



City of West Allis

Meeting Agenda

Community Development Authority

Tuesday, December 17, 2024

6:00 PM

City Hall, Room 128
7525 W. Greenfield Ave.

REGULAR MEETING

A. CALL TO ORDER

B. ROLL CALL

C. APPROVAL OF MINUTES

1. [24-0693](#) October 8, 2024

Attachments: [October 8, 2024 Draft Minutes](#)

D. MATTERS FOR DISCUSSION/ACTION

2. [24-0712](#) Annual Tax Increment Financing Report.

Attachments: [TID Report 2024 12.16.24](#)

3. [24-0713](#) Discussion on proposed use of donor Tax Incremental Financing to close TIF #6 and TIF #13.

4. [24-0714](#) Resolution to approve a National Avenue Commercial Corridor Code Compliance Loan in the amount up to \$8,500 for the establishment of an entertainment venue at 6325 W. National Ave.

Attachments: [CDA Res.No. 1488 - Nat'l Ave CCCC Forgivable Loan](#)
[6325 W National Ave Forgivable Loan Agreement \(12-17-24\)](#)

5. [24-0715](#) Resolution to approve the Purchase and Sale, Development Agreement, Development Finance Agreement, and Public Space Agreement with Six Points Square LLC for the redevelopment of the 6400 Block W. Greenfield Ave.

Attachments: [CDA Res. 1489 - Purchase & Sale & Development Agrmt - \(12-17-24\)](#)
[Development Agrmt - 12-13-2024 FINAL](#)
[Public Space Agrmt 12-13-2024 FINAL](#)
[Purchase Sale Agrmt 12-13-2024 FINAL](#)
[Development Finance Agreement - 12-13-2024 FINAL](#)

6. [24-0716](#) Discussion on Community Development Authority 2025 meeting dates.

7. [24-0717](#) Discussion on 6901 W. Beloit Rd. and the proposed construction of a single-family home.
8. [24-0718](#) Discussion on the Land by Label Development, the Apiary, located at 1070 S. 70th St.
9. [24-0719](#) Discussion on the status of the Makers Row Development.
10. [24-0720](#) Discussion regarding the status of 6771 W. National Ave., and the Development Agreement with Baum Revision, LLC. (BR West Allis, LLC)
11. [24-0721](#) Discussion on the status of 1405 S. 92 St.
12. [24-0722](#) Discussion regarding the property at 922 S. 70th St., former Poblocki Sign headquarters.
13. [24-0021](#) Consideration relative to Report on Redevelopment Initiatives:
 - a. 84th & Greenfield/TIF Number Eleven
 - b. 68th & Mitchell (former Milwaukee Ductile Iron)/TIF Number Fourteen
 - c. The Market/TIF Number Fifteen
 - d. S. 70th St. & W. Washington St. Corporate Office Corridor Plan/TIF Number Sixteen
 - e. S. 102 St. and W. Lincoln Ave. – West Lincoln Corridor /TIF Number Seventeen
 - f. Chr. Hansen Expansion/TIF Number Eighteen
 - g. 86th and National/TIF Number Nineteen
 - h. 6400 Block of W. Greenfield Avenue/ TIF Number Twenty
 - i. Hwy. 100 Corridor
 - j. Beloit Road Senior Housing Complex
 - k. W. National Ave. Corridor
 - l. Motor Castings Site – 1323 S. 65 St.
 - m. 116th & Morgan Ave.

For agenda items 9-12 the committee may convene in closed session pursuant to the provisions of Section 19.85(1)(e) of the state statutes for the purpose of deliberating the investing of public funds whenever competitive or bargaining reasons require a closed session. This committee may reconvene in open session after completion of the closed session to consider the balance of the agenda

E. ADJOURNMENT



All meetings of the Community Development Authority are public meetings. In order for the general public to make comments at the committee meetings, the individual(s) must be scheduled (as an appearance) with the chair of the committee or the appropriate staff contact; otherwise, the meeting of the committee is a working session for the committee itself, and discussion by those in attendance is limited to committee members, the mayor, other alderpersons, staff and others that may be a party to the matter being discussed.

NOTICE OF POSSIBLE QUORUM

It is possible that members of, and possibly a quorum of, members of other governmental bodies of the municipality may be in attendance at the above-stated meeting to gather information. No action will be taken by any governmental body at the above-stated meeting other than the governmental body specifically referred to above in this notice.

NON-DISCRIMINATION STATEMENT

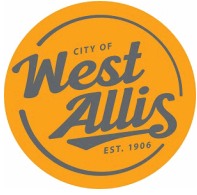
The City of West Allis does not discriminate against individuals on the basis of race, color, religion, age, marital or veterans' status, sex, national origin, disability or any other legally protected status in the admission or access to, or treatment or employment in, its services, programs or activities.

AMERICANS WITH DISABILITIES ACT NOTICE

Upon reasonable notice the City will furnish appropriate auxiliary aids and services when necessary to afford individuals with disabilities an equal opportunity to participate in and to enjoy the benefits of a service, program or activity provided by the City.

LIMITED ENGLISH PROFICIENCY STATEMENT

It is the policy of the City of West Allis to provide language access services to populations of persons with Limited English Proficiency (LEP) who are eligible to be served or likely to be directly affected by our programs. Such services will be focused on providing meaningful access to our programs, services and/or benefits.



City of West Allis

Meeting Minutes

Community Development Authority

Tuesday, October 8, 2024

6:00 PM

City Hall, Room 128
7525 W. Greenfield Ave.

REGULAR MEETING (draft minutes)

A. CALL TO ORDER

B. ROLL CALL

- Present** 6 - Wayne Clark, Patrick Schloss, Michael Suter, Danna Kuehn, Martin J. Weigel, Richard Badger
- Excused** 2 - Donald Nehmer, Gerald C. Matter

Others Attending

Ald. Haass, Ald. Turner
Jason Kaczmarek, Finance Director/Comptroller
Chris Geiger, Brad Glassell, Alicia Glassell

Staff

Patrick Schloss, Economic Development, Executive Director
Shaun Mueller, Economic Development, Development Project Manager

C. APPROVAL OF MINUTES

1. [24-0584](#) September 10, 2024

Attachments: [September 10, 2024 Draft Minutes](#)

Badger moved to approve this matter, Ald. Kuehn seconded, motion carried.

D. MATTERS FOR DISCUSSION/ACTION

2. [24-0585](#) Resolution to amend the 2024 Payment Standard for the Housing Choice Voucher Program.

Attachments: [CDA Res. No. 1487 - Amend the 2024 Payment Standard for the HCVP \(10-8-24\)](#)
[CDA Resolution 1487 - CDA PS and FMR 2024](#)
[APPROVED 2024 Streamlined Waiver Request WI201 West Allis CDA v2](#)
[FMRs & PSs 2023 to 2025](#)

Patrick Schloss presented.

Ald. Weigel moved to approve this matter, Badger seconded, motion carried.

3. [24-0586](#) Discussion regarding the Development Agreement with Six Points East LLC and conditions related to public parking.

Attachments: [Six Points East Parking Proposal](#)

Patrick Schloss presented.

Brad Glassel spoke about the agreement and expressed concerns regarding parking and maintenance.

Ald. Weigel inquired on how many units are in this development and how many parking stalls, and was advised by Mr. Glassel that there are 40 units with 78 underground parking stalls and 32 outside.

Ald. Kuehn moved to approve the amendment to allow for six stalls.

This matter was Discussed.

- 4. [24-0591](#) Discussion on 6901 W. Beloit Road and the proposed construction of a single-family home.

Patrick Schloss presented.

Ald. Weigel questioned what does an affordable option look like? Discussion ensued with questions being answered by staff.

This matter was Discussed.

- 5. [24-0587](#) Discussion on the status of the Markers Row Development.

Discussed in closed session.

This matter was Discussed.

- 6. [24-0588](#) Discussion regarding the status of 6771 W. National Ave., and the Development Agreement with Baum Revision, LLC (BR West Allis, LLC)

Discussed in closed session.

This matter was Discussed.

- 7. [24-0589](#) Discussion on the status of 1405 S. 92 St.

Discussed in closed session.

Staff shared that the CDA purchased the Note from Tri-City Bank.

This matter was Discussed.

- 8. [24-0590](#) Discussion regarding the redevelopment area located at 13** S. 65th St.

Discussed in closed session.

This matter was Discussed.

9. [24-0021](#) Consideration relative to Report on Redevelopment Initiatives:
- a. 84th & Greenfield/TIF Number Eleven
 - b. 68th & Mitchell (former Milwaukee Ductile Iron)/TIF Number Fourteen
 - c. The Market/TIF Number Fifteen
 - d. S. 70th St. & W. Washington St. Corporate Office Corridor Plan/TIF Number Sixteen
 - e. S. 102 St. and W. Lincoln Ave. – West Lincoln Corridor /TIF Number Seventeen
 - f. Chr. Hansen Expansion/TIF Number Eighteen
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 - h. 6400 Block of W. Greenfield Avenue/ TIF Number Twenty
 - i. Hwy. 100 Corridor
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 - k. W. National Ave. Corridor
 - l. Motor Castings Site – 1323 S. 65 St.
 - m. 116th & Morgan Ave.

At 6:25 p.m., a motion was made by Ald. Weigel, seconded by Mr. Badger to go into closed session to discuss items 5-8 on the agenda.

E. ADJOURNMENT

There being no further business to come before the Authority a motion was made by Ald. Kuehn, seconded by Mr. Badger to adjourn at 6:44 p.m.



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2024 Annual TIF Report



December 2024
Prepared by the Economic Development Program
In cooperation with the Department of Finance

City of West Allis Officials

Common Council

Dan Devine, Mayor

Rebecca Grill, City Administrator

Ald. Kevin Haass, Council President

Ald. Ray C. Turner

Ald. Kimberlee Grob

Ald. Chad Halvorsen

Ald. Marissa Nowling

Ald. Suzzette Grisham

Ald. Danna Kuehn

Ald. Daniel J. Roadt

Ald. Patty Novak

Ald. Marin J. Weigel

Community Development Authority

Gerald Matter, Chair

Wayne Clark, Vice-Chair

Richard Badger

Mike Sutter

Ald. Martin Weigel

Ald. Dana Kuehn

Donald Nehmer

Patrick Schloss, Executive Director

Joint Review Board

Dan Devine, Mayor

Celia Benton, Director of Economic Development

Dr. Anthony Cruz, President

Dr. Tarrynce Robinson, Superintendent

Wayne B. Clark

City Representative

Milwaukee County

Milwaukee Area Technical College

West Allis/West Milwaukee School District

Public Member

Technical Advisory Staff

Patrick Schloss
Shaun Mueller
Carson Coffield
Steven Schaer
Jason Kaczmarek
Kris Moen
Kail Decker
Jason Williams
Gale Jender

Economic Development Executive Director
Development Project Manager
Economic Development Specialist
Planning and Zoning Manager
Finance Director
Deputy Finance Director
City Attorney
City Assessor
Administrative Support Specialist

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West Allis - Tax Increment Financing Dashboard



20 TIFS
12 – Open TIFS
8 – Closed TIFS



Over 100 acres of
land improved



\$576 million of
incremental value



Over 5,200 jobs
created



EXECUTIVE SUMMARY

The Tax Increment Financing (TIF) Report is an annual publication in collaboration between the City of West Allis Economic Development Division and the Finance Department that highlights the economic performance of the City's Tax Increment Districts (TIDs). This report includes financial profiles, audited financial statements, and strategies for utilizing tax increment financing (TIF) as a key financing mechanism through the Community Development Authority (CDA).

