equipment Services, and 4.) Motor Castings. The purpose of the BID will be to fund and manage the annual and long-term operations and maintenance cost of the parking lot. This will ensure that the City of West Allis does not incur incremental operating costs nor lose any existing property taxes as a result of the new public parking lot.

The Public Parking lot would primarily serve the following properties and allow for facility expansions:

- 6600 Washington LLC: Now owns a portion of the land that would be purchased for the Public Parking lot development. The owner could still expand their facility because of there near proximity to a public parking lot.
- A-C Equipment Services: Would like to add a \$700,000 expansion to existing industrial building, but lack of available parking will not allow this potential manufacturing expansion. With a public parking lot within 800 feet, their expansion could proceed.
- Motor Castings: Minimal use, but would probably use as a result of future building expansion.
- Whitnall Summit LLC: As the largest planned development this lot would allow their office development to grow an additional 150,000 sq. ft. resulting in approximately \$12,000,000 in new taxable value.

Current parking on existing Whitnall Summit LLC property allows for only building out approximately 31,000 square feet of office space beyond the new 44,000 sq. ft. office building.

Without the above parking availability of additional parking in 2004, and with the banking constraints for Whitnall Summit it has been estimated that it would take well in excess of 10 more years to achieve the potential of an additional 150,000 square feet of office redevelopment.

The reason for creating a public parking lot vs. a privately owned lot is twofold. The first is a lack of privately owned land available for sale. The second reason is to help in a more realistic manner, the high parking ratio demands of high tech companies. The costs for the acquisition and surfacing of the parking lot are currently estimated at about \$1,000,000.

F. Commuter Bike and Pedestrian Trail:

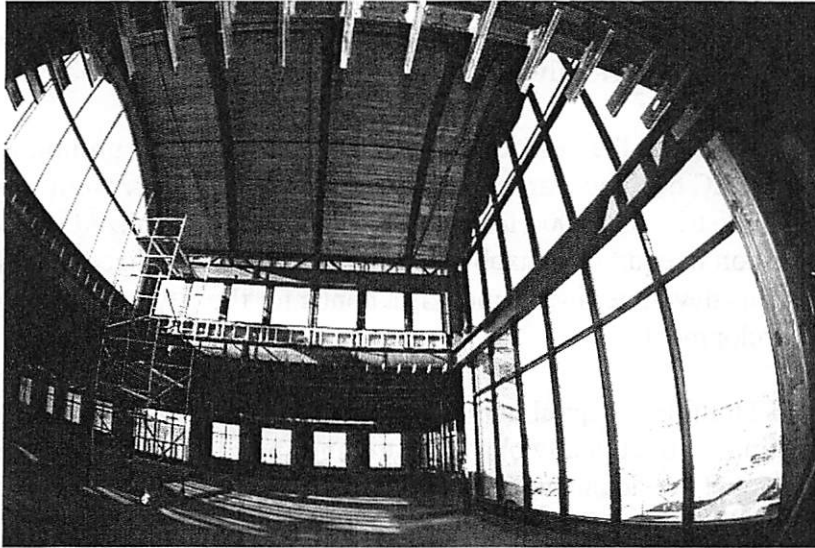
As part of any urban renaissance there is a compelling need to ensure connectivity between residential and commercial neighborhoods. This trail will provide for pedestrian walkway and bike path circulation between workers and employment centers.

Additionally plans will include the acquisition of 5 feet along the south edge of 6600 Washington LLC property adjacent to the Motor Casting property, and about 5 feet along the same line from Motor Castings for a public “bike to work” path development. The project would provide for the installation of a surfaced path and an appropriate fence on both sides of the pedestrian and “bike to work” commuter bike trail.

The cost for the construction of the Commuter Bike and Pedestrian Trail is currently estimated at about \$150,000.

4. SCENARIO NO. FOUR – Access To Capital Strategy:

The Summit Place I proposal presents a phenomenal new job creation opportunity. According to the Urban Land Institute “Real Estate Market Analysis 2001”, a rule of



thumb for office employment is 200 – 250 square feet per employee. Using 250 sq. ft. per employee, this development could ultimately generate somewhere in the neighborhood 2,600 full-time employees. However, this one-of-a-kind opportunity requires not only a huge increase in parking

requirements but also, and more importantly, a much more expansive private investment demand to meet tenant improvement specifications and lender requirements.

Private Building Improvements: As noted previously under scenario three the developer is committing to a total investment package of \$24 million.

Under scenario four, if the TIF District provides a \$2 million deferred loan, the developer would invest an extra \$12.0 million development, on an accelerated as opposed to a long

term, sequential phased basis. The targeted completion date, for the total investment of \$36,000,000 on an accelerated basis, would be as soon as January 1, 2009.

However, with the west suburban office vacancy rates at 25%, fierce competition for credit- quality tenants and a lending community holding back on lending access to capital is extremely tight and is the principal obstacle to future growth.

As a result, the developer would to guarantee the TIF District debt service on project costs predicated upon the TIF District providing a capital loan on a deferred payment basis of \$2.0 million.

As previously noted Scenario No. Three proposed a public investment of \$2.0 million for the construction of two Parking Lots with Tax Incremental Financing funding and the guarantee of the debt service. The developer is proposing that if the TIF District provides an additional \$2.0 million Deferred Capital Loan, the developer would agree to assume an additional loan of \$1.25 million of the (\$2.0 million) parking lot development cost, thereby guaranteeing the repayment of a \$3.25 million deferred payment loan. The loan would be required to be amortized over 10 years at a market rate of interest and would not start amortizing until January 1, 2009. As an incentive to speed up development after a benchmark of \$22.5 million in equalized taxable value is reached, for every additional \$1.0 million in equalized taxable value that is achieved, \$250,000 of the \$3.25 million loan would be forgiven.

As a further inducement to the District to make the additional \$2.0 million loan, should Whitnall Summit LLC become extremely successful, the developer would agree to reimburse the TIF district \$100,000 for every \$1.0 million of equalized taxable value that is over \$32.5 million in equalized taxable value up to a total equalized taxable value of \$52.5 million. This developer inducement is a bonus for the city by participating in the upside of the development.

This additional \$2.0 million capital investment by the District will create the impetus to remove the remaining, functionally obsolete buildings by accelerating redevelopment investment. As noted previously with current market conditions yielding 25% vacancy rates in the West Allis – West Suburban office markets, the financial community is slow injecting additional capital into the West Allis office development market.

As envisioned, Summit Place is far from a ubiquitous suburban office development. Rather, it is a series of historic buildings, each with their own unique aesthetic characteristics, including ceiling heights from 9 feet to over 26 feet, 17-foot high windows, floor plates of up to 83,000 sq. ft., skylights 570 feet long and column-free spaces 300 x 72 ft. Throughout, there are exposed brick walls and heavy steel trusses and framing, reminders of the facility's past contributions to the industrial revolution. These attributes, combined with an ideal length-to-height ratio on most floors, make Summit

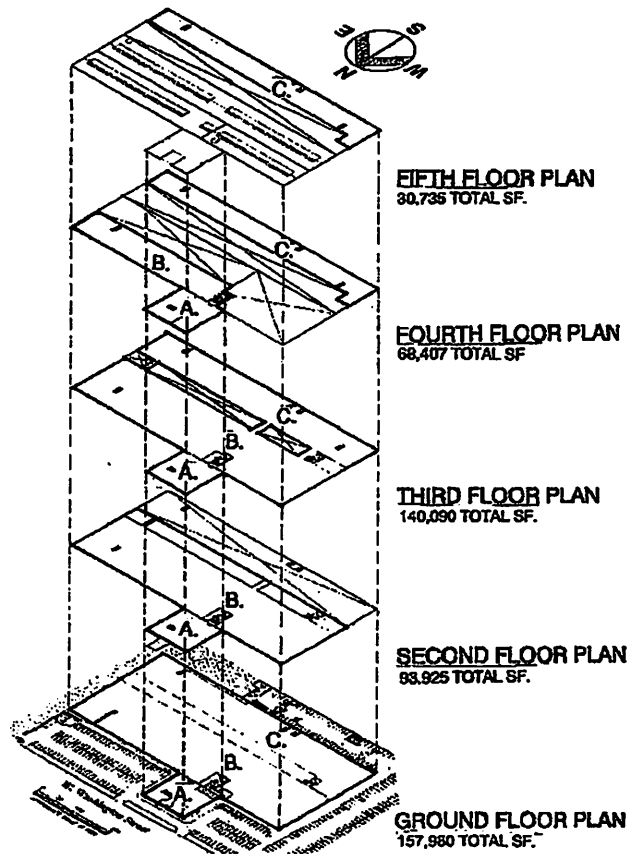
Place a perfect medium for a cutting edge redevelopment to create a signature facility.

The additional \$2.0 million loan is designed to further accelerate and increase the size of the total Summit Place Project

The proceeds of the additional \$2.0 million capital loan would be restricted to financing building renovation costs such as cost for additional infrastructure for insert floors, elevators, rest rooms, windows, architectural fees, financing expenses, etc. Without the accelerated development, infrastructure implementation to expand development beyond 300,000 square feet would not be possible until sometime beyond the next ten to fifteen-year time horizon. Scenario No. Four proposes to bring on to the tax levy a 450,000 office facility in the next five years.

Scenario No. Four provides an opportunity to create a bold new look for West Allis, offering the prospect for substantial property tax relief and has the ability to offer a large number of family-supporting jobs.

The costs for Scenario No. Four's proposed \$2.0 million Deferred Capital Loan to the developer is \$2,000,000. Under the above proposal, the life of the TIF District would be thirteen years. This would ultimately generate about \$835,000 in new annual property tax payments. As a note of interest, the payoff time is three years less than Scenario No. Three.



5. Resulting Future:

As a direct result of all the above incentives an additional future redevelopment of 200,000 sq. ft. with another investment of \$16,000,000 would be possible.

For the City of West Allis and Milwaukee County, the legacy of Allis-Chalmers could be a one-of-a-kind office complex that would be the second largest office complex in the

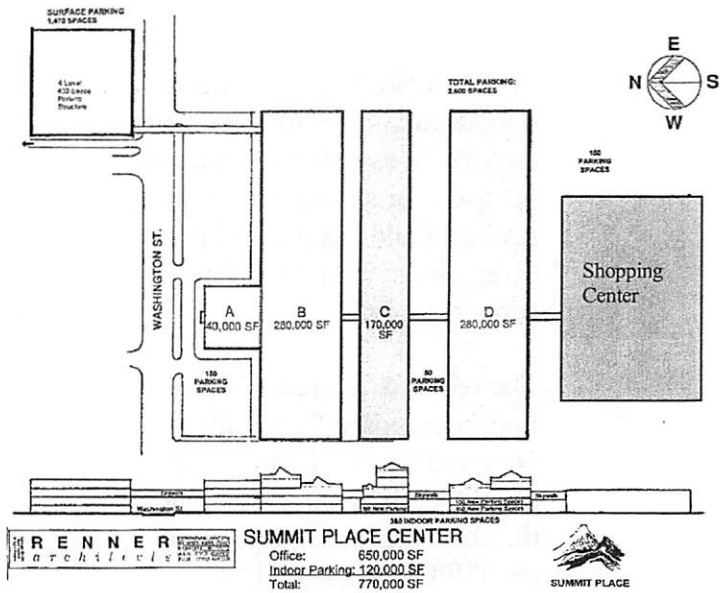
Metro Milwaukee area. This four-building campus could accommodate near-term office requirements and growth to over 650,000 sq. ft.

