

June 5, 2023

PROJECT PLAN

City of West Allis, Wisconsin



Tax Incremental District No. 19
86th and National



Prepared by:

Ehlers

N19W24400 Riverwood Drive,

Suite 100

Waukesha, WI 53188

BUILDING COMMUNITIES. IT'S WHAT WE DO.

KEY DATES

Organizational Joint Review Board Meeting Held:	May 24,2023
Public Hearing Held:	June 5, 2023
Approval by CDA:	June 5, 2023
Adoption by Common Council:	Scheduled for July 18, 2023
Approval by the Joint Review Board:	Scheduled for August 16, 2023

TABLE OF CONTENTS

Executive Summary	3
Preliminary Map of Proposed District Boundary	6
Map Showing Existing Uses and Conditions	9
Preliminary Parcel List and Analysis	13
Equalized Value Test	15
Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District	16
Map Showing Proposed Improvements and Uses	18
Detailed List of Estimated Project Costs	22
Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred.....	23
Annexed Property	28
Estimate of Property to Be Devoted to Retail Business.....	28
Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances.....	28
Statement of the Proposed Method for the Relocation of any Persons to be Displaced	29
How Creation of the Tax Incremental District Promotes the Orderly Development of the City ...	29
List of Estimated Non-Project Costs	30
Legal Opinion Advising Whether the Plan is Complete and Complies with Wis. Stat. § 66.1105(4)(f)	31
Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions	33

SECTION 1: Executive Summary

DESCRIPTION OF DISTRICT

Tax Incremental District (“TID”) No. 19 (“District”) is a proposed single parcel blighted area district that will include property located at 8530-8556 W. National Avenue, the site of the former Clark Oil headquarters. The property will be redeveloped by Three Leaf Partners (“Developer”) as the site for a six-story 247-unit market rate apartment building with structured and surface parking, and various tenant amenities (“Project”).

AUTHORITY

The City is creating the District under the provisions of Wis. Stat. § 66.1105.

ESTIMATED TOTAL PROJECT COST EXPENDITURES

The City anticipates making total expenditures of approximately \$29.5 million (“Project Costs”) to undertake the projects listed in this Project Plan (“Plan”). Project Costs include an estimated \$28.8 million in development incentive payments and \$745,000 for administrative, legal, and professional services costs associated with creation and administration of the District over its 27-year life. The requested \$28.8 million in incentive payments over time have a present value of \$13.1 million assuming a 6% discount rate. The agreement by the City to provide these payments will permit the Developer to secure an \$11.8 million loan from a private lender to fund a portion of the Project construction.

INCREMENTAL VALUATION

The City projects that new land and improvements value of approximately \$46.8 million will result from the Project. Creation of this additional value will be made possible by the Project Costs made within the District. A table detailing assumptions as to the development timing and associated values is included in the Economic Feasibility Study located within this Plan.

EXPECTED TERMINATION OF DISTRICT

Based on the Economic Feasibility Study located within Section 9 of this Plan, the City anticipates that the District will require its full allowable 27 years to pay all Project Costs.

SUMMARY OF FINDINGS

As required by Wis. Stat. § 66.1105, and as documented in this Plan and the exhibits contained and referenced herein, the following findings are made:

1. That “but for” the creation of this District, the development projected to occur as detailed in this Plan: 1) would not occur; or 2) would not occur in the manner, at the values, or within the timeframe desired by the City. In reaching this determination, the City has relied on SB Friedman Development Advisors LLC which it engaged to review the Project’s sources and uses, cash flow proforma and projected returns. Based on that review, the City has determined that provision of pay as you go incentives in the amount identified in this Plan is necessary to provide an acceptable return on investment and indicates that “but for” the incentives, the project would not likely proceed.
2. The economic benefits of the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements. In making this determination, the City has considered that in addition to the incremental value expected to be created, the Project will result in redevelopment of a blighted area, creation of market rate multi-family housing to meet market demand (as emphasized in the National Avenue Corridor Study), and provision of employment and commercial opportunities related to the construction and operation of the Project.
3. The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions. As required by Wis. Stat. § 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of property in the overlying taxing jurisdictions has been prepared and can be found in this Plan. However, because the Project would not occur without the use of tax incremental financing, these tax increments would not be paid but for creation of the District. Accordingly, the City finds that the benefits expected to be realized as set forth in this Plan outweigh the value of the tax increments to be invested in the Project.
4. Not less than 50% by area of the real property within the District is a blighted area as defined by Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is designated as a blighted area district.
6. The Project Costs relate directly to the elimination of blight in the District, consistent with the purpose for which the District is created.
7. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District.
8. The equalized value of taxable property in the District, plus the incremental value of all existing tax incremental districts within the City does not exceed 12% of the total equalized value of taxable property within the City.