What is a TIF District?

TIF stands for Tax Increment Financing. The popular tool is designed to boost economic investment within a municipality that captures property tax dollars in order to grow the City. Simply, a City establishes a base tax and then property tax dollars gained through development (increment) are placed into a TIF fund.

West Allis has twenty TIDs in the City with thirteen currently open. The outcomes include adding over \$576 million in new property tax base, generating nearly \$12 million in new tax revenue, and creating 5,688 new jobs, building on the success of the City's economic development initiatives.

Changing Brownfields

The report introduces the concept of Brownfield Redevelopment, emphasizing its importance in protecting the environment, reducing blight, and combating urban sprawl. The benefits extend to preserving rural acres, and post-redevelopment assessed values surpass pre-development values. Also, over 100 acres of land considered blighted or environmentally impacted have been improved to a sustainable condition.

West Allis Philosophy

The City's priority is to collaborate with private-sector developers, with the CDA stepping in as the "developer of last resort" when necessary. This approach involves due diligence work, environmental investigations, cleanup, and other efforts to attract private sector investment.

The goal is to grow the City's tax base, attract various housing types that will attract new residents and retain talent. The City's Comprehensive Plan outlines the goal of increasing the population of the city by 10,000 residents by 2045. Though development builds upon the strength of our City's family neighborhoods, TIF is a powerful tool to attract transformative projects and changes to the City.

A recent Wisconsin law change relative to not taxing personal property has changed the base values of the TIDs. However, the State is providing aid to supplement the impact on TIFs. The following table highlights the changes in TIF Base Value and notes a \$6.9 million change of value.

TIDS	Original Base Value	New Base Value	Difference
#6	\$ 1,330,600	\$ 1,277,600	\$ (53,000)
#7	\$ 15,914,400	\$ 13,551,100	\$ (2,363,300)
#10	\$ 3,463,600	\$ 3,300,500	\$ (163,100)
#11	\$ 4,678,000	\$ 4,628,700	\$ (49,300)
			\$ -
#13	\$ 537,400	\$ 537,400	\$ -
#14	\$ 1,354,300	\$ 1,354,300	\$ -
#15	\$ -	\$ -	\$ -
#16	\$ 3,283,200	\$ 3,080,600	\$ (202,600)
#17	\$ 15,514,500	\$ 14,285,600	\$ (1,228,900)
#18	\$ 7,112,100	\$ 4,230,100	\$ (2,882,000)
#19	\$ 1,540,800	\$ 1,506,200	\$ (34,600)
Total	\$ 54,728,900	\$ 47,752,100	\$ (6,976,800)

The Districts

West Allis has created 20 TIF districts, addressing various challenges and opportunities. These districts range from individual parcel redevelopments to larger neighborhood transformations, focusing on job creation, housing options, and overall neighborhood improvements. The report highlights the diversity and success of these districts.

State legislation limits TID property value to 12%, and as of 2023, West Allis has 5.62% within TIDs, indicating capacity for additional projects, this 0.33% is down from 5.95% reported in the 2022 TIF Report. The value is less than the maximum of \$718,962, 792 (12%) in equalized value that is permitted for the City. Proposals will continue to be evaluated based on financial and land use merits, aligned with the City’s Comprehensive Plan and the TIF “but for” test. This report serves as a testament to the City's commitment to strategic economic development through innovative financing mechanisms and community-focused regeneration.

The Results

The City has successfully closed eight Tax Increment Financing (TIF) districts contributing over \$119 million in new incremental value and fostering the creation of approximately 1,863 jobs. The impact of these districts has been substantial, not only in economic growth but also in enhancing the overall community landscape. The proactive use of TIF has played a crucial role in preventing potential blight, bolstering property tax base expansion, and supporting job creation initiatives for the benefit of residents and local businesses.

Current Landscape

Presently, there are twelve active TIF districts with the potential to further augment the tax base by an estimated \$456 million. This expansion is anticipated to generate over \$9.2 million in additional tax revenue, with a noteworthy 41% (\$3.8 million) earmarked for the City. These funds play a pivotal role in sustaining municipal services, enriching the quality of life for residents, and fostering a conducive environment for local businesses to thrive.

	ALL TIDs
	Total
Base Value	\$87,412,100
Current Tax Increment Value	\$411,943,600
Projected Tax Increment Value	\$163,300,000
Total Value	\$662,655,700
Incremental Value	\$575,476,500
Base Taxes	\$1,747,621
Current Tax Increment	\$8,294,798
Projected Tax Increment	\$3,282,330
Total Taxes	\$13,324,748
New Jobs Created	5,287
Projected New jobs	371
Total New Jobs	5,658

Transformational Impact

The success of TIF implementation extends beyond the immediate financial gains. It serves as a catalyst for positive change throughout the community, creating a domino effect that attracts new residents, entrepreneurs, and visitors to the City. This ripple effect not only strengthens the economic foundation but also contributes to the overall vibrancy and appeal of the community. A great example of the impact beyond the boundary of a TID is a recent Economic Impact Study prepared for the Land by Label development by Baker Tilly. The study estimated that the \$73 million development has the suggested that over \$63.3 million of output will be generated over 10 years.

Land by Label Development,
TIF # 16 - Estimated Output Over
Ten Years - \$63.3 million, Baker Tilly
study.

Financial Projections

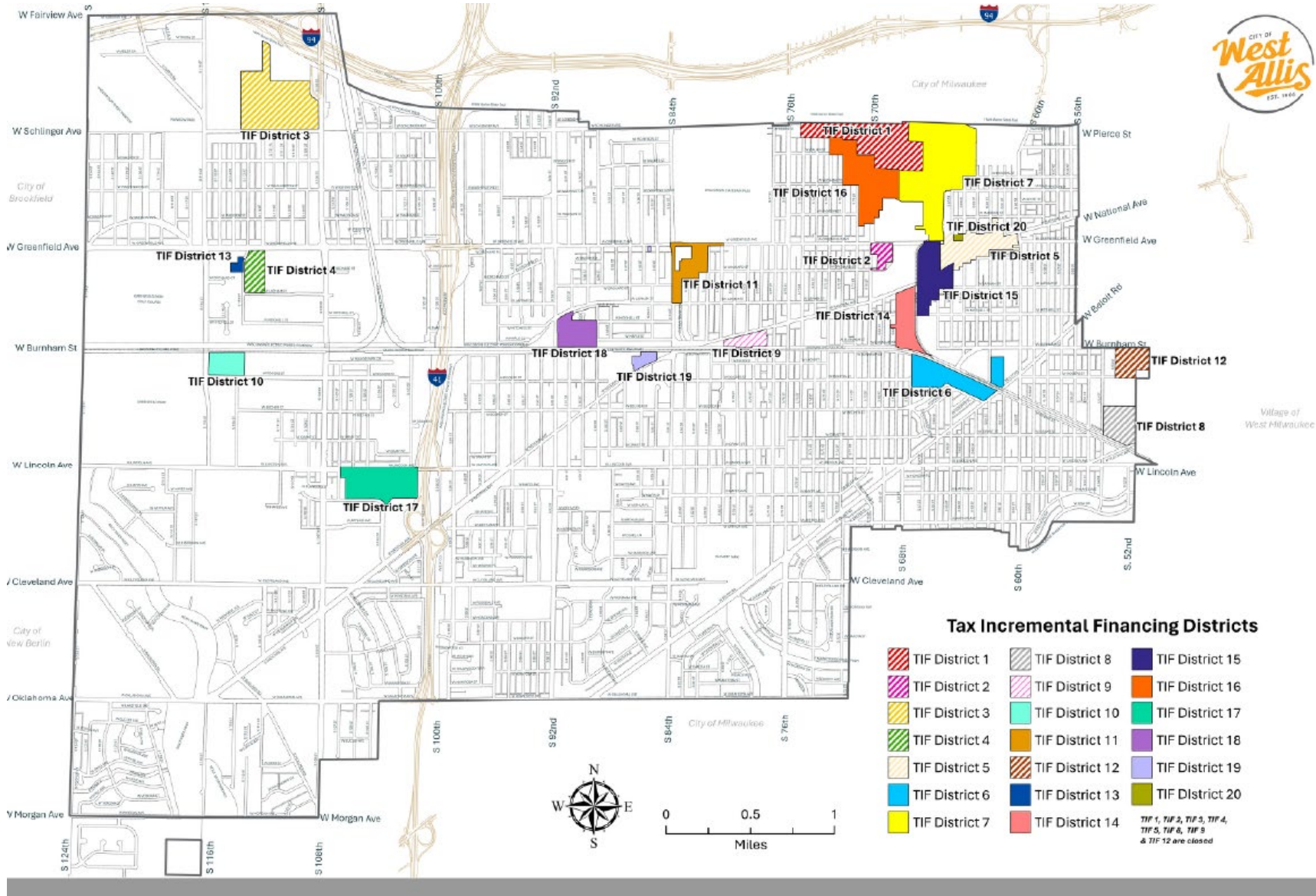
For clarity on the financial landscape, the closed and active TIF districts utilized the 2024 assessment values with a mill rate of \$20.10 per \$1,000. It is important to note that in the initial two years of a TID's life, no new taxes are generated. The first year is typically dedicated to construction, which becomes taxable in the second year, and the resulting revenue is received by the district in the third year.

The TIF projections encompass all past costs, including 2023 expenditures, along with currently estimated future costs. This comprehensive approach is integral to determining the overall life cycle and financial viability of a TIF district. In conclusion, the strategic use of TIF has proven instrumental in propelling economic development, fostering job creation, and transforming the City's landscape. The continued commitment to proactive TIF management is poised to yield sustained positive impacts, ensuring a prosperous future for both residents and local businesses alike.

<u>TAX INCREMENTAL DISTRICT SUMMARY</u>		Bas Value	Current Increment	Projected Increment	Total Value	Incremental Value	Incremental Taxes	Created Jobs	Projected Jobs	Total Jobs
#	Open TIDs									
6	Juneau Highlands	\$1,330,600	\$10,781,900	\$2,600,000	\$14,712,500	\$13,381,900	\$268,976	331	15	346
7	Summit Place	\$15,914,400	\$70,919,000	\$0	\$86,833,400	\$70,919,000	\$1,425,472	2,646	0	2,646
10	Yellow Freight	\$3,463,600	\$14,926,600	\$0	\$18,390,200	\$14,926,600	\$300,025	140	0	140
11	84 th and Greenfield	\$4,678,000	\$48,001,900	\$0	\$52,679,900	\$48,001,900	\$964,838	23	5	28
13	Former Home Juice	\$537,400	\$1,290,100	\$0	\$1,827,500	\$1,290,100	\$25,931	10	0	10
14	68 th and Mitchell	\$1,354,300	\$24,870,500	\$5,000,000	\$31,224,800	\$29,870,500	\$600,397	132	125	257
15	The Market at Six Points	\$0	\$61,556,900	\$20,000,000	\$81,556,900	\$81,556,900	\$1,639,294	71	40	111
16	S. 70 th St. and Washington	\$3,283,200	\$26,761,500	\$80,000,000	\$110,044,700	\$106,761,500	\$2,145,906	40	60	140
17	102 and Lincoln	\$15,514,500	\$26,200,800	\$2,000,000	\$43,715,300	\$28,200,800	\$566,836	16	24	40
18	Chr. Hansen Expansion	\$7,112,100	\$6,632,100	\$0	\$13,744,200	\$6,632,100	\$133,305	25	75	100
19	85 th and National	\$1,540,800	\$925,200	\$45,800,000	\$48,266,000	\$46,775,100	\$939,177	0	7	7
20	6400 Block of W. Greenfield Avenue	\$0	0	\$7,400,000	\$7,400,000	\$7,400,000	\$148,7000	0	10	10
TOTAL OPEN TIDS		\$54,728,900	\$292,866,500	\$162,800,000	\$510,395,400	\$455,666,500	\$9,158,897	3,434	361	3,795