In the overall marketing outlook, with the potential of adding Building D to the Summit Place complex, adding one or two new insert floors and providing one or two floors of indoor parking, the total project could grow to 650,000 sq. ft.

The owner of Summit Place (Whitnall Summit LLC) is a successful industrialist and a visionary real estate developer. In West Allis this developer has redeveloped over 900,000 square feet in manufacturing space and has renovated over 400,000 square feet in office facilities.

The district has the opportunity for another enormous economic development impact, resulting in the potential creation in excess of \$52 million in taxable value, generating nearly \$1,400,000 in annual new property taxes, and providing for the placement of nearly 2,600 new jobs.

The proximity of this development to Downtown West Allis and the Farmers Market Redevelopment Area will also augment revitalization efforts by providing an additional potential customer base of office workers for downtown businesses and stronger nearby residential demand.



IV. PROJECT PLAN GOALS AND OBJECTIVES

The creation of the District promotes the orderly development of the City as follows:

Goals:

1. To increase the economic vitality of the neighborhood by eliminating blighted, underutilized property and by encouraging new private/public development compatible with the high-density commercial and manufacturing land uses in the project's vicinity.
2. To broaden the property tax base of the community.

3. To directly serve to rehabilitate or conserve the area.
4. To eliminate blight and prevent the development and spread of blighted areas.

Objectives:

1. Eliminate vacant, underutilized, obsolescent and deteriorating buildings, blighting influences and environmental deficiencies.
2. Support the adaptive reuse and rehabilitation and conservation of buildings and structures that will add to the tax base of the City of West Allis and stimulate business activity in this part of the City.
3. Assemble land into parcels functionally adaptable with respect to shape and size for disposition and redevelopment in accordance with development needs and standards.
4. Provide for the orderly physical and economic growth of the District through incentives to encourage redevelopment that would not have otherwise occurred.
5. Foster economic development by providing facilities that generate new employment opportunities for City and Metropolitan Milwaukee residents.
6. Provide economic development loans and/or grants to qualified property owners and developers.
7. Provide project and site improvements, including the installation, construction, or reconstruction of streets, alleys, pedestrian ways, parking lots, utilities, streetscaping and other related improvements.

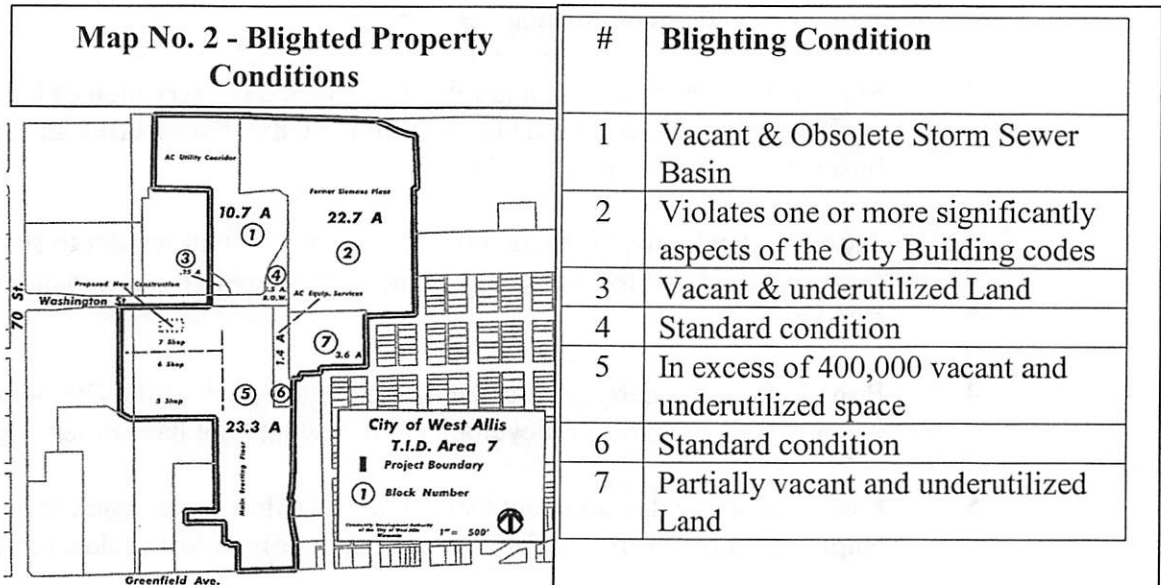
V. EXISTING LAND USES AND CONDITIONS IN PROJECT AREA

The creation of the District is necessary to eliminate and to prevent the spread of blight. Map No. 2 - Existing Property Conditions details the extent of blighted properties as shown below.

The District has experienced a decline in the years since the Allis-Chalmers Mfg. plant closed and many factors have contributed to limiting the sound growth of this area, as well as of the City of West Allis. The average increase in property values in the neighborhood has lagged substantially behind the City-wide average increase. As noted in Map No. 2 - Blighted Property Conditions, approximately 60.55 acres are in substandard condition and 2.9 acres are in standard condition. Therefore, well over 95 %, by area, of the real property within the District is in a blighted area or in need of

rehabilitation or conservation work, as defined in Section 66.1337 (2m) (b).

Improvement of the area is likely to significantly enhance the value of all other real property in the District. Therefore, it is hereby determined that the project area of the District is blighted within the statutory definition of a blighted area. Deterioration of the area will continue if appropriate actions are not pursued.



The District currently contains a mixture of land uses. These uses include manufacturing, commercial businesses, accessory buildings, and vacant / underutilized land and improvements.

VI. PROPOSED CHANGES IN PROJECT AREA LAND USES AND CITY ZONING ORDINANCE

It is anticipated that a commercial Planned Development District (PDD) will be considered for adoption, which will encompass virtually the entire project area.

The only major change that is planned that will affect the City Building Codes is the adoption and designation of the former Allis-Chalmers Manufacturing complex as being eligible for utilization of the State Historic Building Code as noted in the photo on the right.

Assembling parcels to facilitate private redevelopment and providing adequate



provisions for additional public and private parking facilities, commuter bike trail, private building and site improvements, storm water detention facilities and other public utilities is required to support the new land uses to be achieved by the Project Plan. As a result, a number of parcels (in whole or in part) will need to be assembled. The parcels to be acquired for this purpose are set forth in the attached Exhibit No. 4 Schedule Of Lands and Interest To Be Acquired.

VII. STATEMENTS OF PROPOSED PUBLIC WORKS AND IMPROVEMENTS

The following Table 1 - Project Plan Activities and Estimated Costs provides a description of the kind, number and location of all proposed public works and other improvements within the District.

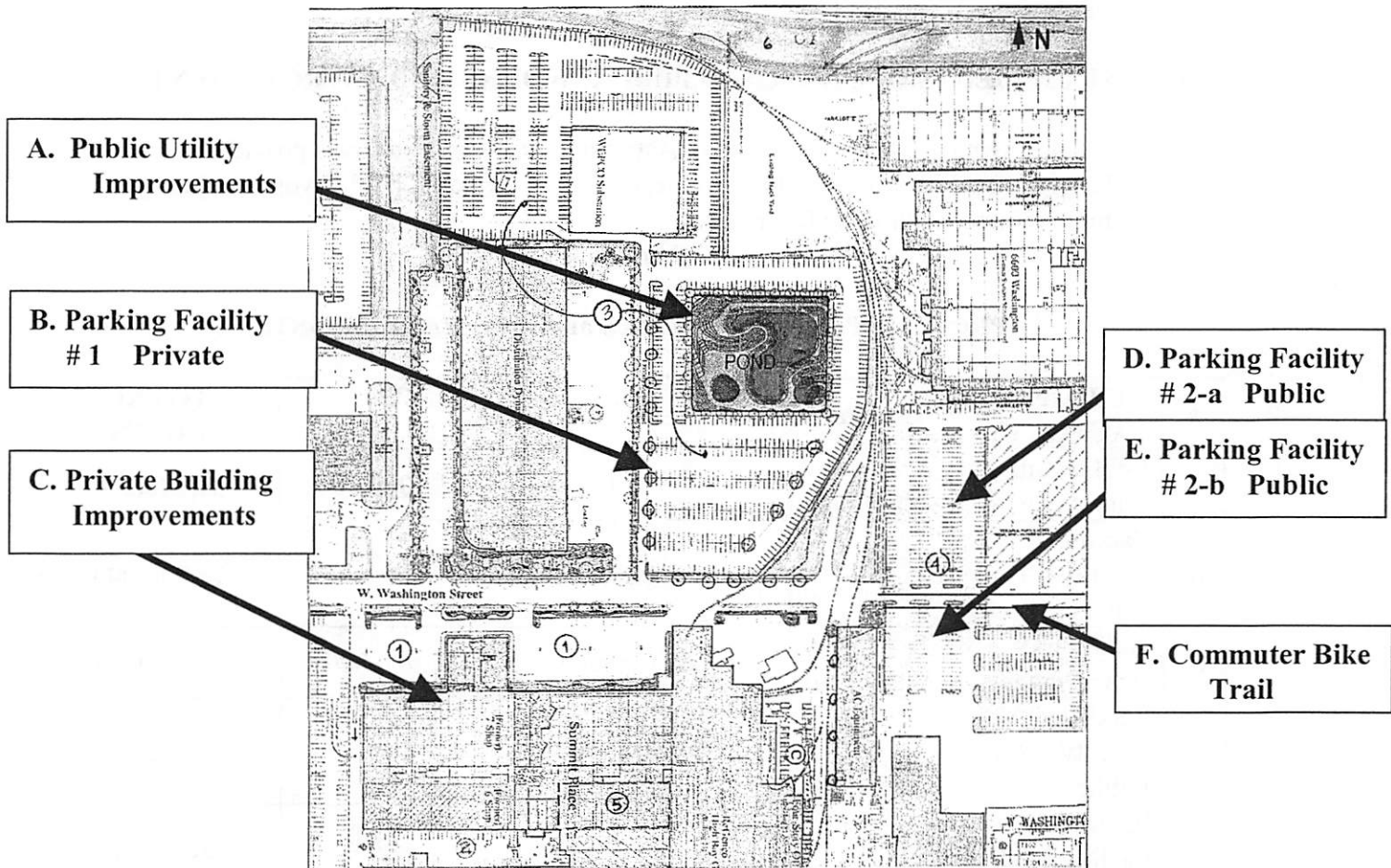
TABLE 1

PROJECT PLAN ACTIVITIES and ESTIMATED COSTS

#	PROJECT ACTIVITY	LOCATION	T.I.F.	NON-PROJECT	TOTAL COSTS
A.	Public Utility Improvements	6500 W. Washington St	\$0	\$1,300,000	\$1,300,000
B.	Parking Facility # 1 Private	6642 W. Washington St	\$1,000,000	\$0	\$1,000,000
C.	Building Improvements	6737 W. Washington St	\$2,000,000	\$27,900,000	\$29,900,000
D.	Parking Facility # 2-a Public	6600 W. Washington St	\$500,000	\$0	\$500,000
E.	Parking Facility # 2-b Public	66** W. Washington St	\$500,000	\$0	\$500,000
F.	Commuter Bike Trail	Between 6500 & 6600 Washington St	\$150,000	\$0	\$150,000
G.	Contingency	Project Plan	\$200,000	\$50,000	\$250,000
H.	Legal & Administrative	Project Plan	\$75,000		\$75,000
	Total Estimated Costs		\$4,425,000	\$29,250,000	\$33,675,000

The following Map No. 3 - Proposed Public Works and Improvements provides a locational description of the project activities within the District.