9. The City estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).
10. That there are no parcels to be included within the District that were annexed by the City within the preceding three-year period.
11. The Plan for the District is feasible and is in conformity with the Master Plan of the City.

SECTION 2: Preliminary Map of Proposed District Boundary

Map Found on Following Page.

Tax Increment District # 19 Boundary and Parcel Map



 TIF District #19



SECTION 3: Maps Showing Existing Uses and Conditions

Maps Found on Following Pages

Tax Increment District # 19 Existing Land Use Map




 TIF District #19
Commercial



Tax Increment District # 19 Aerial



 TIF District #19



Tax Increment District # 19 Zoning Map



 TIF District #19
 C-2



SECTION 4: Preliminary Parcel List and Analysis

The District will consist of a single tax parcel:

Parcel Number: 478-9998-003
Address: 8530-8556 W. National Ave.
Owner: 3LP West Allis, LLC
Acres: 3.57 acres (3.19 parcel and .38 acres of adjoining street right-of-way)

Current Value:

	Assessed	Equalized
Land	\$686,200	\$955,800
Improvements	\$314,000	\$437,400
Total	\$1,000,200	\$1,393,200

Blighted Area

The District will be designated as a blighted area. Under the definition of blighted area found at Wis. Stat. § 66.1105(2)(ae), one qualifying criteria is a site "...that consists of land upon which buildings or structures have been demolished and which because of obsolete platting, diversity of ownership, deterioration of structures or of site improvements, or otherwise, substantially impairs or arrests the sound growth of the community".

Specific blighting conditions include:

- The structure located on the site was constructed in 1934, is functionally obsolete, and will be demolished as part of the Project.
- Based on the age of the building there are concerns of lead and asbestos conditions that will be remediated upon demolition.
- The property was part of the Clark Oil Company and there are perceived environmental issues based on the prior use.
- Historically low occupancy levels spanning the last decade.
- The property has an outdated floor plan that does not meet today's office real estate market demand.

- Deteriorated conditions include overgrown landscaping, broken windows, broken asphalt in the parking lot etc.

A total of 3.19 acres, or 89% of the District area, is blighted, meeting the requirement that at least 50% of the area be blighted.

SECTION 5: Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

Calculation of City Equalized Value Limit

City TID IN Equalized Value (Jan. 1, 2022)	\$ 5,518,411,300
TID Valuation Limit @ 12% of Above Value	\$ 662,209,356

Calculation of Value Subject to Limit

Estimated Base Value of New District*	\$ 1,393,200
Incremental Value of Existing Districts (Jan. 1, 2022)	<u>\$ 326,993,400</u>
Total Value Subject to 12% Valuation Limit	\$ 328,386,600

The equalized value of the increment of existing tax incremental districts within the City, plus the estimated base value of the District, totals \$328,386,600, which is 5.95% of the City's total equalized value. This value is less than the maximum of \$662,209,356 (12%) in equalized value that is permitted for the City. Following creation of the District, its base value is no longer counted towards the 12% limit, however, any incremental increase in value will be included in the calculation for creation of subsequent districts, or where territory is being added to an existing district.

* Based on the City 2022 assessment ratio of 71.79%.

SECTION 6: Statement Listing the Kind, Number and Location of All Proposed Public Works or Improvements Within the District

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments, or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed.

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

The following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 7 of this Plan along with the Detailed List of Project Costs found in Section 8 provide additional information as to the kind, number, and location of potential Project Costs.

Community Development

Cash Grants (Development Incentives)

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

Miscellaneous

Professional Service and Organizational Costs

The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include but are not limited to architectural; environmental; planning; engineering; legal; audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.