		Base Value	Current Increment	Projected Increment	Total Value	Incremental Value	Incremental Taxes	Created Jobs	Projected Jobs	Total Jobs
CLOSED TIDS										
1	S. 70 th St. and W. Walker St.	\$5,782,000	\$17,096,500	\$0	\$22,878,500	\$17,096,500	\$343,640	519	0	519
2	Veterans Park	\$1,681,600	\$11,911,300	\$0	\$13,592,900	\$11,911,300	\$239,417	3	0	3
3	Quad/Graphics	\$4,307,500	\$8,419,000	\$0	\$12,726,500	\$8,419,000	\$169,222	934	0	934
4	S. 113 th St. and W. Greenfield Ave.	\$0	\$9,482,800	\$0	\$9,482,800	\$9,482,800	\$190,604	243	0	243
5	Six Points Farmers Market	\$18,524,600	\$45,077,400	\$500,000	\$64,102,000	\$45,577,400	\$916,106	25	10	35
8	Wehr Steel	\$1,078,800	\$6,141,500	\$0	\$7,220,300	\$6,141,500	\$123,444	57	0	57
9	Pioneer Neighborhood	\$1,075,800	\$21,181,500	\$0	\$22,257,300	\$21,181,500	\$425,748	72	0	72
12	Teledyne	\$232,900	\$-232,900	\$0	\$0	\$0	\$0	0	0	0
TOTAL CLOSED TIDS		\$32,683,200	\$119,077,000	\$500,000	\$152,760,300	\$119,810,000	\$2,408,181	1,853	0	1,863
		Base Value	Current Increment	Projected Increment	Total Value	Incremental Value	Incremental Taxes	Created Jobs	Projected Jobs	Total Jobs
TOTAL ALL DISTRICTS		\$87,412,100	\$411,943,600	\$163,300,000	\$662,655,700	\$575,476,500	\$11,577,128	5,287	371	5,658

MAP OF TAX INCREMENT DISTRICTS



OPEN TIDS

TIF DISTRICT NO. 6 – JUNEAU HIGHLANDS BUSINESS PARK

PROJECTED CLOSURE: 2030 (27 YEARS)



(1960 S. 67 Place)

Redevelopment of Juneau Highlands Business Park

Located near S. 67th Place and W. Becher St., this 11.5-acre district was established in 2004 with the goal of proactively initiating redevelopment and preventing further accumulation of non-developable fill materials. The site’s history included serving as a rock quarry, a carbide gas manufacturing plant, and more recently, a waste storage facility, oil and hazardous waste trucking terminal, and salvage yard filled with discarded vehicles.

The property had numerous building code violations and was operating as an illegal junkyard. Additionally, the owner was under a Department of Natural Resources (DNR) order to stop the leaching of lime slurry onto W. Becher St. In response, the City worked collaboratively with the owner to support cleanup efforts and partnered with the Milwaukee Metropolitan Sewerage District (MMSD), which covered trucking costs to use the lime in their wastewater treatment process. After removing the lime, the owner considered marketing the site as a rubble dump, but concerns about weak ground stability prompted the Community Development Authority (CDA) to acquire the site as a last resort.

To prepare the district for redevelopment, the site underwent extensive clearing, environmental testing, and remediation. Dumpsters and salvage were relocated, grading was completed, former lime pits were filled, and a stormwater pond was constructed. The project was primarily funded through \$2.8 million in tax incremental financing via taxable general obligation bonds, addressing both environmental remediation and geotechnical soil stability.

Additional funding sources included \$120,000 from four Department of Natural Resources (DNR) site assessment grants, a \$675,000 brownfield grant from the Wisconsin Department of Commerce, a \$200,000 cleanup grant from the U.S. Environmental Protection Agency



(EPA), \$150,000 from the Wisconsin Department of Commerce’s Emergency Assistance Program, and \$350,000 from the American Recovery and Reinvestment Act in 2009 for flooding relief.

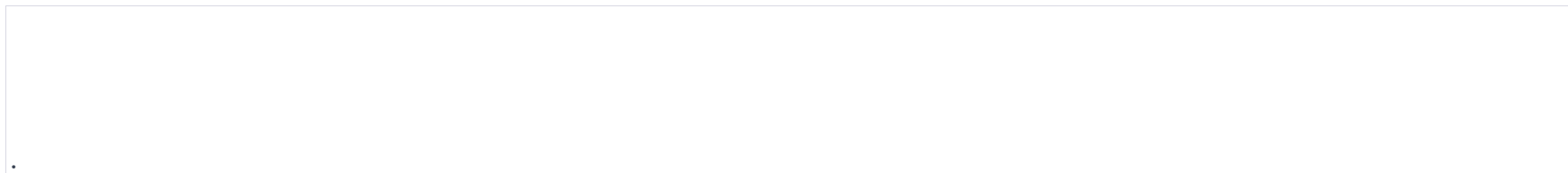
In 2006, the abandonment of the nearby Plating Engineering Company created a highly toxic site. The EPA, called in by the City and the DNR, initiated an emergency response, spending \$680,000 to remove hazardous waste. Despite these efforts, the Plating Engineering site remains undevelopable, leading to its inclusion in the TIF district in 2007 to secure funding for essential environmental cleanup. The Community Development Authority (CDA), in partnership with the DNR, oversaw the cleanup process, with the DNR covering the estimated \$1,000,000 in remediation costs. Under this agreement, neither the City nor the CDA incurred any environmental liability.

Development delays initiated by the CDA in the Six Points/Farmers Market (TID 5) district allowed for the disposal of contaminated foundry sand. Proposed projects for the Juneau Highlands Business Park, including an electric foundry and industrial facility, were canceled due to market changes and competition.

In late 2016, negotiations with Glenn Rieder, a millwork company, led to a new facility with City support. Funding included \$2.2 million from FIRE for construction and environmental costs, plus \$75,000 in CDBG funds for street and sidewalk improvements.

The facility, valued at \$6 million, opened in February 2018. The district's current value is \$10.8 million, with a projected \$13 million by 2031. As of 2022, Glenn Rieder employs 331 people. Despite a negative balance of -\$775,557, the TIF is expected to end by 2031, though the City consider the use a Donor TIF to satisfy the outstanding debt and dissolve the TIF earlier.

TIF No. 6 – Juneau Highlands	
Base Value	\$1,330,600
Current Incremental Value	\$10,781,900
Projected Incremental Value	\$2,600,000
Total Expected Value	\$14,712,500
Total Incremental Value	\$13,381,900
Base Taxes	\$26,745
Current Taxes	\$216,716
Projected Additional Taxes	\$52,260
Total Expected Taxes	\$295,721
Total Incremental Taxes	\$268,976
New Jobs Created	331
Projected Jobs	15
Total	346

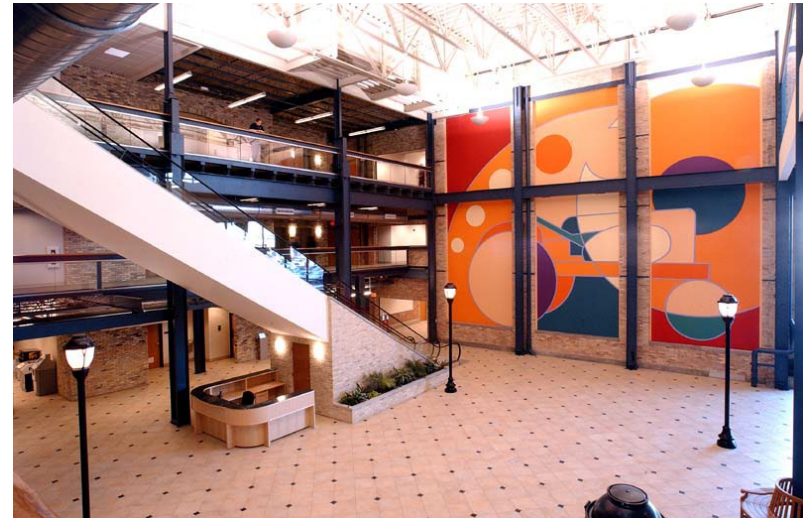


TIF DISTRICT NO. 7 – SUMMIT PLACE
PROJECTED CLOSURE: 2031 (27 YEARS)

The City's strategic application of Tax Increment Financing (TIF) and supplementary grant funding has resulted in the remarkable revitalization of the properties within TIF #7 – Summit Place, marking it as one of the City's most significant redevelopment successes. Currently valued at over \$65 million, the district boasts a thriving community, providing employment to over 2,700 individuals.

Project Genesis

Initiated with a \$350,000 Wisconsin Department of Commerce Brownfield Grant, the redevelopment transformed the vacant Allis-Chalmers Mfg. Co. "Shops" buildings into a sprawling 678,000 ft.² office space. Leveraging a brownfield grant facilitated a leveraged financing model, catalyzing the revitalization of the complex, now the second-largest office building in the metro-Milwaukee area, with an impressive 97% occupancy rate. The Summit Place Office Complex, once exclusively occupied by Allis Chalmers Corporation, now hosts over 100 diversified businesses, including major tenants such as Children's Hospital, Brookdale Senior Living, and the International Association of Equipment Manufacturers. Furthermore, manufacturing space is actively utilized by Blast Cleaning Technologies and Toshiba International Corp.



Financial Leverage and Collaborations

The initial \$7.3 million TIF expenditure funded public improvements and deferred payment loans, complemented by a \$568,000 DNR Urban Non-Point Source and Stormwater Grant. A collaboration with A-C Reorganization Trust allowed for the assumption of title to 8.9 acres, enabling stormwater enhancements and the construction of a 450-stall private parking structure. The creation of a 250-stall public parking lot, in collaboration with 6600 LLC, further demonstrated the district's commitment to community development.

The property's designation as a "Local Historic Landmark" by the West Allis Historical Commission not only preserved its historical significance but also resulted in substantial cost savings through adherence to historic building codes.

Additional financing tools, such as New Market Tax Credits (NMTCs), played a pivotal role in financing the aggressive renovation, further solidifying the public-private partnership that became the cornerstone of this successful redevelopment.



Expansion and Amendments

The district's success prompted amendments and expansions, including additional TIF funding for private parking, building improvements, and a commuter bike and pedestrian trail. Off-site public infrastructure upgrades and a new ingress/egress corridor to the adjacent West Allis Towne Centre shopping center were pivotal in revitalizing the aging mall and relieving traffic congestion.

Continued Success and Strategic Initiatives

A fifth amendment in 2014 added project costs for additional parking and further improvements, retaining existing jobs and adding new ones. The Neighborhood Residential Improvement Program was expanded to address blight and strengthen the neighborhood, showcasing the district's commitment to holistic community development.

Amendment Number Six in 2016 allowed TID 7 to share net revenues with TID 5, showcasing a collaborative approach to district management. To date, over \$91 million of additional taxable value has been invested in the site, exceeding expectations.