Map No. 3 - Proposed Public/Private Works and Improvements



The general location and extent of land needed for project improvements, public right of ways, easements, and conveyance for redevelopment in accordance with the uses, requirements and controls set forth in the Plan may be modified by the Community Development Authority of the City of West Allis at any time during the course of project execution to conform to specific redevelopment proposals, subject to approval by the Common Council.

VIII. ESTIMATED PROJECT COST

The project costs are directly related to eliminating blight and directly serving to rehabilitate or conserve the area consistent with the purpose for which the District was created. The costs included in this section are for the improvements shown generally as

to location on Map No. 3 - Proposed Public Works and Improvements. They are, without limitation, eligible project costs as defined under Section 66.1105 of the Wisconsin Statutes.

The City's policy for the use of these funds is to assist major redevelopment projects, which will generate additional property taxes (increment). The maximum amount of City participation in any private redevelopment project will be based upon the expected property tax increment to be generated by the redevelopment projects for a period no longer than 23 years pursuant to the Tax Increment Law.

Some of these costs may be contributions made under Section 66.1333 of the Wisconsin Statutes to the Community Development Authority in connection with its implementation of the Project Plan.

The Common Council may make those contributions pursuant to a Cooperation Agreement entered into with the Authority. The total project costs enumerated in the above Table No. 1 Project Plan Activities and Estimated Costs and capital costs revenues from land sales and other sources, as well as estimated financing costs, are further described in Exhibit No. 3 Economic Feasibility Analysis and Exhibit No. 2 Financial Condition Analysis. The Sources and Use of the Non-Project costs are as follows:

**TABLE 2
NON-PROJECT COST: SOURCES AND USES**

#	SOURCE	USE	AMOUNT
1.	A-C Reorganization Trust	A. Public Utility Improvements	\$782,000
2.	Wisconsin Dept. of Natural Resources (Storm Water Grant)	A. Public Utility Improvements	\$518,000
3.	Private Developer Investment	C. Building Improvements	\$27,900,000
4.	Wisconsin Dept. of Commerce (Brownfield Grant)	G. Contingency	\$50,000
5.	TOTAL		\$29,250,000

IX. PROJECT FINANCING AND TIMETABLE FOR EXPENDITURES

The project will be financed primarily through the sale of Taxable General Obligation (G.O.) Bonds, Tax Exempt G.O. Bonds, land sale proceeds, and federal and state grants

such as Wisconsin Department of Commerce Brownfield Grants and Wisconsin Department of Natural Resources Site Assessment Grants.

Due to the substantially lower interest rate on G.O. bonds, the anticipated tax increment revenue would be more than adequate to cover the total debt service. A cash flow analysis is provided in the Appendix as Exhibit No. 3 Economic Feasibility Analysis.

TABLE 3

EXPENDITURE SCHEDULE FOR PLAN IMPROVEMENTS								
PROJECT ACTIVITY	Total	2003	2004	2005	2006	2007	2008	2009
I. Uses of Funds								
A. Utility Improvement - Public	\$1,300,000		\$1,300,000					
B. Parking Facility # 1 Private	\$1,000,000		\$1,000,000					
C. Building Improvements-Private	\$29,900,000		\$5,900,000	\$8,000,000	\$8,000,000	\$4,000,000	\$4,000,000	
D. Parking Facility # 2-a Public	\$500,000		\$500,000					
E. Parking Facility # 2-b Public	\$500,000		\$500,000					
F. Commuter Bike Trail - Public	\$150,000		\$150,000					
G. Contingency - Public	\$250,000		\$150,000	\$100,000				
H. Legal & Administrative - Public	\$75,000		\$50,000	\$10,000	\$5,000	\$4,000	\$3,000	\$3,000
Total Uses of Funds	\$33,675,000	\$0	\$9,550,000	\$8,110,000	\$8,005,000	\$4,004,000	\$4,003,000	\$3,000
II. Sources of Funds								
1. Developer Investment	\$27,900,000	\$0	\$3,900,000	\$8,000,000	\$8,000,000	\$4,000,000	\$4,000,000	\$0
2. A-C Reorganization Trust	\$782,000		\$782,000					
3. WI. DNR Storm Sewer Grants	\$518,000		\$518,000					
4. WI. Commerce Brownfield Grant	\$50,000		\$50,000					
5. Federal Grants	\$0							
6. TID-Backed Debt	\$4,425,000	\$0	\$4,300,000	\$110,000	\$5,000	\$4,000	\$3,000	\$3,000
7. Total Sources of Funds	\$33,675,000	\$0	\$9,550,000	\$8,110,000	\$8,005,000	\$4,004,000	\$4,003,000	\$3,000

The bulk of the Project Plan cost will be incurred and the expenditures will be made between the year 2004 and the year 2009 as shown above.

It should be noted that for a variety of sites, environmental consultants will be preparing environmental remediation feasibility studies and action plans for submission to and approval by the Wisconsin Department of Natural Resources. It should further be noted that a number of structural engineers and geotechnical consultants will also be evaluating structural and soil bearing capacity site conditions throughout the project area. Due to the varying amount of land that will need to be assembled and the past uses of these sites, it is understood the environmental/building/geotechnical costs may vary considerably.

Depending on the ultimate development reuse of each parcel and each building within each parcel, there may be a need to install and/or relocate some public or private infrastructure such as sewer, water, roadway, gas, electric, etc., to more readily

accommodate development. These improvements are expected to be a minimal portion of the project cost.

X. TAX INCREMENT PROJECTION AND ECONOMIC FEASIBILITY ANALYSIS

The financial feasibility of the Project Plan is based upon the expected property tax increment to be generated.

The tax increment to be generated by the District is based upon the increases in real and/or personal property value and the building improvements/additions during the life of the District. The cash flows set forth in Exhibit No. 3 Economic Feasibility Analysis, indicate that the anticipated revenues exceed the projected estimated project cost. The Project Plan, therefore, has been determined to be economically feasible.

The projected amount of debt to be issued to finance the project costs and the incremental revenue required to service the debt would necessitate that the District continue for about 13 years (about 10 years less than the maximum 23-year period allowed by state statutes), on or about December 31, 2017. Therefore the project is determined to be economically feasible.

XI. STATEMENT OF A FEASIBLE METHOD PROPOSED FOR RELOCATION.

The City and the Authority are authorized to make relocation payments to, or with respect to, persons (including families, business concerns and others) being displaced from the project for moving expenses and losses of property for which reimbursement or compensation is not otherwise made. Any persons being displaced during the course of the project, relocated from properties within the area during the course of project execution, shall be afforded the opportunity to be relocated in available accommodations which are decent, safe, sanitary, and otherwise habitable and which are within their financial means, all in accordance with a Relocation Plan, prepared pursuant to Sections 32.19 and 32.25 to 32.27 and 66.1333 of the Wisconsin Statutes and subsequently approved by the Wisconsin Department of Commerce. There are no plans at this time for any residential or business relocation.

The Exhibits and Attachments are incorporated into the Project Plan for Tax Incremental District Number Seven, City of West Allis, Wisconsin, and by reference made a part thereof pursuant to Section 66.1105 of the Wisconsin Statutes.

APPENDIX

LIST OF EXHIBITS AND ATTACHMENTS

EXHIBITS

Exhibit No. 1	Legal Description
Exhibit No. 2	Financial Condition Analysis
Exhibit No. 3	Economic Feasibility Analysis
Exhibit No. 4	Schedule of Lands & Interests to be Acquired
Exhibit No. 5	Schedule of Properties Within District

ATTACHMENTS

Attachment No. 1	Assessor's Letter
Attachment No. 2	Legal Opinion

EXHIBIT NO. 1

LEGAL DESCRIPTION OF TAX INCREMENTAL DISTRICT NUMBER SEVEN

FORMER ALLIS-CHALMERS MANUFACTURING COMPLEX: LEGAL DESCRIPTION:

A land located in the Southwest $\frac{1}{4}$, Southeast $\frac{1}{4}$ and Northeast $\frac{1}{4}$ of Section 34, Township 7 North, Range 21 East, City of West Allis, Milwaukee County, State of Wisconsin, more particularly described as follows:

Beginning at the northwest corner of Parcel 2, Certified Survey Map No. 5845; thence South $88^{\circ}14'49''$ East, 502.81 feet, to the northwest corner of Parcel 1 of Certified Survey Map No. 5594; thence continue South $88^{\circ}14'49''$ East, 738.74 feet; thence South $73^{\circ}10'23''$ East, 71.11 feet; thence South $10^{\circ}34'16''$ West, 16.00 feet; thence South $87^{\circ}00'01''$ East, 27.97 feet; thence South $70^{\circ}07'12''$ East, 35.99 feet; thence South $60^{\circ}49'00''$ East, 52.05 feet, to the point on curve concave to the southwest; thence southeasterly along the arc of the curve, 135.61 feet, with radius of 377.06 feet and chord length of 134.88 feet; thence South $01^{\circ}46'18''$ East, 310.73 feet; thence South $89^{\circ}36'00''$ West, 20.62 feet; thence South $00^{\circ}08'33''$ West, 526.67 feet, to the point on west right-of-way line of South 63rd Street; thence due South, 226.50 feet, along said west line to the north right-of-way line of West Mineral Street; thence South $89^{\circ}36'00''$ West, 300.20 feet, along said north line to the west right-of-way line of South 64th Street; thence due South, 300.00 feet, along said west line to the north right-of-way line of West Washington Street; thence South $89^{\circ}35'20''$ West, 274.52 feet, along said north line to the west right-of-way line of South 65th Street; thence South $00^{\circ}01'20''$ East, 30.00 feet, along said west line; thence South $89^{\circ}35'20''$ West, 116.78 feet; thence South $00^{\circ}29'00''$ West, 30.00 feet; thence South $89^{\circ}35'20''$ West, 41.30 feet, to the point on east line of Parcel 1 of Certified Survey Map No. 6388; thence South $00^{\circ}12'30''$ East, 119.88 feet; thence South $00^{\circ}18'05''$ West, 464.29 feet, to the point on curve concave to the southeast; thence southwesterly along the arc of said curve, 136.67 feet, with radius of 640.43 feet and chord length of 136.41 feet; thence South $75^{\circ}53'30''$ East, 18.13 feet; thence South $16^{\circ}22'30''$ West, 28.43 feet; thence South $02^{\circ}52'20''$ West, 69.23 feet; thence North $88^{\circ}05'51''$ East, 8.17 feet; thence South $01^{\circ}31'30''$ East, 47.74 feet; thence South $11^{\circ}14'48''$ East, 103.63 feet; thence South $01^{\circ}01'10''$ East, 167.00 feet, to the north right-of-way line of West Greenfield Avenue; thence South $88^{\circ}05'31''$ West, 342.94 feet, along said north line; thence North $01^{\circ}04'33''$ West, 163.29 feet; thence South $88^{\circ}51'51''$ West, 49.63 feet; thence North $01^{\circ}08'09''$ West, 10.17 feet; thence South $88^{\circ}51'51''$ West, 30.35 feet; thence North $01^{\circ}04'33''$ West, 120.94 feet; thence South $88^{\circ}55'27''$ West, 227.50 feet; thence North $01^{\circ}04'02''$ West, 69.72 feet; thence North $88^{\circ}55'27''$ East, 180.49 feet; thence North $01^{\circ}04'33''$ West, 554.31 feet; thence South $88^{\circ}53'27''$ West, 509.61 feet; thence North $61^{\circ}47'49''$ West, 59.86, to the southeast corner of Parcel 3 of Certified Survey Map No. 6388; thence North

01°01'17" West, 633.78 feet, to the south right-of-way line of West Washington Street; thence North 89°14'21" East, 539.29 feet, along said south line to the east line of Parcel 1 of Certified Survey Map No. 6542, extended; thence North 00°38'53" West, 596.47 feet, along said east line; thence North 88°58'07" West, 334.24 feet, along north line of said Parcel 1; thence North 00°26'42" East, 433.70 feet, to the Point of Beginning.

Exhibit No. 2 Financial Condition Analysis

I. Fair Market Value

Land Value	\$2,762,464
Improvements	\$9,095,836
Personal Property	<u>\$2,681,952</u>
Existing Total - Fair Market Values	\$14,540,252
Tax Rate of Fair Market Value	<u>2.66%</u>

II. PROJECTED Property Values

Acres	Property Available for Disposition		
10.70	Property ID #: 1. A-C Utility Corridor		
<u>0.25</u>	Property ID #: 3. City Owned Parcel		
10.95	Total Land available for Disposition		
	Value per Acre	Acres	Value
Front Acreage	\$100,000	2.00	\$200,000
Rear Acreage	\$10,000	6.95	\$69,500
Reservoir Acreage	\$0	2.00	\$0
Additional Land Value		10.95	269,500
	Scenario 3	Scenario 4	
	Office Complex	Office Complex	
Existing Total - Fair Market Values	\$14,540,300	\$14,540,300	
Projected Improvement Cost	\$ 17,900,000	\$29,900,000	
Personal Property	\$0	\$0	
Parking Facility # 1 - Private	<u>\$1,000,000</u>	<u>\$1,000,000</u>	
Projected Total Property Values	\$33,440,300	\$45,440,300	
Tax Rate	<u>2.66%</u>		
Annual Property Tax Payment	\$889,500	\$1,208,700	

Q\TIF\TIF Analysis 12.17.03 tab: Financial Condition

Exhibit No. 3 Economic Feasibility Analysis

A. Total Taxable Values

	Scenario 3 Office Complex	Scenario 4 Office Complex
Projected Total Property Values	\$33,440,300	\$45,440,300
Existing Total - Fair Market Values	<u>\$14,540,300</u>	<u>\$14,540,300</u>
INCREMENTAL Property Values	\$47,980,600	\$59,980,600
Tax Rate	2.66%	2.66%
Property Tax Increment	\$1,276,300	\$1,595,500

B. Total Property Redevelopment Costs

	Scenario 3 Office Complex Projected Costs	Scenario 4 Office Complex Projected Costs
A. Utility Improvement - Public	\$1,300,000	\$1,300,000
B. Parking Facility # 1 Private	\$1,000,000	\$1,000,000
C. Building Improvements-Private	17,900,000	\$29,900,000
D. Parking Facility # 2-a Public	\$500,000	\$500,000
E. Parking Facility # 2-b Public	\$500,000	\$500,000
F. Commuter Bike Trail - Public	\$150,000	\$150,000
G. Contingency - Public	\$250,000	\$250,000
H. Legal & Administrative - Public	\$75,000	\$75,000
Total Uses of Funds	\$21,675,000	\$33,675,000
Minus Non-project costs	<u>\$24,100,000</u>	<u>-\$29,250,000</u>
Incremental Redevelopment Costs	\$2,425,000	\$4,425,000
	Office Complex	Office Complex
Projected Property Tax Increment Per Year	\$1,276,300	\$1,595,500

Years required for TID to finance Debt Service	16.00	13.00
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Tax Increment District No. Seven is Economically Feasible

EXHIBIT NO. 4

SCHEDULE OF LAND AND INTERESTS TO BE ACQUIRED

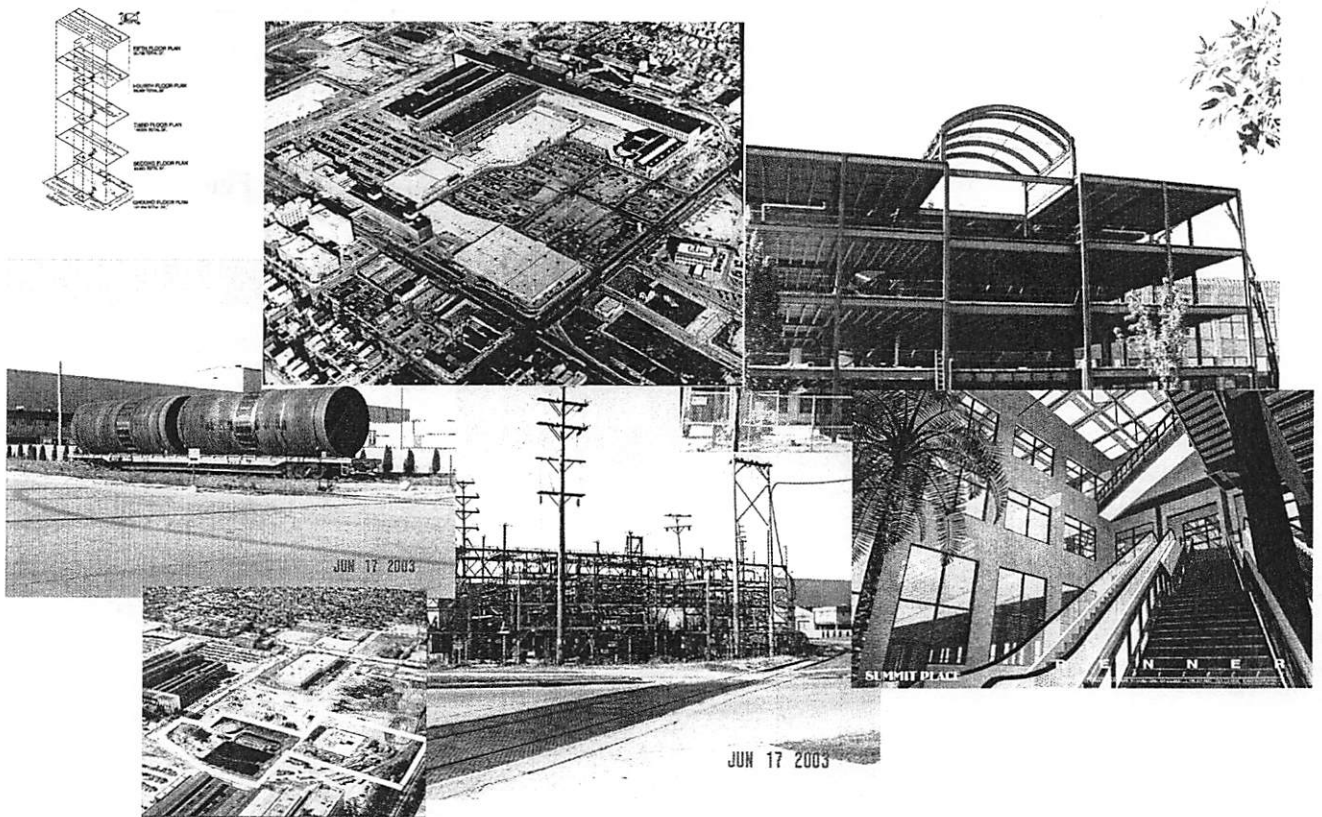
#	TAX KEY	PROPERTY ADDRESS	OWNER	Full or Partial Acquisition
1	439-0001-018	6642 W. Washington St	A-C Reorganization Trust	Full 10.7 acres
2	439-0001-015	6600 W. Washington St	Whitnall – Summit Co. LLC	Partial 2+/- acres
3	439-0001-028	67** W. Washington St	City of West Allis	Full 0.25 acres
7	439-0001-016	6500 W. Washington St	Standard Ductile & Grey	Partial 2+/- acres

The interest to be acquired for each property is the Fee

Exhibit No. 5

Schedule of Properties within District

Tax Key Number	Property Address	Owner's Name	Equalized Taxable Values			
			Personal	Land	Imprvt	Total
439-0001-018	6642 W. Washington St.	A-C Reorganization Trust	\$0	\$430	\$0	\$430
439-0001-015	6600 W. Washington St.	6600 Washington LLC	\$1,131,604	\$1,253,731	\$4,805,286	\$7,190,621
439-0001-028	67** W. Washington St.	City of West Allis	n/a	n/a	n/a	\$0
N/A	W. Washington Street	City of West Allis	n/a	n/a	n/a	\$0
439-0001-030	6609R-6765R W. Wash. St.	Whitnall Summit Company	\$1,519,094	\$1,241,582	\$3,358,153	\$6,118,830
439-0001-029	6581 W. Washington St.	A-C Equipment Serv Corp	\$29,573	\$74,609	\$929,386	\$1,033,568
439-0001-016	6500 W. Washington St.	Standard Ductile & Grey	\$1,681	\$192,113	\$3,010	\$196,804
			\$2,681,952	\$2,762,464	\$9,095,836	\$14,540,252



Attachment No. 1 – Assessor’s Letter

DRAFT

John F. Stibal
Director
Department of Development
City of West Allis

RE: Project Plan for Tax Increment District Number Seven

Dear Mr. Stibal:

The percentage of taxable property in all the tax incremental districts compared with all taxable property in the City of West Allis for 2004 is:

TOTAL TIF VALUE	\$
TOTAL CITY OF WEST ALLIS	\$

Sincerely,

Charles F. Ruud
City Assessor

Attachment No. 2 – Legal Opinion

DRAFT

John F. Stibal
Director
Department of Development
City of West Allis

RE: Project Plan for Tax Increment District Number Seven

Dear Mr. Stibal:

Pursuant to your request, I have reviewed the Project Plan for Tax Increment District Number Seven. Based upon that review, I am of the opinion that the Plan is complete and complies with all of the statutory requirements of Wis. States §66.1105(4)(f) and render this opinion in compliance with that statutory provision.