Administrative Costs

The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees relating to the implementation of the Plan.

Financing Costs

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

Projects Outside the Tax Increment District

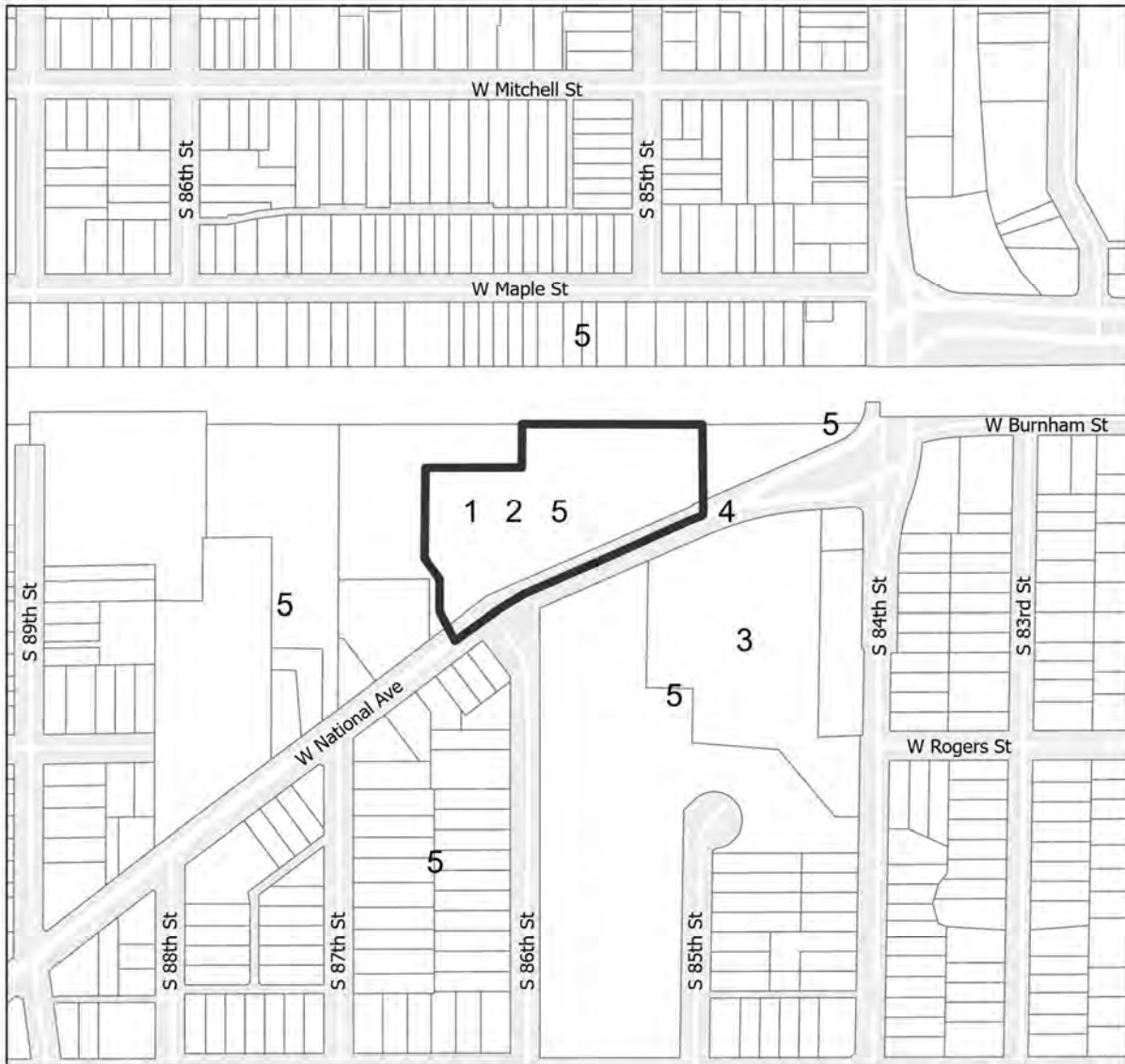
Pursuant to Wis. Stat. § 66.1105(2)(f)1.n, the City may undertake projects within territory located within one-half mile of the boundary of the District provided that: 1) the project area is located within the City's corporate boundaries; and 2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible project costs and may include any project cost that would otherwise be eligible if undertaken within the District. The City may need to make the following project cost expenditures outside the District:

- Infrastructure Improvements at Honey Creek Park
- Street Improvements (Bump outs, crosswalks, paint)
- Housing & Other Econ. Dev. Incentives or Other Project Costs

SECTION 7: Maps Showing Proposed Improvements and Uses

Maps Found on Following Pages.