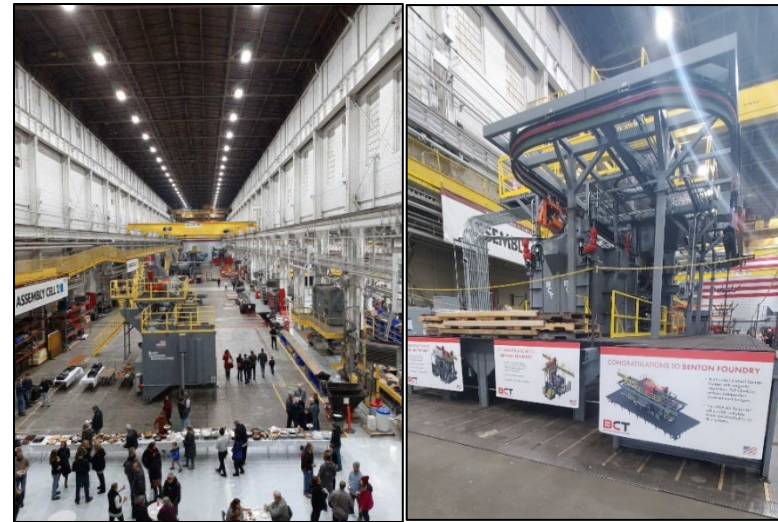
Loan Repayment and Economic Impact

The Community Development Authority (CDA) has loaned approximately \$4.5 million to Whitnall Summit, with the remaining balance of approximately \$375,000 scheduled for repayment in 2025.

Without proactive TIF utilization, the significant increase in property values and the transformation of the property into the City's largest taxpayer and employment center would have been improbable.

Economic Growth and Employment Landscape

In 2018, Blast Cleaning Technologies (BCT) leased 127,000 sq. ft., investing over \$3 million into the facility and expanding their team to nearly 300 employees (Pictured to the right). Further, the CDA sold the property at 6610 W. Greenfield Avenue to spur the \$2 million investment that created the Reunion Restaurant (Pictured to the right). The TIF 7 District currently boasts a value exceeding \$70 million, reflecting nearly a \$30 million decrease from 2022. The major influence to the reduction was the impact of COVID and rapid changes in the office space market. The TIF remains successful, overall maintaining an increase of over \$70 million from its original base of \$15.9 million. It consistently generates approximately \$1.5 million in annual tax increment, sustaining its economic impact to the area.



Strategic Initiatives and Future Development

City staff is actively exploring potential projects within and surrounding the TIF 7 District. Noteworthy initiatives include the Motor Casting Property, creating a pad-ready site, offering incentives for Summit Place tenants, Rails to Trails conversion, parking consolidation, supporting Blast Cleaning Technologies, and exploring the development of the powerhouse area.

The TIF has a positive fund balance of about \$5,976,277 at the beginning of 2024. With the prospects of an abutting development to the TID #16, the Joint Review Board approved up to a \$3.5 million to support a \$73 million, 278-unit development called the Apiary by Land by Label Development within the Allis Yards TIF.



Staff is recommending utilizing a portion of the TIF Fund Balance to expedite the closing of the TID #6. Also, Staff is working with property owners within the TID to consider ideas to maximize the land masses and to attract future redevelopment as well as ways to improve new connections to the neighborhood when W. Allis Chalmers Way is constructed to S. 60th Street.

Conclusion

In conclusion, the TIF 7 District stands as a testament to successful economic development. The proposed projects underscore the City's commitment to continued growth and innovation, contributing to the district's economic footprint and community impact. With a

positive funds balance of \$6 million, the TIF has the potential to close by 2031, reflecting the enduring success of this marquee partnership.

Tax Increment District #7 – Summit Place	
Base Value	\$15,914,400
Current Incremental Value	\$70,919,000
Total Assessed Value	\$86,833,400
Base Taxes	\$319,879
Current Incremental Taxes	\$1,425,472
Projected Additional Incremental Taxes	\$0
Total Expected Taxes	\$1,745,351
New Jobs Created	2,646
Projected Jobs	0
Total Jobs	2,646

**TIF DISTRICT NO. 10 – YELLOW FREIGHT
PROJECTED CLOSURE: 2026 (21 YEARS)**

(S. 116 St. & W. Rogers St.)

West Allis' prime central location, combined with the strategic use of Tax Increment Financing (TIF) and other financial resources by the Community Development Authority (CDA), enabled the successful redevelopment of the vacant Yellow Freight terminal at 116th and Rogers. The TIF was instrumental in covering costs related to land assembly, demolition, and environmental remediation, paving the way for a \$11.3 million development by Wangard Partners and its affiliate, Mister Rogers Neighborhood LLC, on the 9.6-acre site (11528 and 11406 W. Rogers St.) on the city's westside. Once home to two truck terminals and a divisive railroad spur, the site now supports over 130 jobs.



To address brownfield challenges, the City of West Allis issued a \$400,000 loan from its Brownfield Revolving Loan Fund, which was capitalized by a U.S. EPA grant. Notably, this project was one of the first in the nation to combine U.S. EPA Brownfield Revolving Loan funds with New Market New Market Tax Credit financing.



Two Wisconsin Economic Development Corporation Site Assessment Grants (SAG), totaling \$127,000, were successfully secured for demolition and environmental testing, contributing to the Department of Natural Resources (DNR) case closure. A city-wide EPA-funded Brownfield Assessment Grant facilitated the environmental investigation, enhancing optimal development prospects.

Established in 2008, this district aimed to voluntarily acquire and redevelop the first of two vacant truck terminals. The proactive approach sought to encourage redevelopment, offering increased employment opportunities with reduced impacts on local infrastructure and the environment. A \$30,000 DNR Site Assessment Grant supported preliminary environmental investigation pre-acquisition.

Cumulative project costs, including acquisition, demolition, and environmental remediation, reached \$2,664,706 by 2016. The unused railroad spur was removed, and utilities were relocated to accommodate proposed building footprints. Milwaukee County's foreclosure on the abandoned railroad spur facilitated its purchase by the CDA, addressing redevelopment needs.

In the fall of 2013, Wangard Partners finalized project financing, acquiring the site for \$845,000 from the CDA, which had covered the demolition and environmental costs. The \$14 million redevelopment secured \$8 million in financing from PyraMax Bank, including a \$2.0 million loan from the Wisconsin Housing and Economic Development Authority.

The City's First-Ring Industrial Redevelopment Enterprise (FIRE) allocated New Market Tax Credit \$3 million subordinate equity loan with seven-year, interest-only payments.

In 2015, a 72,000 sq. ft. industrial building was completed, now home to Ferguson Plumbing with 60 employees. A 50,000 sq. ft. spec industrial space, expanded by 10,000 sq. ft. in 2016, houses Ferguson, Concentric, and Revere Electric. In fall 2022, the developer fully repaid the U.S. EPA loan, addressing environmental issues to support further development

The district is currently valued at \$18.3 million, reflecting a \$15 million increase from its base value of \$3.46 million. With incremental tax revenues of \$300,000, the district is on track to cover the remaining \$2.2 million of debt service from project costs and is expected to close in 2026



Tax Increment District #10 – 116th and Rogers	
Base Value	\$3,463,600
Current Incremental Value	\$14,926,600
Projected Additional Incremental Value	\$0
Total Assessed Value	\$18,390,200
Projected Incremental Value	\$0
Base Taxes	\$69,618
Current Incremental Taxes	\$300,025
Projected Additional Incremental Taxes	\$0
Total Expected Taxes	\$369,643
New Jobs Created	140
Projected Jobs	0
Total Jobs	140

TIF DISTRICT NO. 11 – S. 84th ST. and W. GREENFIELD AVE.
PROJECTED CLOSURE: 2025 (12 YEARS)



The redevelopment of the 84th and Greenfield area highlights the use of creative financial strategies to attract a hotel development, a key goal in the City's long-term plan.

Tax Increment Financing (TIF) District #11, established in 2010, played a key role in the redevelopment of 11.4 acres impacted by 2008 flooding that damaged residential properties, a vacant commercial building (Mykonos restaurant), and irreversibly damaged the Milwaukee Gray Iron foundry, forcing its permanent closure.

To supplement TIF, the project leveraged \$9.5 EB-5 investor program equity that came from foreign investors.

To supplement the TIF and EB-5 program, Tri-City Bank provided a \$2.5 million loan secured through a first mortgage, while the City-affiliated First-Ring Industrial Redevelopment Enterprise, Inc. (FIRE) extended a \$1,500,000 leveraged loan. The TID contributed a \$350,000 loan, personally guaranteed by property owners, to construct a 100-year underground stormwater facility.

The redevelopment featured a strategic mix of TIF, grants, and creative financing, culminating in the development of a \$13 million Hampton Inn and Suites along with a 9,000 sq. ft. banquet center.

Project costs for this TIF district reached approximately \$2.3 million, covering acquisition, relocation of non-grant eligible properties, environmental cleanup, and administrative expenses, including legal fees. Acquisition of single-family homes and the vacant industrial facility occurred through voluntary means, with eminent domain employed only for a long-vacant and dilapidated restaurant.

A \$29,000 Site Assessment Grant (SAG) and a \$40,000 Citywide EPA Grant facilitated initial site investigations. Apart from TIF, a \$3.8 million grant from the Community Development Block Grant – Emergency Assistance Program (CDBG-EAP) was secured to offset redevelopment costs.



In October 2014, a groundbreaking ceremony marked the start of the \$13.9 million hotel and banquet facility, which opened in fall 2015. The hotel, covering 3.2 acres, now has an assessed value exceeding \$13 million and employs 23 full-time staff as of 2019.

In 2016, TID 11 Amendment One was approved, allocating \$7.3 million in tax incremental financing for project costs, including improvements, environmental cleanup, developer financing, interest, and economic initiatives. The amendment anticipated an additional \$31 million in redevelopment.



In 2017, the Community Development Authority (CDA) signed a Purchase & Sale and Development Agreement with Element 84, LLC, for two four-story buildings with 203 market-rate apartments. The \$43.6 million project, featuring 226 underground parking stalls and 3,000 sq. ft. of commercial space, is projected to be assessed at over \$22 million, with an incremental property tax of \$600,000. Financed through the HUD 221d4 program, the project is on track, with units expected to be available in January 2021

In 2017 the Community Development Authority of the City of West Allis (the “CDA”) entered into a Purchase & Sale and Development Agreement with Element 84, LLC (a subsidiary of Ogden & Company) for the development of two, four-story buildings consisting of 203 high-end market-rate apartments with 226 underground parking stalls, to be constructed on the remaining land within the district. The development will include about 3,000 sq. ft. of

commercial space as a café with outdoor seating. The total project cost of \$43.6 million is assessed at over \$22 million with an incremental property tax over \$600,000. The project obtained conventional financing through the HUD 221d4 program allowing for a longer amortization and ability to lock in rate and term from construction. The development is complete and was fully leased on schedule.

In 2023, the City of West Allis provided financial assistance to help a start-up business Fire Cycle Fitness to occupy about 1,750 sq. ft. within Element 84. The business added five new jobs to the district. Also, the CDA approved a TIF loan financing to the Developer to complete the commercial space for occupancy.

The TIF has about \$11 million of remaining debt service and positive fund balance based on the cash flow of the TIF. The project closing date is 2030.

Tax Increment District No. 11 – 84th and Greenfield Redevelopment Area.	
Base Value	\$4,678,000
Current Incremental Value	\$48,001,900
Projected Additional Incremental Value	\$0
Total Assessed Value	\$52,679,900
Projected Incremental Value	\$48,001,900
Base Taxes	\$94,028
Current Incremental Taxes	\$964,838
Projected Additional Incremental Taxes	
Total Expected Taxes	\$1,058,866
New Jobs Created	23

TIF DISTRICT NO. 13 – FORMER HOME JUICE PROPERTY PROJECTED CLOSURE: 2031 (20 YEARS)

(1433 – 1501 S. 113 St.)