Yours very truly,

Scott Post
City Attorney

4/15/05

Barb Burkee

From: Kristi Johnson
Sent: Wednesday, January 30, 2013 12:08 PM
To: Barb Burkee
Subject: FW: Cooperation Agreement
Attachments: 20130130112724307.pdf

Barb,
When you get a chance, could you please hunt down the Dev. Agreement that should be attached to R-2004-0115 (Summit Place)? The Clerk's Office never received a copy and would like one to attach to the jacket. Thanks.

Kristi Johnson
Community Development Supervisor
City of West Allis
Department of Development
phone: 414-302-8463
fax: 414-302-8401

-----Original Message-----
From: Janel Lemanske
Sent: Wednesday, January 30, 2013 11:33 AM
To: Kristi Johnson
Subject: Cooperation Agreement

Here you go Kristi :)
Do you have a Development Agreement? If so can you forward us one because we do not have one in the jacket. Thank you.

Here it is, as requested. 😊
Barb

SUMMIT PLACE BUSINESS PARK
DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (this "Agreement"), made and entered into as of the 21st day of April 2004, by and between **WHITNALL-SUMMIT COMPANY LLC** ("Developer"), a Wisconsin limited liability corporation, and the **COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS** (the "City"), a Wisconsin Municipal Corporation.

WITNESSETH:

WHEREAS, the City has created a Tax Incremental District (TID) Number Seven, comprised of land and improvements on a portion of the former Allis-Chalmers Manufacturing Complex, as described in Exhibit 1; and,

WHEREAS, Developer intends to rehabilitate the property located 6609R-6765 W. Washington St (Tax Key # 439-0001031) by renovating blighted industrial space and converting it into office space in addition to building a commercial office building on the site (the "Project") pursuant to the terms of this Agreement; and,

WHEREAS, City intends to buy land located at 6600 W. Washington St. (Tax key # 439-0001-015) totaling plus or minus 2.0 acres and land located at 6500 W. Washington St (Tax Key # 439-001-016) totaling plus or minus 0.7 acres, and will dedicate that portion of the Washington Street right-of-way to be vacated by the City for construction of a public parking lot in support of the parking needs for the Summit Place Business Park and surrounding businesses as set forth in Exhibit 2; and,

WHEREAS, Developer and the City desire to set forth in writing the terms and conditions under which the Developer and the City have agreed.

NOW, THEREFORE, for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

1. CITY'S OBLIGATIONS.

The City shall be obligated as follows:

A. Purchase of Property for and Development of Public Parking: City will acquire the above referenced approximately plus or minus 2.7 acres of land located on Tax Key #s 439-0001-015 and 439-0001-016, and construct Public Parking and Commuter Bike and Pedestrian Trail on such land and that portion of the Washington Street right-of-way to be vacated by the City in an expeditious manner. If the City is unsuccessful in acquiring said property by November 15, 2004, this Agreement shall be null and void as to the parties' obligations hereunder concerning the Public Parking and Commuter Bike and Pedestrian Trail, and neither party shall have any further rights or obligations with respect thereto and such failure shall not constitute a default of the remainder of this Agreement.

B. TID Funds to the Developer. The TID No. 7 total funds of \$4,425,000.00 shall be divided into three parts and applied to three targeted areas within the district as follows:

(1) The City shall retain \$1,225,000.00 to cover the cost of City Legal and Administrative fees for the entire TID No. 7 estimated to be \$75,000.00 and \$1,150,000.00 for the estimated costs of acquisition of the land and completion for a Public Parking and Commuter Bike and Pedestrian Trail

(hereinafter Public Parking Trail Funds). If the cost for the acquisition and construction of the Public Parking and Commuter Bike and Pedestrian Trail is less than \$1,150,000 (Public Parking/Trail Surplus), then this Public Parking/Trail Surplus shall be added to the budget for parking improvements North of W. Washington street as set forth below.

(2) The City shall make available to the Developer the remaining TID funds of \$3,200,000 as a capital loan. Of these funds made available to the Developer, \$1,200,000.00 shall be used solely for the acquisition and construction of surface parking, a parking structure on the parcel north of Washington Street, located at 6642 W. Washington Street, and a right-of-way from the parking areas to 70th Street, and shall be designated as the "North Side Funds". If the cost of acquisition and construction of surface parking, parking structure and the right-of way to 70th Street is less than \$1,200,000, plus any Public Parking/Trail Surplus rolled into this Fund, then the resultant surplus shall be re-designated as the "North Side Surplus". The North Side Surplus, if any remaining at January 1, 2009, shall be used to retire part or all of the remaining balance of the TIF bonds.

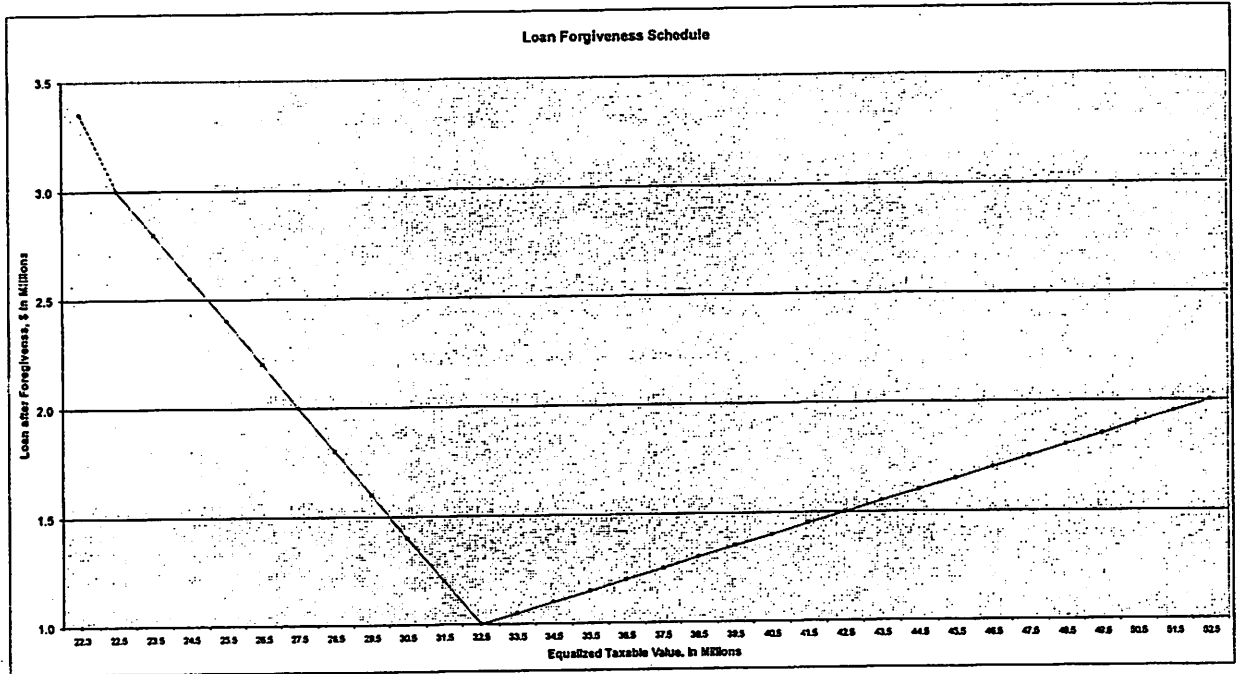
(3) The remaining \$2,000,000.00 of the Developer's capital loan shall be applied to defray the Developer's cost for such rehabilitative items including in the way of illustration and not in limitation, insert floors, ADA escalators and elevators, rest rooms, replacement windows, tenant office space conversion and improvements, infrastructure and/or architectural fees thus accelerating the development of commercial office space for the Summit Place

Office Complex, with all of these expenditures to be for work taking place on the South side of Washington Street ("South Side Funds"). The deferred payment of the Developer's capital loan shall be amortized over 10 years at the interest rate being incurred by the City of West Allis for the TID funds, as of January 1, 2009, commencing January 1, 2009. No interest shall accrue before January 1, 2009. The Developer's capital loan of \$3,200,000 will be personally guaranteed by Richard G. Carlson as set forth in Exhibit 3.

C. City Incentive to Developer to Accelerate the Project. As an incentive to accelerate the total development, the City will reduce the total principal value of the Developer's capital loan by \$200,000 on January 1, 2009 provided that the equalized taxable value of the property located at 6609R-6745 W. Washington St exceeds \$22,500,000. An amount of \$200,000 of loan principal will be forgiven for every additional \$1,000,000 the equalized taxable value of the parcel located at 6609R-6745 W. Washington St., that exceeds \$22,500,000 as of January 1, 2009, up to a maximum additional forgiveness of \$2,000,000. At an equalized taxable value of \$32,500,000 on January 1, 2009, after forgiveness, loan balance would be \$1,000,000.

Further, if the equalized taxable value on January 1, 2009 as defined above is more than \$32.5 million, for each million that the equalized taxable value exceeds \$32.5 million, Developer will repay the City \$50,000, up to a maximum equalized taxable value of \$52,500,000. For example, if the equalized taxable value is \$52,500,000 on January 1, 2009, total loan balance due to the City would be \$2,000,000. The total repayment principal established as of January 1, 2009 shall be amortized and repaid over ten years at the same rate of interest that the City of West

Allis is then incurring adjusted annually on each anniversary.



D. Method of Payment by the City to the Developer. Developer shall present to LandAmerica Lawyers Title Insurance Company designated by the City as its Title Agent AIA Documents G702 and G703 in which the Developer's Construction Manager and/or Architect shall certify that the Work covered by the Application for Payment has been completed in accordance with Contract Documents. The certified AIA Documents will include a summary payment schedule, copies of Contractors invoices and associated lien waivers. Upon receipt of the certification by the Title Agent of the Application for Payment by the Developer to the City, the City shall make the draw payment within 7 business days thereafter directly to the Developer or its designated depository. Developer shall be responsible for the administration cost of the City's Title Agent.