Tax Increment District # 19 Improvements




 TIF District #19

1. Development Incentives
2. Administration and Professional Services
3. Infrastructure Improvements at Honey Creek Park
4. Street Improvements (Bump outs, crosswalks, paint)
5. Housing & Other Economic Development Incentives or Other Project Costs



Tax Increment District # 19 Map



 TIF District #19
Number of Units: 247 Units



Tax Increment District # 19 Future Land Use Map



 TIF District #19
 Mixed Use



SECTION 8: Detailed List of Estimated Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District’s Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 6 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Expenditure Type	Estimated Cost	Estimated Timing
Development Incentives*	\$28,782,156	2023 – 2051
Admin. & Prof. Services	\$745,000	2026 - 2051
Total	\$29,527,156	

* Projected development incentive payments have a present value of \$13.1 million using a 6% discount rate.

Contingent Projects

The City has identified other projects it may need to undertake to achieve the objectives for this District. Projected tax increments included in this Plan are not sufficient to provide the necessary funding. The City is including these projects on a contingent basis to provide the opportunity to undertake these activities if the District’s financial performance exceeds projections.

Expenditure Type*	Estimated Cost	Estimated Timing
Infrastructure Improvements at Honey Creek Park	\$60,000	Not later than 2045
Street Improvements (Bump outs, crosswalks, paint)	\$75,000	Not later than 2045
Housing & Other Economic Development Incentives or Other Project Costs	\$200,000	Not later than 2045
Total	\$335,000	

* Projects may be undertaken within the District, or within areas located within ½ mile of the District.

SECTION 9: Economic Feasibility Study, Description of the Methods of Financing Estimated Project Costs and the Time When Related Costs or Monetary Obligations are to be Incurred

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

Key Assumptions

The Project Costs the City plans to make are expected to create \$46.8 million in incremental value by January 1, 2025, and a total of \$59.9 million by the end of the District's life assuming annual economic appreciation of one percent. Estimated valuations and timing for construction of the Project are included in **Table 1**. Assuming the City's current equalized TID Interim tax rate of \$21.38 per thousand of equalized value, the Project would generate \$29.5 million in projected incremental tax revenue over the 27-year term of the District as shown in **Table 2**.

City of West Allis, WI

85th and National TID

Development Assumptions

	Construction Year	Net Out Base ¹	Proposed 247 Unit MF ²	Annual Total		Construction Year
1	2023	(1,393,200)		(1,393,200)		2023 1
2	2024		48,168,300	48,168,300		2024 2
3	2025			0		2025 3
4	2026			0		2026 4
5	2027			0		2027 5
6	2028			0		2028 6
7	2029			0		2029 7
8	2030			0		2030 8
9	2031			0		2031 9
10	2032			0		2032 10
11	2033			0		2033 11
12	2034			0		2034 12
13	2035			0		2035 13
14	2036			0		2036 14
15	2037			0		2037 15
16	2038			0		2038 16
17	2039			0		2039 17
18	2040			0		2040 18
19	2041			0		2041 19
20	2042			0		2042 20
21	2043			0		2043 21
22	2044			0		2044 22
23	2045			0		2045 23
24	2046			0		2046 24
25	2047			0		2047 25
26	2048			0		2048 26
27	2049			0		2049 27
	Totals	<u><u>(1,393,200)</u></u>	<u><u>48,168,300</u></u>	<u><u>46,775,100</u></u>		

Notes:
¹Current assessed value of parcel 478-9998-003 (\$1,000,200) divided by 71.79% assessment ratio (1-1-2022)
²Assumed valuation following full revaluation (100%) assuming value per unit will be comparable to Element 84 and The West Living.