Tax Incremental District (TID) 13, covering 1.7 acres on the west side of S. 113th St., just south of W. Greenfield Ave., was created in 2011 due to illegal contamination dumping along the property line of two underutilized parcels: a former residential property and a commercial site. The dumping severely hindered redevelopment due to high environmental cleanup costs. The CDA intervened to apply the "but for" test, as private sector development would not have occurred without government involvement. Key issues included:

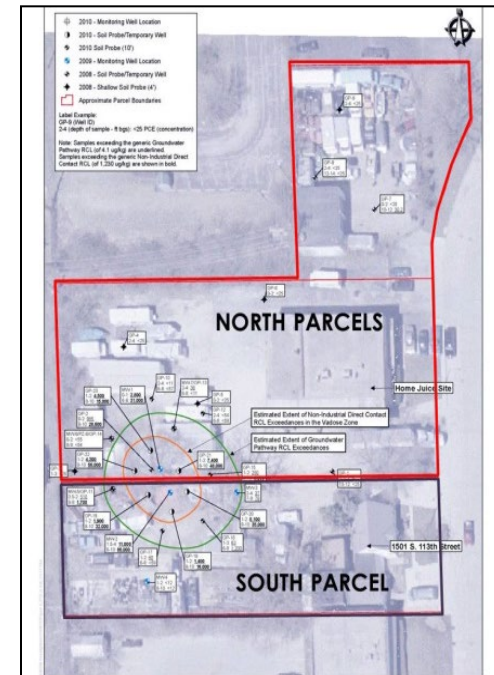
1. The South Property: A vacant, contaminated residential lot in an industrial area, foreclosed by a bank after the owner abandoned it. A first-time, financially strained homebuyer later purchased the property.
2. The North Property: The former Home Juice site, composed of three parcels, was bought by Supreme Builders, Inc. but the discovery of contamination led them to abandon plans for an office complex.

In 2009, with a \$42,000 DNR Site Assessment Grant, Phase I and II Environmental Assessments were completed on the contaminated site. The CDA was granted access to assess the horizontal and vertical extent of contamination and evaluate cleanup options and costs.

The reports revealed tetrachloroethene (PCE) contamination, along with low-level polycyclic aromatic hydrocarbons (PAHs) and arsenic in shallow soils above safe levels. The contamination, centered on the shared property line, required simultaneous cleanup on both properties. Total project costs, including remediation, demolition, acquisition, and legal fees, were estimated at \$707,000.

After lengthy negotiations, the CDA approved an agreement with the former Home Juice owner and Supreme Builders, Inc., which involved placing \$250,000 in escrow for environmental remediation. The CDA agreed to handle the cleanup, contingent on DNR's Case Closure approval. Supreme Builders, Inc. was eager to start construction but needed DNR's approval to secure financing. The CDA provided environmental indemnification to the developer, funded by the escrow, grants, and TIF financing. This creative financing,

Contamination "plume" on the property



coupled with a strong public-private partnership, turned redevelopment from "impossible" to "possible," enabling the \$1.2-million project to move forward.



If it wasn't "but for" the CDA's involvement in the environmental clean-up (which required ownership by the CDA, per the grant), no development would have taken place on these contaminated properties.

As a result of the above, construction of the office is completed and occupied by Supreme Builders, Inc. PCE impacts were addressed through a combination of vapor extraction to address the contaminated soil and in-situ chemical oxidation to remediate the groundwater. Post active-remediation groundwater monitoring took place and a surface barrier was constructed to reduce exposure to shallow surface soil and help protect the groundwater. Case closure request to the WDNR is in progress and expected to be received in fall 2017. At that point, the ownership will change from CDA to Supreme Builders, Inc.

This entire project is an extremely successful "poster child" case for the need of governmental intervention along with a creative private-public partnership to redevelop "upside down" properties. "But for" the CDA stepping in to take the leadership in structuring an environmental financing package the blighted and contaminated properties that would have continued to sit vacant with no end in sight, the environmental contamination would have remained in place continuing to be a health threat to the neighborhood, and no development would have been environmentally allowed on this site, let alone the new construction of a \$1.2 million office building.

To make the project financially feasible, the CDA secured \$186,000 in EPA grants, \$35,000 from the WDNR’s “Ready for Reuse” loan (converted to a grant), a \$42,000 DNR Site Assessment Grant, \$250,000 from the Home Juice property sale, and \$194,000 in TIF funding. These sources are expected to cover the \$707,000 project cost.

The primary challenge in paying off the TIF quickly is the high existing property tax value of the contaminated properties. CDA could have waited for the tax value to drop to \$100, increasing the tax increment, but this would have diverted current taxes from taxing jurisdictions to fund the TIF debt.

Tax Increment District No. 13 113th – Home Juice	
Base Value	\$537,400
Current Incremental Value	\$1,290,100
Projected Additional Incremental Value	\$0
Total Assessed Value	\$1,827,500
Base Taxes	\$10,802
Current Incremental Taxes	\$25,931
Projected Additional Incremental Taxes	\$0
Total Expected Taxes	\$36,733
New Jobs Created	10

The district’s base value is \$537,400, with a current value of \$1,827,500 and an incremental value of \$1,290,100. This incremental revenue will help pay off the debt, with the district projected to expire in 2031. As a result, even though the new redevelopment is extremely attractive, the relative increase in value is only moderate, generating a tax increment of about \$36,733 per year.

The property was sold in April of 2022 to Cobalt Partners as part of a portfolio sale for \$1,336, 511. The property is currently listed for sale for \$1,495,000.

Based on projections, the TID is generating increment but an insufficient amount to meet the 27-year limit. Staff are recommending utilizing a Donor TID to resolve the outstanding balance of \$254,236 and close the TIF in 2025.

**TIF DISTRICT NO. 14 – S. 68th ST. AND W. MITCHELL ST.
PROJECTED CLOSURE: 2041 (27 YEARS)**

This tax incremental district was approved in 2015 as TID 14 – 68th and Mitchell. The district encompasses approximately 14.7-acres of land in the City’s historically industrial corridor. The district was primarily occupied by buildings and land that were formerly owned and operated as the Milwaukee Ductile Iron Foundry, which closed in 2009.

Because the property was historically used as a foundry and had documented environmental releases on the property, the City applied for a Wisconsin Plant Recovery Initiative grant from Wisconsin Department of Natural Resources. Over \$46,000 in grant funds were deployed to identify environmental impacts, conduct general environmental testing, and identify any barriers of redevelopment.

Since the plant closure, much of the district became underutilized and was purchased for its scrap value. Unlike TID 11, where the City acquired the property and bid out the demolition, it was hoped that the private sector would lead the charge for redeveloping these properties. However, once the valuable material was extracted, the new owners stopped all work on the site.

The purpose of creating this district was to assure that the industrial blight was demolished and environmentally remediated, and that the site would be adequately prepared for future redevelopment. Based on the failings of the previous private-sector owner, the CDA has since stepped in as the “developer of last resort.”

To enhance the surrounding neighborhood within ½ mile of the project the CDA has also budgeted \$500,000 within the TIF plan to capitalize a Neighborhood Housing Rehabilitation Loan program and to finance demolition of dilapidated buildings in the neighborhood.



The City purchased the former Milwaukee Ductile properties for \$1,750,000 from the failed private owner, based on expected market value. These funds were placed in an escrow account and used to cover demolition and remediation expenses. Additional costs for planning, demolition, environmental work, and administration have brought total project expenses to over \$2.7 million, with an additional \$4.5 million anticipated.

Redeveloping the 7-acre former foundry for light industrial use could generate \$4-5 million in new value. However, in 2019, the City was approached by United Health Services (UHS) to develop a \$30 million behavioral health hospital with 120 beds. The project received all necessary approvals in 2019 and opened in fall 2021. Construction was supported by New Market Tax Credits from First-Ring Industrial Redevelopment Enterprise, Inc. Based on the UHS development, the district is projected to pay off all costs by 2041.

6771 W. National Avenue.

The graphic displays the potential for the historic restoration of the former Kearney Trecker building. The developer, Baum Revision is working with a potential tenant that would utilize the space for a regional destination as an event space.

In April of 2019, the City’s CDA published a Request for Proposals for the 6771 W. National Ave. property and selected Baum Revision LLC., as the preferred developer of choice. Baum’s vision for the building is to work with the Wisconsin State Preservation Office and the National Park Service to restore the building utilizing historic tax credits and ultimately resulting in the building being listed in the National Register of Historic Places. The building presents a complex set of design, preservation and adaptive use challenges. The restoration will create an architectural jewel that will pay homage to the industrial history of West Allis with the added representation of the City’s future vision.

Kearney & Trecker Redevelopment
An Iconic Landmark

- 50,000+ visitors per year
- 24 full-time jobs
- 56 part-time jobs
- \$4.6M est. fair market value

Baum Revision, selected through the City's RFP process, is proposing a \$16 million historic revitalization for the former Kearney Trecker building at 6771 W. National Ave. Saved from demolition, this former foundry was built in 1918 and is a one-of-a-kind structure with a paneled glass façade. The National Park Service recognized its historic value as a landmark and made it eligible for historic tax credits – a vital funding source to preserve the property.

Baum's project will bring this idle property to life with celebrations, fairs, and markets. The property will host public events with small business vendors, artists, makers, and more. The result will be a restored landmark with historic character that will add to the vibrancy of the National Avenue Corridor and extend the momentum of the Six Points neighborhood.

- 20,000 sq. ft. high-end event space
- 21,000 sq. ft. office & support space
- \$1.2M Public investment for shared parking & environmental remediation

Primary Project Goals for the project:

1. Restore the building in a form and function reflective of its historical legacy. Introduce modern building infrastructure while preserving the historical architectural details. Introduce historical materials from the building as various forms of art (i.e. reuse discarded metal components as components for light fixtures, art pieces, planters, etc.).
2. Activate the building with current uses that involve a modern interpretation of its industrial past: activate the building with a large food production tenant and an event space.
3. Build a strong project identity that results in the project being a destination, attracting visitors and businesses to West Allis and serving as an additional catalyst for the immediate area.



WEST ALLIS PARKING LOT CONCEPT

Redevelopment/Historic Preservation

The project will contribute to West Allis’ rich history of preservation by celebrating its historic roots. The repurposing of the building in part as a manufacturing facility is an acknowledgement of its importance to the economic contributions of the community.

Local Identity

The area already boasts a distinctive concentration of food-based businesses, creating significant opportunities for synergistic economic growth. This project aligns with and enhances several local initiatives, including the region’s top farmers market, the development of The Market at Six Points food cluster, and an expanding array of food-centric events and organizations.

The potential redevelopment of the former Kearney and Trecker building could attract up to \$20 million in investment, transforming the space into commercial and office facilities, a unique event venue, and up to 100 new jobs. The project will leverage federal and state historic tax credits, local grants, and seek a new market tax credit allocation.

Tax Increment District #14 - 68th and Mitchell	
Base Value	\$1,354,300
Current Incremental Value	\$24,870,500
Projected Additional Incremental Value	\$5,000,000
Total Assessed Value	\$31,224,800
Base Taxes	\$27,221
Current Incremental Taxes	\$499,897
Projected Additional Incremental Taxes	\$100,500
Total Expected Taxes	\$627,618
New Jobs Created	132
Project Jobs	225
Total	257

To support this development, the City or Community Development Authority plans to add a parking lot at 6771 W. National Ave., further enhancing the area's infrastructure

The area already encompasses a unique concentration of food-based business activity that has already created an opportunity for synergistic economic development. The project would complement the following area initiatives/developments/projects: the best farmers market in the metro Milwaukee area, the development of The Market at Six Points food-cluster focus, a growing number of food-focused events, and organizations.