E. Zoning and Planning Approvals. The City shall use its best efforts to expedite the zoning and plan review process to accommodate Developer's development schedule for the construction of parking on the 6642 W. Washington St. property (Tax Key # 439-0001-018 and for rehabilitation of industrial buildings into office space for the property located at 6609R- 6745 W. Washington St., with a commencement date for additional construction not later than July 1, 2004.

F. Establishment of a Commercial Planned Development District (PDD). The City of West Allis will use its best effort to establish a Planned Development District for the entire Project area, to meet the special needs of the Project for parking at Summit Place Business Park. If the City of West Allis fails to establish a Planned Development District, the remainder of this Agreement shall continue in full force and effect.

G. Developer's Use of Public Parking. The City shall provide to Developer the right to use the Public Parking created hereunder as long as the payments set forth in Section 2.F. are made or until such time as the City gives Developer notice that it is discontinuing use of the site as Public Parking.

2. DEVELOPER'S OBLIGATIONS.

Developer shall be obligated as follows:

A. Construction of Commercial Office and Public Parking and Trail.

(1) Developer, at its sole cost, shall provide the City with all necessary engineering and construction plans and specifications for the Development of the approximate 3 acres of Public Parking and Trail. All engineering and construction plans and specifications shall be subject to City

review and approval prior to the commencement of any work on the project. Developer shall be responsible for all maintenance, repairs and re-construction of the Public Parking and Commuter Bike and Pedestrian Trail henceforth after completion. The Developer's obligation for maintenance and replacement shall be recorded in a form acceptable to City's counsel burdening the Developer's land and/or adjacent landowners.

(2) Developer agrees to indemnify and hold the City harmless for any defect in the design of the Public Parking and for any lack of maintenance or repair thereto, as long as Developer uses the Public Parking under Section 1.G. and makes the payments set forth in Section 2.F.

(3) The Developer will construct and landscape the Project, including all parking areas, in accordance with building and site plans and specifications filed with the City from time to time, and approved by the City according to its review and approval procedures as herein referenced. The Project shall consist of the completion of construction of the four-story Class A+ office building consisting of approximately 40,000 square feet (now under construction), rehabilitation of up to 650,000 square feet of industrial space into commercial office space and indoor parking, and construction of surface parking, right of way development to 70th Street, and/or a parking structure on the parcel north of Washington Street, located at 6642 W. Washington Street.

(4) Developer has commenced construction of the Project, but shall commence construction of the surface parking area located at 6642 W. Washington St. within 60 days but no later than one hundred twenty (120) days

of the completion of the purchase of the approximate 10.7 acres less the PCB acre from the City and shall proceed with due diligence to complete the rehabilitation of Project by January 1, 2009. Said purchase of approximately 10.7 acres is contingent on the parties entering into a Purchase and Sale Agreement therefore.

(5) (a) Developer guarantees that Developer's contemplated rehabilitation of the Property shall generate a minimum assessed value of Twenty-Two Million Five Hundred Thousand Dollars (\$22,500,000) as of January 1, 2009. To the extent the general property taxes for the Property in any calendar year after 2009 are less than the equivalent of the guaranteed assessed value multiplied by that year's mill rate, Developer shall pay the difference between that year's actual tax payment and the tax payment that would have been generated by the guaranteed valuation. Developer's obligation to guarantee the payment of any property tax shortfall against the guaranteed valuation shall continue for fifteen years.

(b) Developer hereby agrees that the amount of any property tax shortfall due and owing to the City of West Allis in any given year may be treated as a special charge (as defined in Wis. Stat. §74.01(4)) levied against the Property, without notice or hearing, such notice and hearing being expressly waived by the Developer. The special charge shall be a lien on the Property and shall be extended upon the tax roll for the year in which it is due and owing against the Property. All proceedings in relation to collection, return and sale

of the Property for delinquent real estate taxes shall apply to any such special charge.

B. Conveyance. Developer shall not sell, transfer or convey the Property to anyone prior to January 1, 2009 without the written consent of City, which shall not be unreasonably withheld.

C. Nondiscrimination. No owner or occupant of the Property shall restrict the use or enjoyment of the Property or the Facility upon the basis of a protected status in the sale, use or occupancy thereof.

D. No Subdivision. Without the prior written consent of the Common Council of the City, no owner of the Property may subdivide the Property nor sell, transfer or convey less than the entire Property.

E. Payment in Lieu of Taxes. Ownership of the Property by any person or in any manner which would render any part of the Property exempt from property taxation during the 15 year period set forth in Section 2.B.(3) shall result in a payment in lieu of taxes from the owner to the City each year in an amount equal to the amount of taxes that would be due and owing on the property if it was not tax exempt and in no event less than the tax based upon an assessed value as set forth in Paragraph 2.B.(3). Such payment shall be due, payable and collected in the same manner as property taxes.

F. Payment in Lieu of Taxes and Stormwater Fees for Public Parking. Developer agrees to make a payment in lieu of taxes to the City each year in an amount equal to the amount of taxes and stormwater fees that would be due and owing on the Public Parking if it was not tax exempt. Failure to make the payment in lieu of taxes

shall result in loss of Developer's right to use the Public Parking set forth in Section 1.G.

3. **PROPERTY TAX IMPACT.**

The City has undertaken this project to enhance the property tax base of the City. During the period set forth in Section 2.B.(3) the restrictions upon sale, transfer, conveyance, and subdivision herein set forth, shall be applicable notwithstanding any shorter time periods which may be specified herein.

4. **CITY'S CONTINGENCIES.**

Developer acknowledges that the City of West Allis is a body politic, its governing body is elected and the membership of the governing body may change. In addition, various specific undertakings of the City described herein may require public hearings and other legal procedures, as conditions precedent thereto. The City's agreements hereunder are conditioned upon the obtaining of all such required approvals in the manner required by law. The City cannot assure that all of such approvals will be obtained; however, it agrees to use reasonable efforts to obtain them on a timely basis. If the City has not provided written notice to Developer on or before December 31, 2004, that it has obtained all approvals necessary for the undertakings described herein, this Agreement shall be restructured at that time to properly reflect approvals that have been obtained. The City's inability to grant or obtain the necessary approvals described herein shall not constitute a default hereunder.

5. **DEVELOPER'S CONTINGENCIES.**

The obligations of Developer hereunder for improvements North of West Washington St. are contingent upon the procurement by the City of the 10.7 acre parcel which has VPLE classification, less the PCB acre commonly known as 6642 W. Washington St. with

Tax key # 439-0001-018 and re-sale to the Developer for a price not to exceed \$40,000. Developer shall close on the purchase of the Property no later than November 15, 2004 unless the time for Closing is extended by mutual agreement of the parties. If said contingency is not waived or satisfied within the time period provided herein, this Agreement shall be null and void as to the Developer's Obligations hereunder concerning improvements to the North Side of West Washington St., and neither party shall have any further rights or obligations with respect thereto and such failure shall not constitute a default of the remainder of this Agreement. .

6. **NO ASSIGNMENT.**

Neither Developer nor the City may assign its rights in this Agreement without the prior written consent of the other. Such consent shall not be unreasonably withheld.

7. **BUILDING STANDARDS AND UTILITIES.**

All buildings and other site improvements (collectively "Improvements") to be constructed under this Agreement shall comply with the following minimum standards:

A. Improvements shall be designed by an architect or engineer. All sides, elevations or facades of the Project's buildings visible from and all public areas shall be visually pleasing and architecturally and aesthetically compatible with the surrounding environment. Building Improvements are subject to architectural review and approval by the Plan Commission of the City as provided herein.

B. All trash disposal areas shall be screened in such a manner as to be harmonious with the building exterior and design.

C. No additional building Improvements or structures shall be constructed on the Property until a site plan therefore (showing location, land coverage, building

intensity, landscaping and off-street parking) has been submitted to and approved by the Planning Commission of the City (the "Site Plan"). Improvements shown and determined on the Site Plan shall include, but not be limited to:

- (1) All finished grade levels;
- (2) Location of all buildings and other structures (to include a schedule showing: lot area and total square feet in building (each floor);
- (3) Sidewalks and driveways (including types of materials);
- (4) Parking and access drive dimensions and locations, stall numbers and dimensions, curbs, tire stops, loading docks, and snow storage areas;
- (5) Loading areas (including types of materials);
- (6) Elevators and Escalators;
- (7) Utility and storage areas (including types of materials);
- (8) Lawns and landscaped areas (including types of materials);
- (9) Water impoundments;
- (10) Fences (including types of materials);
- (11) Lights (including types);
- (12) Areas of fill or cuts;
- (13) Storm water drainage plans and facilities;
- (14) On-site sewer, water and other utility locations, sizes and easement locations;
- (15) Location, screening and type of refuse collection facilities; and
- (16) All exterior signs and all other signs visible from the exterior of the building and other structures.

- (17) Dimensions of all front, side, and rear yards, drives, etc.
- (18) Other paved areas and uses, fencing and walls, outdoor lighting (location and direction of beams).
- (19) A landscaping and screening plan showing the location, common and botanical names, planting size, root condition and quantity of all plant material. The plan shall also show all ground cover and mulch areas and landscape construction materials.
- (20) Locations and dimensions of all easements.
- (21) Surface details of all outside areas, such as paving.
- (22) Signs: design, size, location, and illumination.
- (23) Designation of future expansion areas.
- (24) Locations of all hydrants within the Site.
- (25) Grading Plan.
 - a. Existing and proposed grades and contours.
 - b. Surface water drainage and detention and/or retention.
 - c. Finished grade at building.
 - d. Catch basins and storm sewer locations.
 - e. Connection to existing utilities.

8. **REFUSE.**

All trash containers, including dumpsters, must be enclosed by a solid wall or fence that matches the building facade and provide a suitable visual screen. Such wall shall be of sufficient height to cover the material stored and shall be maintained so as to present a good appearance at all times.

9. **UTILITIES AND SITE LIGHTING.**

All utility lines within the Site shall be installed underground in easements provided therefore. No overhead electric power, telephone or cable service will be permitted. Building lighting may be wall mounted. Building, parking and roadway lighting (fixture, height, type and intensity) where provided shall be approved by the City Subject to approval by the Plan Commission.

10. **OTHER SITE IMPROVEMENTS.**

A. **Traffic Circulation.** The location and design compatibility of all lanes, drives, parking arrangements and ingress and egress plans for the Property, including the impact on traffic circulation, shall be part of the site plan review conducted by the Plan Commission under Sub-section 7.C., above.