Table 1 – Development Assumptions

City of West Allis, WI

85th and National TID

Tax Increment Projection Worksheet

Type of District	Blighted Area		Base Value	1,393,200
District Creation Date	July 18, 2023		Appreciation Factor	1.00%
Valuation Date	Jan 1,	2023	Base Tax Rate	\$21.38
Max Life (Years)	27		Rate Adjustment Factor	0.00%
Expenditure Period/Termination	22	7/18/2045		
Revenue Periods/Final Year	27	2051		
Extension Eligibility/Years	Yes	3		
Eligible Recipient District	Yes			

Construction	Valuation	Inflation	Total	Revenue	Tax
Year	Value Added	Year	Increment	Year	Increment
1 2023	-1,393,200	2024	0	2025	0
2 2024	48,168,300	2025	0	2026	1,000,052
3 2025	0	2026	467,751	2027	1,010,052
4 2026	0	2027	472,429	2028	1,020,153
5 2027	0	2028	477,153	2029	1,030,354
6 2028	0	2029	481,924	2030	1,040,658
7 2029	0	2030	486,744	2031	1,051,064
8 2030	0	2031	491,611	2032	1,061,575
9 2031	0	2032	496,527	2033	1,072,191
10 2032	0	2033	501,492	2034	1,082,913
11 2033	0	2034	506,507	2035	1,093,742
12 2034	0	2035	511,572	2036	1,104,679
13 2035	0	2036	516,688	2037	1,115,726
14 2036	0	2037	521,855	2038	1,126,883
15 2037	0	2038	527,074	2039	1,138,152
16 2038	0	2039	532,344	2040	1,149,534
17 2039	0	2040	537,668	2041	1,161,029
18 2040	0	2041	543,044	2042	1,172,639
19 2041	0	2042	548,475	2043	1,184,366
20 2042	0	2043	553,960	2044	1,196,209
21 2043	0	2044	559,499	2045	1,208,171
22 2044	0	2045	565,094	2046	1,220,253
23 2045	0	2046	570,745	2047	1,232,456
24 2046	0	2047	576,453	2048	1,244,780
25 2047	0	2048	582,217	2049	1,257,228
26 2048	0	2049	588,039	2050	1,269,800
27 2049	0	2050	593,920	2051	1,282,498
Totals	46,775,100		13,210,785	Future Value of Increment	29,527,156

Notes:

¹Tax rate shown is actual rate from DOR Form PC-202 for the 2022/23 levy year.

Table 2 – Tax Increment Projection Worksheet

Financing and Implementation

The District's Project Costs will consist of a "pay as you go" development incentive, and administrative and professional services costs associated with the creation and administration of the District over its term.

The Developer has requested payments over time which have a present value of \$13.1 million assuming a 6% discount rate. The agreement by the City to provide these payments will permit the Developer to secure an \$11.8 million loan from a private lender to fund a portion of the Project construction.

Initially, and prior to tax increment being generated, the City will advance cash to the District to pay for the cost of its creation and administration. Amounts advanced will be repaid and deducted from the first incentive payment which is expected to be paid in 2026. In each year thereafter, the City's administrative and professional service costs will be paid from the tax increment collection, with the balance of tax increment then going to the incentive payment.

Based on the cash flow exhibit (**Table 3**), it is expected that the District will need to remain open for its entire 27-year term to recover planned Project Costs. The projected closure is based on the various assumptions noted in this Plan and will vary dependent on actual Project Costs incurred and the actual amount of tax increments collected.