Potential redevelopment of the former Kearney and Trecker building could also result in an investment of up to \$20 million to create commercial and office space with unique event space and up to 100 jobs. The project would utilize federal and state historical tax credits, other local or state grants, and will seek a new market tax credit allocation.

Based on the redevelopment, the City or the Community Development Authority will add a parking lot to support the overall development of 6771 W. National Ave.

TIF DISTRICT NO. 15 – THE MARKET
PROJECTED CLOSURE: 2042 (27 YEARS)

Tax Incremental District # 15 was approved in 2016 as an overlay district to TID 5 – Six Points/Farmers Market. The district encompasses approximately 16 acres of land in the City’s Farmers Market neighborhood. The district consists of vacant land, owned by the Community Development Authority of the City of West Allis (the “CDA”).

The vacant land surrounding the Farmers Market had been slated for redevelopment in the mid- 2000’s, but the housing market crash of 2008 and the withdrawal of the initial developer left the City with an abundance of vacant land, no added incremental value, and an urgent need to issue a new RFP for redevelopment. In 2016 the City and CDA selected Mandel Group, Inc. to pursue redevelopment of the land within TID 15 for the construction of a 30,000 sq. ft. medical office building, approximately 177 high-end market-rate apartment units, and approximately 46,000 sq. ft. of commercial space. The City and CDA selected the Mandel Group based on their vision of transforming the entire neighborhood and east end of the City with high-end apartments and destination commercial uses such as restaurants, a smaller/specialized grocery store user, and high-end commercial tenants.

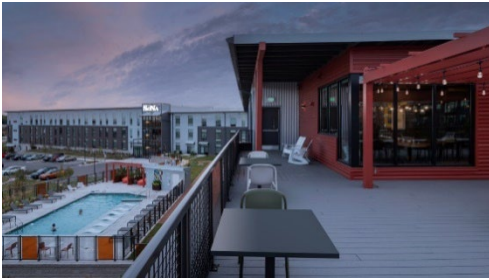


The \$70 million development by Mandel Group successfully completed construction of the new Aurora Clinic in 2018 and broke ground on the construction of 177 apartments named The West. The first units became available in November of 2019 and are leasing between \$909 for a studio apartment to \$2,094 for a three bedroom, 2 bath apartment. The assessed value is about \$25 million. The project added 4 new jobs to the district. The West reached stabilized leasing by May 2020 many months ahead of schedule and was able to secure permanent financing earlier than expected resulting in project savings. Today, rents at The West are at \$2.00 per sq. ft.

The estimated public financial participation is \$16,680,000, in the form of a developer funded TIF, where the developer takes out a loan in that amount, and the tax increment goes back to the developer to pay down the debt. This eliminates the City's risk, as the City is not responsible for taking out a General Obligation Bond (debt), as is typically done when a city provides financial assistance in a TIF district.



The commercial component to be constructed south of National Avenue and referred to as “SONA” started construction in 2021. The development includes a 110-unit apartment building with two commercial space endcaps that will be available for lease. The construction cost is estimated at over \$22 million with units becoming available in January of 2023. The TIF is providing \$15 million of developer funded financial assistance and the City provided \$500,000 loan funded through a revolving loan program funded through a grant from the U.S. EPA.



The Makers Row Development, which began construction in 2023 with plans for spring occupancy, is located west of the West Allis Farmers Market. The project will be built in two phases, offering 31,000 sq. ft. of commercial space for niche food industry businesses. With an estimated construction value of \$10 million, it is expected to create 100 jobs. The City will assist with \$1.6 million in developer-funded TIF and a \$500,000 loan through a U.S. EPA grant. The development aims to attract unique food businesses by offering lower rents, with TIF making the project financially viable.

In late 2023, Mandel proposed a 51-unit apartment building on the last parcel of the redevelopment area. The nearly 1-acre site will feature a 4-story building with three walkout townhomes, offering contemporary architecture similar to the SONA Apartments. The development will include 28 internal and 30 surface parking spaces. Estimated at \$15.5 million, the project is projected to have an assessed value of \$7 million



Tax Increment District #15 – The Market	
Base Value	\$0
Current Incremental Value	\$61,556,900
Projected Additional Incremental Value	\$20,000,000
Total Assessed Value	\$81,556,900
Base Taxes	\$0
Current Incremental Taxes	\$1,237,294
Projected Additional Incremental Taxes	\$402,000
Total Expected Taxes	\$1,639,294
New Jobs Created	71
Project Jobs	40
Total Jobs	111

**TIF DISTRICT NO. 16 – S.70th Street and Washington
Office Development - Cobalt
PROJECTED CLOSURE: 2040 (27 YEARS)**

TIF district No. 16 was established to support the major revitalization of the former heavy industrial former Allis-Charmers office & industrial complex and to evolve the corridor into a pedestrian friendly, free parking, and high-end office complex within the S. 70th Street Corridor. The developer, Cobalt Partners, plans to include the acquisition of the West side of S. 70th Street, to acquire two office buildings consisting of 155,600 SF and make substantial interior and exterior improvements to the buildings. The property was owned by the West Allis-West Milwaukee School District. The purchase included two buildings located at 1135 and 1205 S. 70th St. and related parking

The project will also involve less than one acre of McKinley Park (South of the Field House) to be considered for surface parking. The project will also work with Milwaukee Area Technical College (MATC) to assemble some property that may be positioned for future redevelopment.

On the East side of S. 70th Street, also as part of Phase 1, the developer acquired another former Allis Chalmers office building (currently owned by BGK Properties Inc.) located at 1126 S. 70th St. with a plan to relocate about 60,000 ft.² of the existing tenants to the 1205 S.70th St. building. The developer commenced demolition of a 469,300 ft.² building and started the construction a 105-room Home 2 Suites expected to open by June of 2023.



The City plans to invest approximately \$20 million in initial capital contributions for the projects within the TIF Plan. In Phase 1, the City issued a \$5.3 million GO Bond, netting \$4.685 million for the developer’s project, which will be both corporately and personally guaranteed by the developer. In Phase 2, the City may approve up to \$15 million in Municipal Revenue Obligations (MRO), allowing the developer to borrow funds directly from a lender and repay using new property tax increment generated by the project, with no financial liability for the City. The projects will be completed in two phases, with a 22-year expenditure period from the adoption of the Creation Resolution. Financing may include General Obligation Bonds and MROs, though alternative methods may be considered to reduce costs, preserve debt capacity, or mitigate risks, as determined by the Common.

The city successfully applied to Wisconsin Economic Development Corporation and received a \$150,000 Site Assessment Grant to assist with site investigation and site clearance work that will ultimately advance the demolition of 1126 S. 70 St. building.

The original plan for Phase 2 was to develop more than 400,000 ft.² of office and taxable educational facilities, but following COVID, the office market industry has greatly evolved.



Land by Label, a residential developer has secured City approvals for the construction of a \$75 million signature building consisting at the corner of W. Washington and S. 70th Street – a gateway into West Allis. The building will have up to six floors and 248 market rate units. The building will offer amenities such as swimming pool, community room, golf simulator, etc. The base value of the area was \$3,142,700, and the incremental value, due to the improvements to the office buildings and the completion of the Home 2 Suites Hotel is \$26,434,700. The first phase of which would include a near 248-unit multi-family building, at a cost of nearly \$75 million.

Tax Increment District No. 16 – Allis Yards	
Base Value	\$3,283,200
Current Incremental Value	\$26,761,500
Projected Additional Incremental Value	\$80,000,000
Total Assessed Value	\$110,044,700
Base Taxes	\$65,992
Current Incremental Taxes	\$537,906
Projected Additional Incremental Taxes	\$1,608,000
Total Expected Taxes	\$2,211,898
New Jobs Created	40
Projected New Jobs	60
Total New Jobs	100

**TIF District No. 17 – 102nd and Lincoln
PROJECTED CLOSURE: 2046 (27 YEARS)**

The 102nd and Lincoln TIF was newly created in 2019 to assist with the redevelopment of the property commonly referred to as the Wehr Office building located at 102 and Lincoln. The 21-acre district was created to pay the costs of incentives needed to facilitate development of a 107-room Holiday Inn Express hotel, future medical office or office space development and other potential redevelopment activities. The developer, Catalyst Partners and JNK are expected to invest \$16.3 million in the development of the hotel and potential office building. The hotel will offer a fitness center, pool, business center, small conference room, outdoor patio, and continental breakfast. Phase II of the project is up to a 16,000 sq. ft. office, retail commercial space. The Holiday Inn Express opened in July of 2020 in time for the scheduled Democratic Convention, however national COVID pandemic impacted the travel industry, and the convention was cancelled.



The TIF is expected to generate about \$17 million in new tax increment over the entire district and increment satisfying project costs by 2029. The City anticipates making total expenditures of \$2.8 million to undertake the project. Project costs include an estimated \$2.45 million in incentive payments including \$1.45 million for the hotel development, \$750,000 for other incentives relate to future redevelopment projects, and \$250,000 for residential rehabilitation assistance. The incentives are structured in the form of a developer funded of “pay-go” TIF. The TIF Plan also includes \$250,000 for potential public infrastructure rehabilitation and \$100,000 for district administrative expense to include cost to create the district.

Tax Increment District No.17 - 102nd and Lincoln	
Base Value	\$15,514,500
Current Incremental Value	\$22,674,600
Projected Additional Incremental Value	\$2,000,000
Total Assessed Value	\$24,674,600
Base Taxes	\$311,531
Current Incremental Taxes	\$455,306
Projected Additional Incremental Taxes	\$40,160
Total Expected Taxes	\$806,997
New Jobs Created	16
Projected New jobs	24
Total New Jobs	40

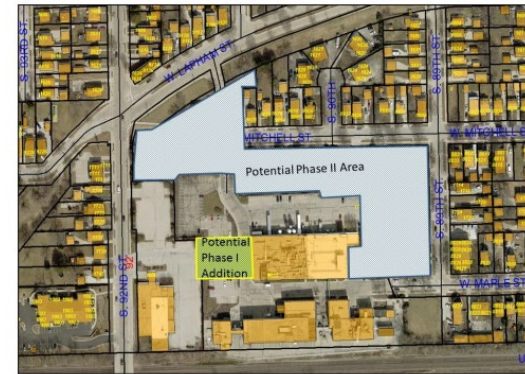
TIF District No. 18 – Chr. Hansen Expansion
PROJECTED CLOSURE: 2040 (21 YEARS)



In 2019, Chr. Hansen, located at 9015 W. Maple Street approached the City of West Allis regarding a broader vision for their U.S. headquarters in West Allis. Located in West Allis since 1929, the company today has over 200 professionals in West Allis. Chr. Hansen is a global bioscience company that develops and produces cultures, enzymes, probiotics, and natural colors for a variety of food, confectionery, beverages, dietary supplements, animal feed and plant protection.

When Chr. Hansen started the planning process for the \$25 million expansion West Allis, local representatives of the company suggested to the City and state representatives there might be possible challenges from the Board of Directors perspective. Since Chr. Hansen is based in Denmark and operates under a global footprint, there are many factors and priorities that a company uses to direct company investment and growth. Therefore, economic assistance was proposed to help the project be considered against other global company requests and locations.