B. **Landscaping.** Landscaping improvements shall be required as an integral part of the Property. All areas on the Property not used for building, storage, parking, walks, and access roads, shall be suitably graded and drained, seeded or sodded, and maintained in grass and landscaped areas as provided in Sec. 12.13 of the Revised Municipal Code. Landscaped areas shall contain trees, shrubs, grass and/or other suitable groundcover in accordance with a landscape plan for the Property approved in writing by the Plan Commission. All required landscaping shall be completed within one year of the completion of construction of the principal building on the Property and shall, thereafter, be maintained in a manner acceptable to the City. Landscape materials shall be suitable to the climate, soil conditions and intended use of the Property and shall be of sufficient size and density (trees must be at least 2 1/2" caliper,

unless otherwise specifically approved by the Plan Commission) to create an "immediate environment."

11. **BUILDING LOCATION.**

The Project Building Improvements shall be located on the Property as indicated on the Site Plan.

12. **BUILDING DESIGN AND MATERIALS.**

Building plans and specifications, including architectural elevations, for the Project, to include construction materials, are subject to review and final approval by the City's Building Inspection Department pursuant to the provisions of this Agreement. Facade treatments must be compatible with site standards and aesthetically appropriate.

Rooftop mechanical units, such as ventilating and air conditioning equipment shall be appropriately screened with building material sensitive/compatible with the rest of the architecture.

13. **PROPERTY IMPROVEMENTS.**

A. **Plan Review.** No additional buildings or other Improvements shall be erected, placed or altered on the Property until the building plans and specifications for such improvements, including the Site Plan, and grading plan have been submitted to and approved by the Plan Commission of the City. The Plan Commission shall review and approve, approve conditionally, or disapprove the building plans and specifications with respect to their conformity with this Agreement and applicable enactments of the City, and with respect to the harmony of design and land use as it affects other property adjacent to the Property.

B. Plan Submittal. Within sixty (60) days of the purchase of the property at 6642 W. Washington St., Developer shall submit to the City's Plan Commission its building plans and specifications for parking and possible parking structure north of Washington St. sufficient for review purposes (but not for building permit review) pursuant to this Section.

C. Plan Requirements. Plans drawn to scale shall be submitted to the Plan Commission for review. Ten (10) sets of all site plans and two (2) sets of all building plans shall be submitted as follows:

- (1) Floor plans of typical floors.
- (2) Entrances, exits, loading docks, and building service areas.
- (3) Storage areas and buildings.
- (4) Architectural treatment of building exteriors including building materials, and colors.
- (5) Samples of construction materials.

D. Determination. After review, the Plan Commission shall make a reasonable effort to approve or disapprove the building and parking plans and specifications within forty-five (45) days of submittal. If the Plan Commission denies a request, written evidence shall be provided as to why the request was denied. Subsequent changes to approved building plans and specifications shall also be subject to review and approval by the Plan Commission in accordance with the procedures set forth herein.

E. Enforcement. In the event the Developer proceeds to make improvements and/or construction without first having received the approval, as

provided above; or, in the event the Developer proceeds in a manner, which does not comply with the plans and specifications as approved by the Plan Commission, the City may take action to stop construction of the improvements. Action by the City shall consist of a notice to the Developer who is proceeding in violation of, or without approval from Plan Commission, which notice shall be in writing, pursuant to Section 26. The Notice shall advise the Developer of the nature of the violation and shall order immediate cessation of work on the improvements. The Developer may request a meeting with the City, which shall be granted within fifteen (15) days of the request. If the Developer can demonstrate compliance with approved plans and specifications to the satisfaction of the Plan Commission, the City shall rescind its order stopping construction. If the Developer is still in violation, the City may take all legal and equitable action it deems necessary to ensure compliance.

14. **ACCESSORY STRUCTURES.**

Approval of location, size and design compatibility of all permitted accessory structures in the Project, such as garages, maintenance buildings, etc., shall be in writing by the Plan Commission pursuant this Agreement, before construction. The term "accessory structure" includes, but is not limited to, the following (if such structures are to be located within the required setbacks): ground-mounted telephone and electrical transformers, gas meters, ground-mounted air conditioners, exhaust ducts and similar structures.

15. **FENCING.**

Fenced areas are permitted under the following terms and conditions:

A. **Placement.** Not permitted in front yard or easement areas, with the

exception of fencing required by code or by specific approval from the Plan Commission.

B. Type. The type and style of fencing material used is subject to approval by the Plan Commission.

C. Height. Fences shall not exceed four (4) feet in height with solid side facing outward from property. Additional height may be approved by the Plan Commission.

D. Maintenance. All fences shall be maintained in good condition including painting as required.

16. **SIGNAGE**.

A. Review. The Plan Commission reserves the right to review all exterior signs and to approve only those which comply with the City's signage regulations, and which are environmentally and aesthetically suitable. Developer shall submit a plan to the Plan Commission indicating, in sufficient detail for review and approval, the type, size, shape and location of its proposed signs. Planning Commission approval shall be required prior to the fabrication or installation of a sign or the filing of a formal application for a permit with the Department of Building Inspection and Zoning.

B. Standards.

(1) No surface mounted signs other than two Facility identification signs and directional signs shall be permitted on the Site south of Washington St., exclusive of signs mounted on the exterior building, which must be in compliance with City's signage regulations. No off-premise, roof-mounted or wall-mounted billboards or signs will be permitted. Any signs affixed to the

exterior of the buildings must comply with City regulations for signage and must be approved by the Plan Commission.

(2) The Facility identification sign located at the curb must include a landscaped setting of ornamental shrubs, flowers, ground cover or a combination of the three in an area equal to two times the area of the sign.

(3) Sign lighting, if desired, must be ground-mounted hidden from view from the street. Individual letters may be internally illuminated.

(4) Directional Signage shall be a post and panel system and shall be limited in size to four (4) square feet and not posted more than six (6) feet above the grade. Not more than one sign shall be provided at each access drive.

17. SATELLITE DISH ANTENNAS

All satellite dish placements will require a special permit from the Plan Commission, unless such satellite dish placements when installed are not visible from public roads or sidewalks. Approvals will be subject to the following criteria:

A. Antennas shall be erected or maintained in the rear yard of buildings and not on the street side of buildings. The Plan Commission shall have the authority to authorize other locations based on demonstrated site constraints.

B. Height restriction: 35 feet

C. Antennas shall not be located in any required setback or easement area.

D. The antenna shall be located and designed so as to minimize the visual impact on surrounding properties and its visibility from the public street. Antennas

should be screened through the addition of harmonious architectural features and/or landscaping in keeping with the elements and characteristics of the property.

E. No obstruction shall protrude into the airspace defined by the forward extension of a plane from the outer edge of the antenna dish to infinity and at the same horizontal and vertical angle as the central axis of the antenna dish.

F. Materials used in constructing the antenna shall not be unnecessarily bright, shiny, garish, or reflective.

G. Advertising placed on the dish face or any other antenna component is prohibited except for the corporate name and/or identification logo.

18. MAINTENANCE RESPONSIBILITIES

A. The Developer shall keep the Property, all contiguous street right-of-way to edge of pavement, and easement areas in a well maintained, safe, clean, and attractive condition at all times. Such maintenance includes, but is not limited to, the following:

(1) The removal of all litter, trash, refuse, and wastes.

(2) The mowing of all lawn areas to a height of less than five (5) inches unless otherwise approved in writing by the Plan Commission. Those designated and approve unused lot areas shall be cut a minimum of three (3) times per year.

(3) The maintenance of lawn and landscape areas in a weed-free, healthy and attractive condition.

(4) The care and pruning of trees and shrubbery outside of easements within property boundaries.

(5) The maintenance of exterior lighting, signs, and mechanical facilities in working order.

(6) The keeping of all exterior building surfaces in a clean, well maintained condition.

(7) The striping and sealing of parking and driveway areas.

(8) The removal of unlicensed or inoperable vehicles.

(9) Snow and ice removal.

B. During construction, it shall be the responsibility of the Developer to insure that construction sites are kept free of unsightly accumulations of rubbish and scrap materials; and that construction materials, trailers, and the like are kept in a neat and orderly manner. Burning of excess or scrap construction material is prohibited. Construction site erosion control practices shall be implemented to prevent erosion, sedimentation and pollution of air or water during construction. Erosion control plan to be submitted and approved by the Building Inspection Department.

19. **CONSTRUCTION TIMETABLE FOR BUILDING IMPROVEMENTS.**

A. **Construction Timetable.** Developer has commenced construction of the Project as hereinabove stated (Paragraph 2.B.(2)) and shall proceed with due diligence to completion no later than January 1, 2009. The Project shall be constructed in accordance with the approved final plans.

B. **Construction Remedies.**

(1) In the event Developer does not complete construction of the Project as hereinabove set forth, because of the public interest involved the City shall have the right to specific performance of the covenants and obligations of

Developer to be performed hereunder by it, in addition to all other remedies the City may have under this Agreement or at law or in equity.

(2) In addition to all other remedies the City may have under this Agreement or at law or in equity, and as an alternative thereto, in the event the Developer does not complete construction of parking north of Washington Street as herein above set forth, the City may, but shall not be required, to purchase the 6642 W. Washington St. parcel for the price paid to the City by the Developer.

The notice of intention to exercise the repurchase right can be given at any time after failure of Developer to comply with this section. Title to the Property shall be conveyed to the City in the same condition as conveyed by the City to Developer and a title insurance policy shall be provided at the expense of Developer in the amount of the repurchase price and insuring the City's title is in the aforementioned condition. This section shall terminate upon final completion of construction of the parking, parking structure and/or building and related improvements on the Property pursuant to plans approved in accordance with the terms hereof.

20. **DEFAULT.**

A. **Remedies of the City.** In the event of Developer's default hereunder, and in addition to other rights and remedies provided for in this Agreement, the City shall have all rights and remedies available under law or equity with respect to said default. In addition, and without limitation, the City shall have the following specific rights and remedies:

(1) With respect to matters that are capable of being corrected by the City, the City may at its option enter upon the Property for the purpose of correcting the default and the City's reasonable costs in correcting same shall be paid by Developer to the City immediately upon demand.

B. Reimbursement to the City. Any amounts expended by the City in enforcing this Agreement, and any amounts expended by the City in curing a default on behalf of Developer, together with interest at the rate provided in Subsection E., below, shall be paid to the City and shall constitute a lien against the Property until such amounts are reimbursed or paid to the City, with such lien to be in the nature of a mortgage and enforceable pursuant to the procedures for foreclosure of a mortgage.

C. Remedies are Cumulative. All remedies provided herein shall be cumulative and the exercise of one remedy shall not preclude the use of any other or all of said remedies.

D. Failure to Enforce Not a Waiver. Failure of a Party to enforce any provision contained herein shall not be deemed a waiver of its rights to enforce such provision or any other provision in the event of a subsequent default.