City of West Allis, WI

85th and National TID

Cash Flow Projection

Year	Projected Revenues			Expenditures			Balances			Year
	Tax Increments	Interest Earnings/ (Cost)	Total Revenues	PAYGO Develop. Incentive ¹	Admin. & Prof. Services	Total Expenditures	Annual	Cumulative	PAYGO Note Balance	
2023			0		45,000	45,000	(45,000)	(45,000)	0	2023
2024			0		25,000	25,000	(25,000)	(70,000)	28,782,156	2024
2025	0		0	0	25,000	25,000	(25,000)	(95,000)	28,782,156	2025
2026	1,000,052		1,000,052	880,052	25,000	905,052	95,000	0	27,902,105	2026
2027	1,010,052		1,010,052	985,052	25,000	1,010,052	0	0	26,917,052	2027
2028	1,020,153		1,020,153	995,153	25,000	1,020,153	0	0	25,921,900	2028
2029	1,030,354		1,030,354	1,005,354	25,000	1,030,354	0	0	24,916,545	2029
2030	1,040,658		1,040,658	1,015,658	25,000	1,040,658	0	0	23,900,888	2030
2031	1,051,064		1,051,064	1,026,064	25,000	1,051,064	0	0	22,874,823	2031
2032	1,061,575		1,061,575	1,036,575	25,000	1,061,575	0	0	21,838,248	2032
2033	1,072,191		1,072,191	1,047,191	25,000	1,072,191	0	0	20,791,058	2033
2034	1,082,913		1,082,913	1,057,913	25,000	1,082,913	0	0	19,733,145	2034
2035	1,093,742		1,093,742	1,068,742	25,000	1,093,742	0	0	18,664,403	2035
2036	1,104,679		1,104,679	1,079,679	25,000	1,104,679	0	0	17,584,724	2036
2037	1,115,726		1,115,726	1,090,726	25,000	1,115,726	0	0	16,493,998	2037
2038	1,126,883		1,126,883	1,101,883	25,000	1,126,883	0	0	15,392,115	2038
2039	1,138,152		1,138,152	1,113,152	25,000	1,138,152	0	0	14,278,963	2039
2040	1,149,534		1,149,534	1,124,534	25,000	1,149,534	0	0	13,154,429	2040
2041	1,161,029		1,161,029	1,136,029	25,000	1,161,029	0	0	12,018,400	2041
2042	1,172,639		1,172,639	1,147,639	25,000	1,172,639	0	0	10,870,761	2042
2043	1,184,366		1,184,366	1,159,366	25,000	1,184,366	0	0	9,711,396	2043
2044	1,196,209		1,196,209	1,171,209	25,000	1,196,209	0	0	8,540,186	2044
2045	1,208,171		1,208,171	1,183,171	25,000	1,208,171	0	0	7,357,015	2045
2046	1,220,253		1,220,253	1,195,253	25,000	1,220,253	0	0	6,161,762	2046
2047	1,232,456		1,232,456	1,207,456	25,000	1,232,456	0	0	4,954,307	2047
2048	1,244,780		1,244,780	1,219,780	25,000	1,244,780	0	0	3,734,526	2048
2049	1,257,228		1,257,228	1,232,228	25,000	1,257,228	0	0	2,502,298	2049
2050	1,269,800		1,269,800	1,244,800	25,000	1,269,800	0	0	1,257,498	2050
2051	1,282,498		1,282,498	1,257,498	25,000	1,282,498	0	0	0	2051
Total	29,527,156	0	29,527,156	28,782,156	745,000	29,527,156				Total

PAYGO NPV @ 6% **13,105,500**

Projected TID Closure

Notes:
¹Developer has requested incentive payments to be made over time with a present value of \$13,105,500 using a 6% discount rate.

Table 3 – Cash Flow

SECTION 10: Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the property within the proposed District boundary was annexed during the past three years.

SECTION 11: Estimate of Property to Be Devoted to Retail Business

Pursuant to Wis. Stat. § 66.1105(5)(b), the City estimates that none of the territory within the District will be devoted to retail business at the end of the District's maximum expenditure period.

SECTION 12: Proposed Changes of Zoning Ordinances, Master Plan, Map, Building Codes and City Ordinances

Zoning Ordinances

The proposed Plan is in general conformance with the City's current zoning ordinances. No changes to zoning ordinances will be required to implement the Plan.

Master (Comprehensive) Plan and Map

The proposed Plan is in general conformance with the City's Comprehensive Plan identifying the area as appropriate for Mixed Use development.

Building Codes and Ordinances

Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 13: Statement of the Proposed Method for the Relocation of any Persons to be Displaced

Should implementation of this Plan require relocation of individuals or business operations, relocations will be handled in compliance with Wis. Stat. Chapter 32 and Wis. Admin. Code ADM 92.

