

**Cooperation Agreement for Tax Incremental District Number Twelve  
(Former Teledyne Site), City of West Allis, Wisconsin**

This Cooperation Agreement (hereinafter referred to as "Agreement") is entered into this \_\_\_\_ day of April 2011, 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");

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 Twelve 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, which is attached as Appendix 1 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. 857 adopted April 12, 2011, and the City authorized execution hereof by Resolution No. R-\_\_\_\_\_, adopted April 19, 2011 and by Resolution No. R- \_\_\_\_\_ hereby authorize the execution of said Cooperation Agreement for Tax Incremental District Number Twelve; 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; and,

WHEREAS, the Project cost required for funding the Project's activities and necessary administrative costs, including staff and legal costs, are estimated at \$2,314,000; and,

WHEREAS, the Project outline in the attached Tax Increment Financing Project plan is

anticipated to generate sufficient tax increment funds to support the debt service and interest payments to the City.

**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 in need of rehabilitation through the attraction of private investment and redevelopment.
2. Approvals. The City will retain the right to approve all development agreements and Purchase and Sale agreements for sale and redevelopment of the Property.
3. Establishment of Funds. The City will provide to the Authority, from such sources as determined by the Common Council, in the presently net estimated amount of One Million Three Hundred Fourteen Thousand Dollars (\$1,314,000) for the redevelopment of the Project Area including demolition, environmental investigation and remediation, site improvements, administration, and other costs attendant to the Project, as generally specified in Tax Incremental District Number Twelve Project Plan, Project Plan Activities attached as Appendix 2 and Estimated Redevelopment Costs as attached as Appendix 3 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. Funds include all costs related to the Authority's redevelopment of various properties and other costs associated with the Authority as defined by the City Comptroller. The requisitioned funds shall be placed in a separate fund by the Authority and shall not be commingled with other funds of the Authority. The expenditures and income related to the TID will be accounted for in a separate fund. Such funds to be used by the City will be a TID Project Fund, the Debt Service Fund (debt service

payments), Special Revenue Funds (for grants, federal and state awards) and other Funds as required for proper accounting of the TID. 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, the Authority shall apply to the Common Council for additional funding subject to usual budgetary procedures and statutory requirements for tax increment financing.

4. Repayment Terms. Funds borrowed by the Authority need not be repaid to the City but the City shall receive the increment under the provisions of sec. 66.1105, Wis. Stat., as described in the Common Council approval Resolution No. R-\_\_\_\_\_. Both the City and Authority shall take all actions necessary to ensure that the funds loaned and interest under Section 3 are recovered by the City during the life of the TID.

5. Project Receipts. Receipts of the Authority from sale of land as well as other Project income are to be deposited to the fund of the Authority and may be used as required to meet expenditure obligations of the Authority in the carrying out of the Project. The Authority will return any sums remaining upon conclusion of the Project to the City.

6. 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.

7. 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.

8. 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.

9. Interest Payments. Any sums payable hereunder by either party to the other shall bear interest; and any interest earned on such sums shall be deposited by the Authority in accordance with Paragraph 3 above.

10. 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.

11. Dissolution. *Under Wis. Stat. 66.1335(5) and City Ordinance 5655, the Common Council reserves the right terminate the Authority.*

**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:

\_\_\_\_\_

\_\_\_\_\_

**CITY OF WEST ALLIS**

By: \_\_\_\_\_ (SEAL)  
Dan Devine, Mayor

Attest:

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

In the Presence of:

\_\_\_\_\_

\_\_\_\_\_

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

By: \_\_\_\_\_ (SEAL)  
Gerald Matter, Chairman

Attest:

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

Approved as to form this \_\_\_\_ day  
April 2011

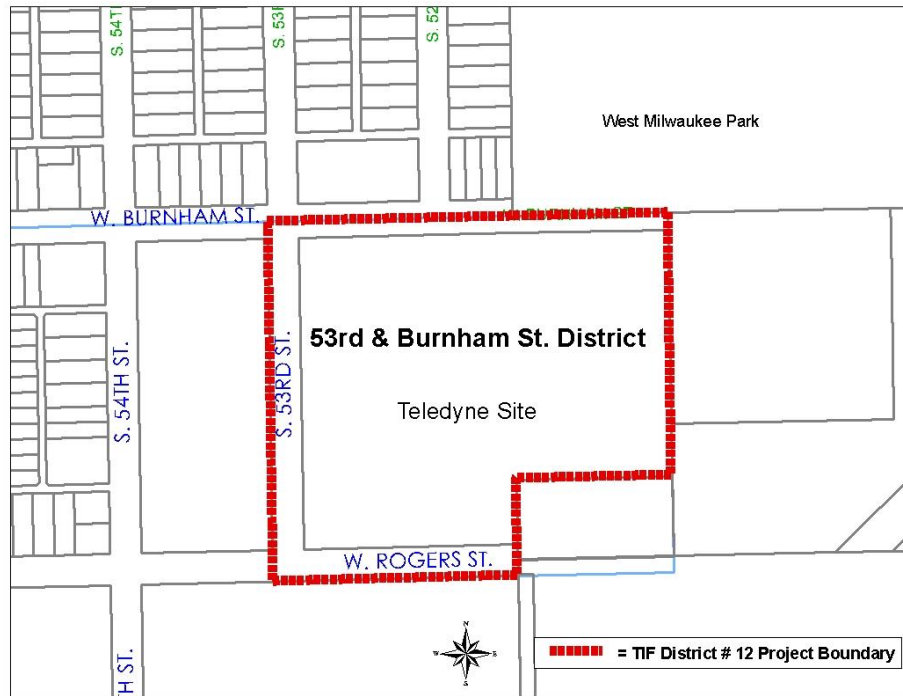
\_\_\_\_\_  
Scott E. Post  
City Attorney

COMPTROLLER'S CERTIFICATE

Countersigned this \_\_\_\_ day of April 2011  
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  
Manager Finance/Comptroller

**Appendix 1 – Map 1: Project Boundaries**



A tract of land located in the Southeast  $\frac{1}{4}$  and Southwest  $\frac{1}{4}$  of Section 2, Township 6 North, Range 21 East, more particularly described as follows:

Beginning at the Northwest corner of the Southeast  $\frac{1}{4}$  of said Section 2; thence Easterly, 300.00 feet, along the North line of the City of West Allis limits, said line being centerline of West Burnham Street, to the East line of the City of West Allis limits; thence Southerly, 508.00 feet, along said East line; thence Westerly, 300.00 feet; thence Southerly, 185.00 feet, to the South right-of-way line of West Rogers Street; thence Westerly, 473.54 feet, along said South line to the West right-of-way line of the South 53<sup>rd</sup> Street extended; thence Northerly, 663.00 feet, along said West line to the North line of the City of West Allis limits and centerline of the West Burnham Street; thence Easterly, 473.98 feet, along said North line, to the Point of Beginning.

Said land contains 11.02 Acres, more or less.

## **Appendix 2 - Project Description**

The activities of the District are designed to encourage redevelopment of the site. The following activities are essential to removing the current barriers to private redevelopment.

The project includes the demolition and environmental cleanup of an 8.96-acre parcel.

The concept for redevelopment is the conversion of the site into a light industrial use. Optimal redevelopment of the site would have a 75,000 sq. ft. light industrial building and a 40,000 sq. ft. light industrial building.

Buildings would consist of modern building materials such as brick, precast stone and cast stone, common size brick, concrete masonry as a secondary material, ornamental metals as an accent material, stucco, and EIFS limited to less than 10%.

The new development will be selected on the incorporation of sustainable design on the environment and workers. Design refers largely to the physical layout of the facility itself. It includes both interior and exterior design elements that include energy efficiency and green technologies such as green roof to absorb and clean water, landscaping, stormwater retention, etc. The City will encourage the developer to utilize sustainable development practices.