In 2019, Chr. Hansen commenced construction on The Phase I of the project that included a 20,000 sq. ft. expansion to provide a larger footprint for its Food Cultures and Enzymes facility. The addition represents an estimated \$9-\$20 million capital investment. To date, the company has added about 25-30 new jobs and contributes about \$55,000 in new increment annually. The addition came online in 2021.





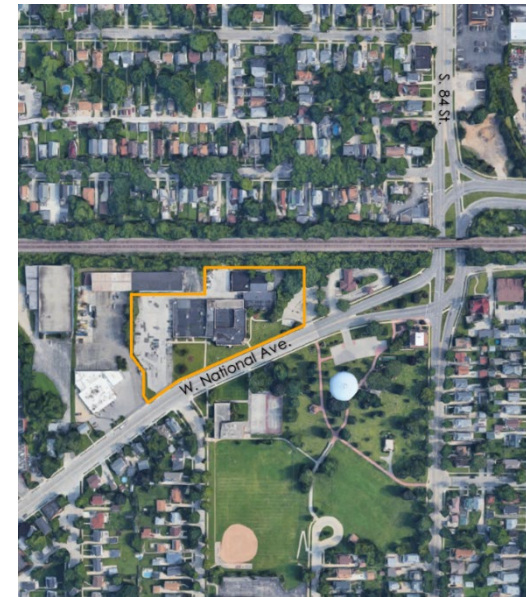
To assist with a proposed expansion, the City created a new industrial district comprising of approximately 7 acres of land including the existing Chr. Hansen facility. As the incentive structure, a developer funded TIF or, “pay as you go” TIF was adopted to provide up to 12 years of increment gained for each phase of expansion. Further, the TIF is structured that the economic benefit is only attained if each future phase starts construction prior to July 1, 2025. The potential incentive placeholder in the TIF plan is up to \$11.9 of increment. The proposed TIF plan also includes \$200,000 for housing and economic development improvements with a ½ mile of the district and \$155,000 for administrative expenses for operating and creating the district. The TIF is expected to close in 2040.

Tax Increment District No. 18- Chr. Hansen	
Base Value	\$7,112,100
Current Incremental Value	\$6,632,100
Projected Additional Incremental Value	\$0
Total Assessed Value	\$13,744,200
Base Taxes	\$142,953
Current Incremental Taxes	\$133,305
Projected Taxes	\$0
Total Expected Taxes	\$276,258
New Jobs Created	25
Projected New jobs	75
Total New Jobs	100

TIF District No. 19 – 86th and National Avenue
PROJECTED CLOSURE: 2051 (27 YEARS)

In 2022, Three Leaf Partners, a metro-Milwaukee developer, approached the City of West Allis with a development proposal for the property at 8530-8556 W. National Avenue, the site of the former Clark Oil Headquarters. The existing office building was under occupied for a few years, exhibited signs of blight and disinvestment, and had limited reuse opportunities.

The Developer received approval from the City to demolish the existing building that was on the 3.22-acre site. Also, the city supported the \$68 million construction of a project consisting of 247 market-rate apartment homes. The development aligned with the National Avenue Commercial Corridor Plan that called for additional housing, public improvements, and coordinated investment within this key corridor that runs through the heart of West Allis.



The Development will be 6-stories with two underground parking floors with 295 parking spaces and 24 outdoor vehicle parking spaces. The amenities will be club room, pool, dog run, grill stations, outdoor games, and a fire pit.

Following the COVID-19 pandemic, the construction industry remains unsettled with materials in limited supply and in general, increasing construction costs. These issues were compounded with uncertainty in the lending market as well as increasing interest rates. The City approved a TIF District to provide economic assistance to the project in form a Developer Funded TIF or “pay as you go” TIF. The amount of development incentive payments has a present value of \$13.1 million using a 6% discount factor and is expected to be fully realized over 27 years. The overall development must perform to obtain the economic benefit. The TIF will include \$745,000 for administration and professional services. Further, if the project is successful and Developer Funded TIF obligations are satisfied, the City has identified Contingent Projects that total \$335,000 including infrastructure improvements to Honey Creek Park, pedestrian street improvements along National Avenue, and housing and economic development incentives or other projects within ½ mile radius of the TIF boundaries. The City projects assisting the development with a \$500,000 loan funded through a revolving loan program funded through a grant from the U.S. EPA. The TIF is expected to close in 2051.

Tax Increment District No. 19 - 86th and National Avenue	
Base Value	\$1,540,800
Current Incremental Value	\$925,200
Projected Additional Incremental Value	\$45,800,000
Total Assessed Value	\$48,266,000
Base Taxes	\$30,970
Current Incremental Taxes	\$18,597
Projected Taxes	\$920,580
Total Expected Taxes	\$970,147
New Jobs Created	0
Projected New jobs	7
Total New Jobs	7



**TIF District No. 20 – 6400 Block of W. Greenfield Avenue (Northside)
PROJECTED CLOSURE: 2052 (27 YEARS)**

In 2024, the City of West Allis approved the creation of TID #20 to support the redevelopment of 0.86 acres of land, including both City-owned and CDA-owned parcels. The proposed development by JJH3 Group LLC includes eight townhomes and a mixed-use apartment building with 11 units and 2,500 sq. ft. of commercial space. This development will replace a public space at 65th and W. Greenfield Avenue with a new, improved space.



The addition of townhomes provides a low-density housing option currently lacking in the City. The developer is investing \$5.73 million in private funds, with an estimated net present value of \$1.6 million in TIF assistance.

Construction is expected to begin in early 2025, with leasing set to begin in spring 2026

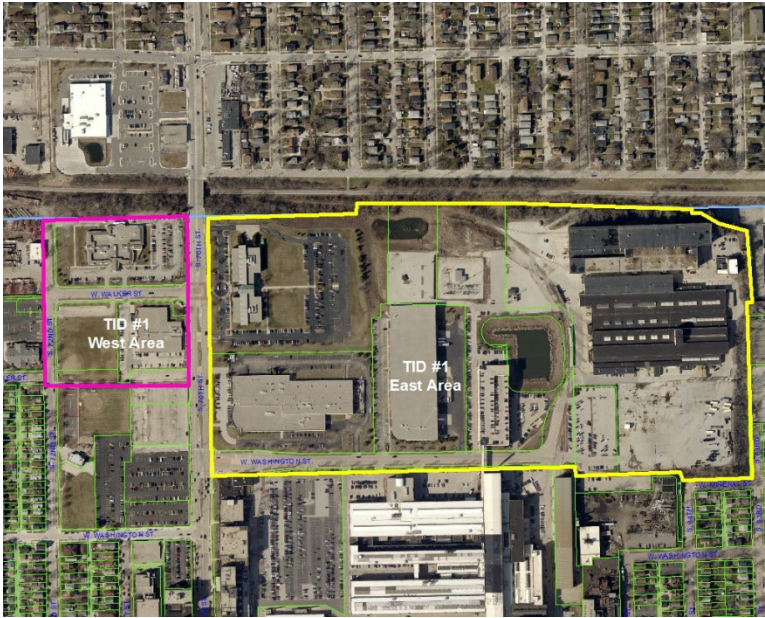


Tax Increment District No. 20 – 6400 Block W. Greenfield Avenue	
Base Value	\$0
Current Incremental Value	\$0
Projected Additional Incremental Value	\$7,400,000
Total Assessed Value	\$7,400,000
Base Taxes	\$0
Current Incremental Taxes	\$0
Projected Taxes	\$148,700
Total Expected Taxes	\$148,700
New Jobs Created	0
Projected New jobs	10
Total New Jobs	10

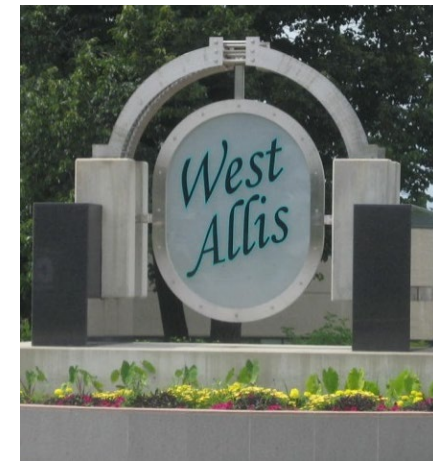
CLOSED TIDs

TIF DISTRICT NO. 1 – S. 70TH ST. AND W. WALKER ST. – CLOSED





The district was composed of two general areas east and west of S. 70th St. and both generally north of Washington Street. On the east were the vacant and dilapidated former Allis-Chalmers Tractor Plant buildings. On the west, the buildings, just as dilapidated, included a vacant 4-story industrial dinosaur (former Milwaukee Stamping Building) and another 150,000 sq. ft. condemned industrial building. These buildings exceeded their economic development life or usefulness resulting in vacancy and low-end uses (i.e. cold storage, etc.). These sites were further impacted by a wide range of soil and groundwater environmental issues. The project also financed the reconstruction of one of the city's most important gateways, S. 70 St.



following the implementation of the City's first TIF in 1993. When the TIF was discussed for adoption, the 43.4-acre district contained properties that were arguably the most blighted areas of the City. Today, the area is a welcoming, vibrant business corridor greeting over 14,000 vehicles per day. The district added over 520 jobs and attracted business icons like Poblocki Sign Co., C&H Distributors, Columbia/St. Mary's Gateway Medical Clinic, an office complex owned by Tri-City Bank, plus over 100,000 sq. ft. of additional manufacturing facilities.

The original project involved \$6,215,000 of project costs, including acquisition, demolition of dilapidated former industrial buildings and substantial environmental clean-up. In many cases the soil was also substantially impaired by poor fill that did not meet modern compaction requirements necessary to support a modern industrial building.

The Project Plan was amended in 1996 to include \$1.8 million for public infrastructure improvements for the reconstruction of S. 70 St. from the north city limits, south to W. Greenfield Ave., including replacement of all storm and sanitary sewer lines and the addition of arguably one of Milwaukee Metropolitan area’s most iconic gateway signs.



One of the more unique hurdles in the development of the National Business Furniture (formerly C & H Distributors) site was residual environmental contamination after virtually all of the environmental remediation was completed. The site was cleared of all environmental issues except one monitoring well that continued to report the presence of volatile organic compounds (VOCs). The site could not become bankable/developable until this environmental issue was resolved and DNR approved case closure for the site.

To expedite the redevelopment of the site, the CDA provided environmental indemnification to allow the company to immediately begin the construction of a 67,479 sq. ft. office building. It would ultimately take 13 years to extract nearly 50 gallons of heavy petroleum at a cost of about \$60,000 to obtain DNR case closure.

Because of the environmental indemnification provided by the CDA, the City did not have to wait for 13 years for the development of C&H’s corporate headquarters building. It immediately began realizing the benefit of 250 jobs and during that time collected more than \$2,300,000 in property taxes.

Tax Increment District No. 1 – 70th and Walker	
Base Value	\$ 5,782,000
Current Incremental Value	\$17,096,500
Total Value	\$22,878,500
Base Taxes	\$116,218
Current Incremental Taxes	\$343,640
Total Taxes	\$459,858
New Jobs Created	519
Total New Jobs	519



The 114,000 sq. ft. multi-tenant industrial facility located at 6736 W. Washington St. offered what was to become a typical soils impediment issue, the need for geotechnical soil compaction. In addition to the typical Brownfield redevelopment issues, the soils were too loose to hold a modern structure even though Allis Chalmers built tractors on that landmass for over one hundred years. To build the property, nearly 6 feet of soil compaction (as shown on the picture on the preceding page) was required in order to achieve the necessary soils suitability on which to build a modern manufacturing building.

