

## **AGREEMENT FOR PAYMENTS IN LIEU OF TAXES**

This Agreement to make payments in lieu of taxes is made this \_\_\_\_ day of \_\_\_\_\_, 2025 (the “PILOT Agreement”) by and among the City of West Allis, a municipal corporation organized and existing under the laws of the State of Wisconsin, with principal offices at 7525 West Greenfield Avenue, West Allis, Wisconsin (the “City”), West Allis Memorial Hospital, Inc., a non-stock corporation with principal offices located at 8901 West Lincoln Avenue, West Allis, Wisconsin (“Memorial”), and Aurora Health Care, Inc., a nonstock domestic corporation with principal offices at 750 West Virginia Street, Milwaukee, Wisconsin (“Aurora”).

### **RECITALS:**

WHEREAS, the City leases to Aurora land more particularly described in Exhibit A; and

WHEREAS, the lease originally commenced with an agreement between the City and Memorial dated May 29, 1963, and was later amended by documents dated April 18, 1997, January 5, 2001, October 31, 2006, and March 3, 2016 to which amendments Aurora joined in execution thereof (collectively, the “Lease”); and

WHEREAS, the Lease contains provisions requiring payments in lieu of taxes to be made to the City and providing methods by which tax-exempt property shall be valued; and

WHEREAS, the parties entered into that Stipulation Agreement between City of West Allis and Aurora Health Care, Inc. as to Valuations Applicable to Payments in Lieu of Taxes for Years 2020-2025 dated May 25, 2022 (the “Stipulation Agreement”) whereby the parties agreed to modify the terms of the Lease with respect to the assessed values used to determine payments in lieu of taxes for calendar years 2020 through 2025 inclusive; and

WHEREAS, the parties seek to replace the method by which the payment in lieu of taxes is calculated with a simplified method that promotes consistency and predictability in that payment amount while also reducing or eliminating the parties expenses associated with any dispute over the property payment amount;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and Aurora agree to the following:

1. Suspension of PILOT Calculation Method. During the term of this PILOT Agreement, the Lease is hereby amended such that any provisions in the Lease that establish an amount payable in-lieu-of-taxes or a method to determine a payment-in-lieu-of-taxes after the date of this PILOT Agreement applicable to the time periods set forth in Section 2 below are suspended until January 1, 2031, at which point the provisions of the Lease with respect to payment-in-lieu-of-taxes accruing after such date shall thereafter be revived unless the parties agree otherwise. Any payments made prior to this date under those provisions are not affected by this provision. In addition to the foregoing, the parties hereby agree that this PILOT Agreement shall replace and supersede any conflicting provisions of the Stipulation Agreement with respect to the payment in lieu of taxes and calculations related

thereto for calendar year 2025. Except as set forth in this Section with respect to the Lease and the Stipulation Agreement, no other provisions of previous agreements between the parties other than any obligations to make a PILOT payment to the City are modified by this PILOT Agreement.

2. Payment-in-lieu-of-taxes. Each year during the term of this PILOT Agreement, Aurora shall make a payment-in-lieu-of-taxes to the City equal to the amounts stated below, representing an annual increase of 2.5% over the previous year's payment. Such payments shall be due and payable on the same deadlines established in state and local law for payment of general real estate taxes.

- For the payment applicable to calendar year 2025 and due January 31, 2026, the amount shall be \$461,161.00.
- For the payment applicable to calendar year 2026 and due January 31, 2027, the amount shall be \$472,690.00.
- For the payment applicable to calendar year 2027 and due January 31, 2028, the amount shall be \$484,507.00.
- For the payment applicable to calendar year 2028 and due January 31, 2029, the amount shall be \$496,620.0
- For the payment applicable to calendar year 2029 and due January 31, 2030, the amount shall be \$509,035.00.
- For the payment applicable to calendar year 2030 and due January 31, 2031, the amount shall be \$521,760.00.

3. Term. This PILOT Agreement shall be in effect only for the dates upon which payments have been identified above.

4. Miscellaneous. This payment is not designated to pay for a covered service as that term is used in Wis. Stat. § 66.0602(2m)(b)3.

IN WITNESS WHEREOF, the undersigned have executed this agreement of payments in lieu of taxes as of the day and year first above written.

WEST ALLIS MEMORIAL HOSPITAL, INC.

By: \_\_\_\_\_  
Name: Holly Schmidtke  
Title: President

AURORA HEALTH CARE, INC.

By: \_\_\_\_\_  
Name: Gabrielle Finley-Hazle  
Title: President

CITY OF WEST ALLIS

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

## **EXHIBIT A**

### **Legal Description**

Lot 1 of Certified Survey Map No. 8964, Recorded in the Office of the Register of Deeds for Milwaukee County, Wisconsin, on October 23, 2017, as Document No. 10722455, and part of the Northwest 1/4 of the Northwest 1/4 of Section 9, Township 6 North, Range 21 East, all in the City of West Allis, Milwaukee County, Wisconsin.

Containing 972,620 square feet (22.328 acres), more or less.

Address:       8901 W. Lincoln Avenue  
                  West Allis, WI 53227

Tax Key No.: 487-9001-000