SECTION 14: How Creation of the Tax Incremental District Promotes the Orderly Development of the City

Creation of the District and the implementation of the projects in its Plan will promote the orderly development of the City by eliminating a blighted area and providing appropriate financial incentives for a private development project. Through use of tax increment financing, the City can attract new investment that results in increased tax base. Development will occur in an orderly fashion in accordance with approved plans so that the Projects will be compatible with adjacent land uses. Development of new uses in the District will add to the tax base and will generate positive secondary impacts in the community such as redevelopment of a blighted area, creation of market rate multi-family housing to meet market demand (as emphasized in the National Avenue Corridor Study), and provision of employment and commercial opportunities related to the construction and operation of the Project.

SECTION 15: List of Estimated Non-Project Costs

Non-project costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 16:
**Legal Opinion Advising Whether the Plan is Complete and
Complies with Wis. Stat. § 66.1105(4)(f)**

Legal Opinion Found on Following Page.



City Attorney's Office
attorney@westalliswi.gov
Office: 414.302.8450
Fax: 414.302.8444

Kail Decker
City Attorney
Sheryl L. Kuhary
Deputy City Attorney
Nicholas S. Cerwin
Rebecca Monti
Principal Assistant City Attorneys

May 24, 2023

Mayor Dan Devine
City of West Allis
7525 W Greenfield Ave
West Allis, Wisconsin 53214

RE: Project Plan for Tax Incremental District No. 19

Dear Mayor:

Wis. Stat. § 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wis. Stat. § 66.1105.

As City Attorney for the City of West Allis, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan for the City of West Allis Tax Incremental District No. 19 is complete and complies with the provisions of Wis. Stat. § 66.1105.

Sincerely,

Kail Decker
City Attorney

SECTION 17: Calculation of the Share of Projected Tax Increments Estimated to be Paid by the Owners of Property in the Overlying Taxing Jurisdictions

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4.

Revenue Year	Milwaukee County	MMSD	City of West Allis	School District of West Allis	MATC	Total	Revenue Year
2025	0	0	0	0	0	0	2025
2026	179,748	63,752	406,836	307,629	42,087	1,000,052	2026
2027	181,546	64,389	410,904	310,705	42,508	1,010,052	2027
2028	183,361	65,033	415,013	313,812	42,933	1,020,153	2028
2029	185,195	65,683	419,163	316,950	43,362	1,030,354	2029
2030	187,047	66,340	423,355	320,120	43,796	1,040,658	2030
2031	188,917	67,004	427,589	323,321	44,234	1,051,064	2031
2032	190,807	67,674	431,864	326,554	44,676	1,061,575	2032
2033	192,715	68,350	436,183	329,820	45,123	1,072,191	2033
2034	194,642	69,034	440,545	333,118	45,574	1,082,913	2034
2035	196,588	69,724	444,950	336,449	46,030	1,093,742	2035
2036	198,554	70,421	449,400	339,813	46,490	1,104,679	2036
2037	200,540	71,126	453,894	343,212	46,955	1,115,726	2037
2038	202,545	71,837	458,433	346,644	47,425	1,126,883	2038
2039	204,570	72,555	463,017	350,110	47,899	1,138,152	2039
2040	206,616	73,281	467,647	353,611	48,378	1,149,534	2040
2041	208,682	74,014	472,324	357,147	48,862	1,161,029	2041
2042	210,769	74,754	477,047	360,719	49,350	1,172,639	2042
2043	212,877	75,501	481,818	364,326	49,844	1,184,366	2043
2044	215,006	76,256	486,636	367,969	50,342	1,196,209	2044
2045	217,156	77,019	491,502	371,649	50,846	1,208,171	2045
2046	219,327	77,789	496,417	375,365	51,354	1,220,253	2046
2047	221,521	78,567	501,381	379,119	51,868	1,232,456	2047
2048	223,736	79,353	506,395	382,910	52,386	1,244,780	2048
2049	225,973	80,146	511,459	386,739	52,910	1,257,228	2049
2050	228,233	80,948	516,574	390,607	53,439	1,269,800	2050
2051	230,515	81,757	521,739	394,513	53,974	1,282,498	2051
Totals	5,307,186	1,882,305	12,012,086	9,082,931	1,242,648	29,527,156	