E. No Indirect Damages. In the event of a default, neither Developer nor City shall be liable to the other for consequential, indirect, incidental or exemplary damages, whether based on contract, negligence, strict liability or otherwise.

21. NO PERSONAL LIABILITY.

Under no circumstances shall any alderman, officer, official, director, member, partner or employee of the City or any officer of Developer have any personal liability arising

out of this Agreement, and neither Developer nor the City shall seek or claim any such personal liability.

22. **FORCE MAJEURE.**

No Party shall be responsible to any other Party for any resulting losses and it shall not be a default hereunder if the fulfillment of any of the terms of this Agreement is delayed or prevented by revolutions or other civil disorders, wars, acts of enemies, strikes, fires, floods, acts of God, unusual adverse weather conditions, legally required environmental remedial actions, shortage of materials, or by any other cause not within the control of the Party whose performance was interfered with, and which by the exercise of reasonable diligence such Party is unable to prevent, whether of the class of causes hereinabove enumerated or not, and the time for performance shall be extended by the period of delay occasioned by any such cause.

23. **PARTIES AND INTERESTS; SURVIVAL OF AGREEMENTS.**

Except as otherwise expressly provided herein, this Agreement is made solely for the benefit of the Parties hereto and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements in this Agreement shall remain operative and in full force and effect until fulfilled and shall survive the closing.

24. **TIME.**

Time is of the essence with regard to all dates and time periods set forth herein.

25. **INDUCEMENTS AND RELIANCE.**

Developer acknowledges that the warranties and representations made here by the Developer are a material inducement to City entering into the Purchase and Sale

Agreement for property located at 6642 W. Washington St. and Development Agreement for the Property, and that City is entitled to rely upon these warranties and representations despite independent investigation undertaken by City and that the warranties and representations made here and by the Developer shall survive the Closing and the execution and delivery of the Deed for the Property.

26. NOTICES.

All notices, demands, certificates or other communications under this Agreement shall be given in writing and shall be considered given (i) upon receipt if hand-delivered to the party or person intended, or (ii) one business day after deposit if deposited with a nationally recognized overnight commercial courier service, air bill prepaid, or (iii) two (2) business days after deposit if deposited in the United States mail postage prepaid, by certified mail, return receipt requested, addressed by name and address to the party or person intended as follows:

To the City: City of West Allis
7525 West Greenfield Avenue
West Allis, WI 53214
Attn: John Stibal, Director of Development

with a copy to: Scott E. Post, City Attorney
City of West Allis
7525 West Greenfield Avenue
West Allis, WI 53214

To Developer: Whitnall Summit Company, LLC
6737 W. Washington St., Ste 2220
West Allis WI 53214
Attn: Richard G. Carlson

with a copy to: Anthony G. Henika, S.C.
9114 W. Puetz Road
Franklin WI 53132
Attn: Anthony Henika

Any Party may, by written notice to the other Party, designate a change of address or addressee for notice purposes.

27. **ENTIRE AGREEMENT.**

Except for the Purchase and Sale Agreement, this writing constitutes the entire Agreement between the Parties hereto, and all prior statements, letters of intent, representations and offers, if any, are hereby terminated. This Agreement may be modified or amended only by written instrument signed by the City and Developer.

28. **CONSTRUCTION.**

The City and the Developer acknowledge that each party and its counsel have reviewed and revised this Agreement and that the normal rules of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any amendments or exhibits hereto.

29. **GOVERNING LAW.**

The laws of the State of Wisconsin shall govern this Agreement and all actions concerning this Agreement shall be commenced in Milwaukee County, State of Wisconsin.

30. **CAPTIONS.**

The captions or headings in the Agreement are for convenience only and in no way define, limit or describe the scope or intent of any of the provisions of this Agreement.

31. **COUNTERPARTS.**

This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

32. **SEVERABILITY.**

If any provisions of this Agreement shall be held or deemed to be or shall, in fact, be inoperative or unenforceable as applied in any particular case in any jurisdiction or jurisdictions or in all jurisdictions, or in all cases because it conflicts with any other provision or provisions hereof or any constitution or statute or rule of public policy, or for any other reason, such circumstance shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative or unenforceable to any extent whatever.

33. **CONTINUITY**

The property shall be conveyed subject to the restrictions, covenants, agreements and conditions contained herein, all of which are to run with the land and shall be binding on all parties and all persons claiming the Property in perpetuity, unless a resolution adopted by the City and the property owners has been recorded, agreeing to change, modify, or amend the Agreement in whole or in part.

34. **MEMORANDUM OF AGREEMENT.**

The Parties agree that at the request of the City they will execute a memorandum of this Agreement to be recorded in the Office of the Register of Deeds of Milwaukee County.

35. **GOOD FAITH.**

The Parties covenant and agree to act in good faith in the performance and enforcement of the provisions of this Agreement.

IN WITNESS WHEREOF, the Parties have executed this Agreement the date first above written.

WHITNALL-SUMMIT COMPANY LLC

By: Richard G. Carlson
Richard G. Carlson, President

By: Anthony G. Henika
Anthony G. Henika, Legal Counsel as Witness

**COMMUNITY DEVELOPMENT AUTHORITY
OF THE CITY OF WEST ALLIS**

By: John F. Stibal
John F. Stibal,
Executive Director

Countersigned at West Allis, Wisconsin this 19 day of April, 2004, and I hereby certify that provision has been made to pay the liability that will accrue under this Agreement by the City of West Allis.

Gary Schmid
Gary Schmid, Comptroller

Approved as to form this
19 day of April, 2004.

Scott E. Post
Scott E. Post, City Attorney
H/Scott/CDA/Summit Place Business Park-Dev Agrmnt

Exhibit 1: TID Plot Plan

Exhibit 2: Public Parking Plot Plan

Exhibit 3: Continuing Guaranty (Limited)

CONTINUING GUARANTY (LIMITED)

Dated April 21st, 2004

GUARANTY. For value received, and to induce the City of West Allis, Wisconsin ("Lender") to grant credit to WHITNALL-SUMMIT COMPANY, LLC ("Debtor"), subject to the limitations set forth below, the undersigned, Richard G. Carlson and Sandra K. Carlson ("Guarantors") guarantee payment of the Obligation defined below when due or, to the extent not prohibited by law, at the time Debtor becomes the subject of bankruptcy or other insolvency proceedings. "Obligation" means the Summit Place Business Park Development Agreement and all other debts, obligations and liabilities of every kind and description, whether of the same or a different nature, arising out of credit contemporaneously granted or credit granted in the future by Lender to Debtor in accordance with the terms and conditions of the Summit Place Business Park Development Agreement as contained therein. Obligation includes interest and charges less the amount of any payments made to Lender or another by or on behalf of Debtor which are recovered from Lender by a trustee, receiver, creditor or other party pursuant to applicable federal or state law, and to the extent not prohibited by law, all costs, expenses and attorneys' fees at any time paid or incurred before and after judgment in endeavoring to collect all or part of any of the above, or to realize upon this Guaranty, or any collateral securing any of the above ("costs of collection"). No claim, including a claim for contribution or subrogation, which the Guarantors may have against another guarantor of any of the Obligation or against Debtor shall be enforced nor any payment accepted until the Obligation is paid in full and no payments to or collections by Lender are subject to any right of recovery excepting therefrom any amounts in excess of Lender's full compensatory damages. To the extent not prohibited by law, this Guaranty is valid and enforceable against the undersigned even though any Obligation is invalid or unenforceable against Debtor.

NOTICE. Lender shall give notice to Guarantors of the creation of any future Obligation, default under any Obligation, proceedings to collect from Debtor, another guarantor, or anyone else, and all diligence of collection and presentment, demand, notice and protest.

CONSENT. With respect to any of the Obligation, the Lender may from time to time with notice to Guarantors but without affecting the liability of the Guarantors, (a) surrender, release or agree not to sue any other guarantor or surety, (b) fail to realize upon any of the Obligation or to proceed against the Debtor or any guarantor or surety, (c) renew or extend the time of payment (d) increase or decrease the rate of interest, (e) accept additional security or collateral, (f) determine the allocation and application of payments and credits and accept partial payments, and (g) settle or compromise the amount due or owing or claimed to be due or owing. To the extent not prohibited by law, Guarantors consent that venue for any legal proceeding relating to the collection of the Guaranty shall be in the State of Wisconsin, Milwaukee County and this Guaranty shall be interpreted and governed by the laws of the State of Wisconsin.

REPRESENTATIONS. Guarantors acknowledge and agree that Lender (a) has not made any representations or warranties with respect to (b) does not assume any responsibility to the undersigned for, and (c) has no duty to provide information to the Guarantor regarding, the enforceability of any of the Obligation or the financial condition of any Debtor or guarantor. **Guarantors have independently determined the credit worthiness of Debtor and the enforceability of the Obligation and until the Obligation is paid in full will independently and without reliance on Lender continue to make such determinations.**

ENTIRE AGREEMENT. This Guaranty is intended by the Guarantors and Lender as a final expression of this Guaranty and as a complete and exclusive statement of its terms, there being no conditions to the full effectiveness of this Guaranty. This Guaranty may not be supplemented or amended except in writing.


PERSONS BOUND. This Guaranty benefits Lender, its successors and assigns, and binds the Guarantors, their respective heirs, personal representatives, successors and assigns.

LIMITATIONS. The amount of liability under this Guaranty is limited to \$3,200,000.00, plus costs of collection.

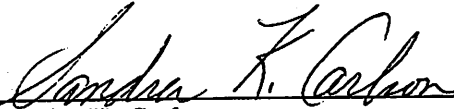
TERMINATIONS. This Guaranty shall terminate upon the earlier of the equalized taxable value of the property located at 6609R-6745 W. Washington St exceeds \$22,500,000, or payment in full of the Obligation and satisfaction of the terms thereunder.

NOTICE TO GUARANTOR

You are being asked to guarantee a limited amount of the present and future Obligations of the Debtor. If the Debtor does not pay, you will have to. You may also have to pay collection costs. The Lender can collect the Obligations from you without first trying to collect from the Debtor or another guarantor.



Richard G. Carlson

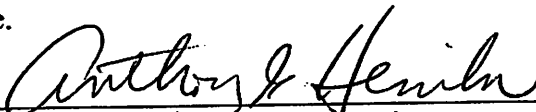


Sandra K. Carlson

For Wisconsin Married Residents Only: Each guarantor who signs above represents that this obligation is incurred in the interest of his or her marriage or family.

STATE OF WISCONSIN)
)
MILWAUKEE COUNTY)

Personally came before me, the above-named Richard G. Carlson and Sandra K. Carlson, this 21st day of April, 2004, to me known to be the person who executed the foregoing instrument and acknowledged the same.



Notary Public, State of Wisconsin
My Commission is Permanent.