### Appendix 3 – Estimated Redevelopment Costs

Budget	TIF Plan Budget	Projected 2011	Projected 2012	Projected 2013	Projected 2014	Total
A	B	C	D	F	G	G
<b>1. Acquisition</b>	<b>Budget</b>					
Commercial Property	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>2. Relocation</b>						
Assistance	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Consultant	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$ -</b>
<b>3. Environmental Clean-up</b>						
Environmental Phase I	\$ -	\$ 0	\$ -	\$ -	\$ -	\$ -
Environmental Phase II		\$ -	\$ -	\$ -	\$ -	\$ -
Site Assessment	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ 100,000
Geotechnical (preassess)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Environmental Clean-up	\$ 400,000	\$ -	\$ 400,000	\$ -	\$ -	\$ 400,000
<b>Subtotal</b>	<b>\$ 500,000</b>	<b>\$ 100,000</b>	<b>\$ 400,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 500,000</b>
<b>4. Demolition</b>						
Demolition	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
Decommissioning (electri)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Asphalt Removal	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ -	\$ 100,000
		\$ -	\$ -	\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ 1,100,000</b>	<b>\$ 1,000,000</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ -</b>	<b>\$ 1,100,000</b>
<b>5. Public Infrastructure</b>						
Traffic Study		\$ -	\$ -	\$ -	\$ -	\$ -
Traffic Signals/Crosswalk	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storm Water Retention (N)	\$ 50,000	\$ -	\$ -	\$ 50,000.00	\$ -	\$ 50,000
Private Utilities Terminati	\$ 35,000	\$ -	\$ -	\$ 35,000.00	\$ -	\$ 35,000
Bus Stop	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bike Lane	\$ 5,000	\$ -	\$ -	\$ -	\$ 5,000	\$ 5,000
Engineering Contingency	\$ 50,000	\$ -	\$ -	\$ 25,000	\$ 25,000	\$ 50,000
<b>Subtotal</b>	<b>\$ 140,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 110,000</b>	<b>\$ 30,000</b>	<b>\$ 140,000</b>
<b>6. Administration</b>						
<b>A. Administration</b>		\$ -	\$ -	\$ -	\$ -	\$ -
1. General Admin.-10	\$ 174,000	\$ 20,000	\$ 70,000	\$ 26,500	\$ 57,500	\$ 174,000
2. Legal-2%	\$ 34,800	\$ 12,500	\$ 18,750	\$ 1,800	\$ 1,750	\$ 34,800
3. Financial Consultant		\$ -	\$ -	\$ -	\$ -	\$ -
4. Survey	\$ 5,000	\$ -	\$ 5,000	\$ 0	\$ -	\$ 5,000
5. Economic Development Incentive	\$ 150,000	\$ -	\$ -	\$ 150,000	\$ -	\$ 150,000
<b>Subtotal</b>	<b>\$ 363,800</b>	<b>\$ 32,500</b>	<b>\$ 93,750</b>	<b>\$ 178,300</b>	<b>\$ 59,250</b>	<b>\$ 363,800</b>
<b>Subtotal</b>	<b>\$ 2,103,800</b>	<b>\$ 1,132,500</b>	<b>\$ 493,750</b>	<b>\$ 388,300</b>	<b>\$ 89,250</b>	<b>\$ 2,103,800</b>
<b>7. Intrest Expense</b>						
Capitalized Interest	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Interest Expense				\$ -	\$ -	\$ -
<b>Subtotal</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>			<b>\$ -</b>
<b>8. Contingency</b>						
Contingency - 10%	\$ 210,380	\$ -	\$ -	\$ 105,190	\$ 105,190	\$ 210,380
<b>Subtotal</b>	<b>\$ 210,380</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 105,190</b>	<b>\$ 105,190</b>	<b>\$ 210,380</b>
<b>Total</b>	<b>\$ 2,314,180</b>	<b>\$ 1,132,500</b>	<b>\$ 493,750</b>	<b>\$ 493,490</b>	<b>\$ 194,440</b>	<b>\$ 2,314,180</b>
<b>Total Revenue (See Exhibit 4i.)</b>		<b>\$ 0</b>	<b>\$ 1,000,000</b>	<b>\$ 0</b>	<b>\$ 0</b>	<b>\$ 1,000,000</b>
<b>Tax Increment Financing</b>		<b>\$ 1,132,500</b>	<b>\$ (506,250)</b>	<b>\$ 493,490</b>	<b>\$ 194,440</b>	<b>\$ 1,314,180</b>