The district was successfully terminated in March 2008. When created, the district base valued at \$5,782,000 and produced about \$116,000 in taxes. Currently, the district has a value of \$22 million which provides \$459,858 in taxes. This relates to a current tax incremental value of over \$17 million.

The TIF also donated surplus revenues in the amount of \$1.1 million to the Veterans Park district (TID 2).

TIF DISTRICT NO. 2 – VETERANS PARK - CLOSED
(S.E. Corner of S. 70 St. & W. Greenfield Ave.)

This TID was dissolved in 2014, two years ahead of schedule. The project added over \$7 million in incremental value and \$204,897 of tax incremental revenue. The TIF successfully transformed the southeast corner of S. 70 St. and W. Greenfield Ave. out of a sharply declining neighborhood. The neighborhood’s buildings were severely dilapidated and were a major blighting influence on the surrounding area. The properties were primarily commercial uses such as mixed-use buildings, bars, flophouses and adult entertainment. The project dramatically reversed the declining image and successfully improved the area by adding new housing choices.



The City created this 4.7-acre district after it began witnessing declining property values, deteriorating and dilapidated buildings. These conditions were further leading to a decline in the City’s overall tax base and reduced revenues for the City. The City utilized project funding of \$4,160,164 to underwrite land assembly, building acquisition, demolition, relocation benefits, environmental remediation and reconstruction of W. Orchard St. and S. 68 St.

Today, the area consists of The Landmark, a 127-unit contemporary senior community with both market-rate and Low-Income Housing Tax Credit assisted rental units. The facility features a well-maintained landscape and initiates an architectural statement that it became a model for high-density, quality construction in the community. The project, along with about a \$200,000 special assessment to the developer, also financed the reconstruction of W. Orchard St. and S. 68 St., including sanitary, storm and water facilities.

Tax Increment District No. 2 -Vets Park	
Base Value	\$1,681,600
Current Incremental Value	\$11,911,300
Total Value	\$13,592,900
Base Taxes	\$33,800
Current Incremental Taxes	\$239,417
Total Taxes	\$273,217
New Jobs Created	3
Total New Jobs	3

TIF DISTRICT NO. 3 – QUAD/GRAPHICS - CLOSED

In 1994, the northwest corner of the crossing of Hwy. 100 and Theodore Trecker Way was growing in demand as the real estate market looked for retail destination locations with visibility to the Interstate. However, the 48-acre site was occupied by a large, idle, industrial building once owned by Giddings and Lewis.

The City’s first option regarding involvement in an idle private-sector site is always to do nothing. However, doing nothing in this case would mean getting a big retail box development employing a modest amount of retail-related low-wage jobs.

The City made a significant economic development policy decision that it was in the public interest to attract a state-of-the-art manufacturing facility with quality family supporting jobs.



As part of the economic development policy decision-making process, the Mayor and Common Council and representatives of the other taxing jurisdictions unanimously decided to form a TIF district that allowed the City to address the vacant idle industrial building’s redevelopment impediments. The result of this policy was the attraction of Quad/Graphics Inc., a Fortune 500 company. This successful attraction allowed for the creation of over 800 family-supporting jobs.

The deal ultimately opened the door to well over a quarter-of-a-billion dollars in private equipment investment and transformed a 550,000 sq. ft. obsolete industrial facility to an impressive 905,000 sq. ft. state-of-the-art global printing operation including Quad Med, a rapidly expanding corporately owned health care system.

Today, the facility has a value to over \$11,975,600, which represents an increase of \$7,671,100 from its base value of \$4,300,000. In addition, the district now generates \$336,000 in taxes.

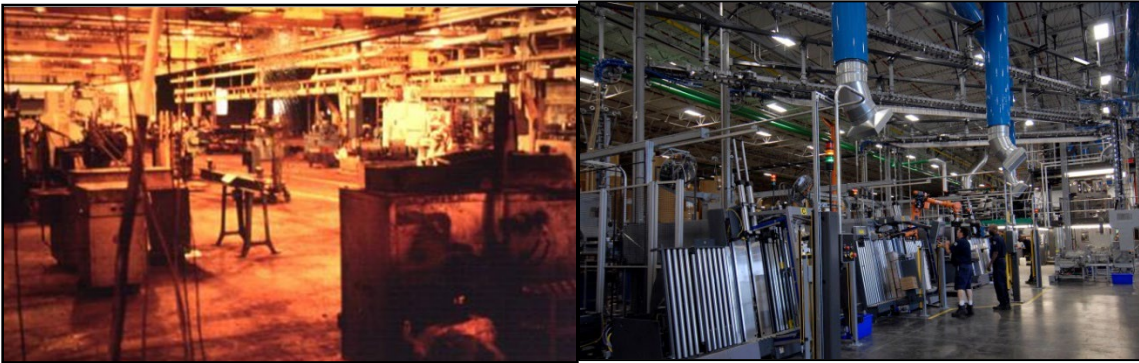
Often, the perception of environmental risk deters investment and finding an acceptable method of allocating the risk between the various parties often kills many transactions. In the case of this district, the risk associated with the environmental



personality of the property was the principal impediment barring the successful conclusion of a transaction between the prospective buyer (Quad/Graphics) and seller (Giddings & Lewis).

To bring Quad/Graphics back to the negotiating table and to overcome the “Clash of Corporate Cultures,” the City purchased the property from Giddings & Lewis and subsequently sold it to Quad/Graphics. The City of West Allis was the first city in the state to use newly enacted legislation (Act 453), which is now the Voluntary Party Liability Exemption (VPLE) program, to offer environmental comfort to buyers & sellers of formerly contaminated properties.

In addition, the seller was very concerned that the buyer would litigate over third-party environmental claims, so the City of West Allis in



partnership with the Wisconsin Department of Commerce created a \$1.5 million “Indemnification Fund.” Milwaukee County also provided a contingent Standby Liability pledge of \$2.5 million. Through good stewardship by the City, the Indemnification Fund was never drawn upon and the monies were returned to the City and the State, and Milwaukee County was released from its pledge.

The buyer was also concerned about owning contaminated property. To resolve this, the City bought the property from the seller and sold the property to Quad/Graphics on a Land Sale Contract. The sale had a seven-year term and ended in a balloon payment which coincided with the time that was expected to complete the environmental clean-up.

Instead of borrowing the funds for acquisition the City funded the project with internal borrowing from the City’s operating reserves yielding an 8.5% return to the general fund on the investment by the City. Over the seven-year term of the land sale contract the City’s general fund earns nearly \$2,400,000 in immediate property tax relief.

This district was amended in 2008 to include \$500,000 for street resurfacing improvement on Theodore Trecker Way, which extended the district’s projected closing date by about 1.5 years. The street resurfacing was an important project in maintaining an active commercial corridor that connects to an industrial segment of the city. This action allowed the city to expend the \$500,000 that was budgeted for this project from General Obligation Bonds on other City street projects.

The district has successfully satisfied the investment of \$4.7 million in capital costs (not including interest and fiscal charges). The TIF also donated surplus revenues in the amount of \$2.5 million to the Juneau Highlands (TID 6) and Six Points/Farmers Market (TID 5) districts.

The improvements and land were sold in September of 2021 for \$33 million and Quad Graphics provided a ten-year lease back with another 10-year option.

Tax Increment District No. 3 -Quad/Graphics	
Base Value	\$4,307,500
Current Incremental Value	\$8,419,000
Total Value	\$12,726,500
Base Taxes	\$86,851
Current Incremental Taxes	\$169,222
Total Taxes	\$255,803
New Jobs Created	934
Projected New jobs	0
Total New Jobs	934

TIF DISTRICT NO. 4 – S. 113th ST. and W. GREENFIELD AVE. - CLOSED

The vibrant blue architectural glass of the 127,000 sq. ft. building located at S. 113 St. and W. Greenfield Ave. is a staunch contrast to the barren land that once was a 9.9 acre public works storage yard. Following the creation of a TID and the investment of \$2.7 million of public funds to address geotechnical costs and environmental concerns, the property attracted 230 jobs and business tenants such as Milwaukee Plate Glass, ABRA Auto Body and Glass, Wisconsin Medical – Cyclotron LLC, Office Copying Equipment, LTD., and Kneuppel Healthcare Services.



Today, the district is valued at \$9.5 million and generates over \$191,000 in property taxes. This district was closed in 2006, nine years ahead of the anticipated 2014 closing date.

Challenged by historic land uses such as a quarry and landfill for non-organic demolition materials, the City formed a TID to prepare the property for development. In addition, the site had serious geotechnical (poor soil bearing capacity) concerns, in that as a former quarry, filled with non-compacted soils, the soil was so poor that it was essentially unbuildable.

Of note, the site was also contaminated with 26,000 tons of woodchips that were laced with iron cyanide (generated as a byproduct of the manufactured gas process), which the City successfully litigated against Wisconsin Electric Power Co. to pay for clean-up.

Tax Increment District No. 4 – 113 th and W. Greenfield Avenue	
Base Value	\$0
Current Incremental Value	\$9,482,800
Total Value	\$9,482,800
Base Taxes	\$0
Current Incremental Taxes	\$190,604
Total Taxes	\$190,604
New Jobs Created	243
Total New Jobs	243

The TIF supported \$1.1 million in geotechnical specialized site work to compact the soils so that the land could meet the engineering standards for new buildings.

The remaining \$1.6 million was utilized for environmental cleanup not related to the \$1.8 million of remediation costs paid by Wisconsin Electric Power Co. (WEPCO), now We Energies.

The company was also required by the court to pay the City about \$7 million in punitive damages which the City utilized to renovate the City's three (3) fire stations.

**TIF DISTRICT NO. 5 – SIX POINTS / FARMERS MARKET
PROJECTED CLOSURE: 2028 (27 YEARS)**

(In the corridor of W. Greenfield Ave. & W. National Ave., and roughly S. 60 St. to S. 67 St.)

The 44-acre Six Points/Farmers Market Redevelopment Area was a major initiative by West Allis to transform an aging industrial corridor into a vibrant mix of housing and commercial spaces. Despite challenges like brownfield issues and assembling underutilized parcels, the City successfully acquired and cleared land for multi-phase development. Although the recession slowed progress, the recent completion and \$19-million sale of Phase I have boosted the area's reputation as a prime real estate opportunity, significantly enhancing West Allis' image.



Tax Incremental District Number Five was adopted in 2001 and is situated along a six-block-long corridor in the Six Points/Farmers Market area. The creation of the district was necessary to eliminate dilapidated industrial buildings, flophouses, junkyards and prevent the spread of blight, which was being experienced through years of disinvestment, incompatible land uses, and declining property values.

In order to turn around the trajectory of the neighborhood, tax incremental financing was used to help pay for acquisition, relocation, demolition, legal environmental cleanup, and geotechnical costs that far exceeded the market value of the property. As the private sector

could only afford to pay market value for land, the City, by using TIF, absorbed above market costs so the parcels could compete favorably for private redevelopment.

To date, this district is approximately three-quarters complete and witnessed success with the new Aurora Clinic and Mandel's "The West" development. A 5-acre parcel remains as an opportunity as plans are being developed for a food industry cluster of development.

The Six Points/Farmers Market District is about 75% complete, with notable successes including the Aurora Clinic and Mandel's "The West" development. A 5-acre parcel remains, with plans for a food industry cluster.

The Berkshire, one of the first major redevelopments, opened in 2004 on 1.3 acres along W. Greenfield Ave., offering 80 senior living units and three street-level commercial spaces. Valued at \$4.3 million, it served as a catalyst for further redevelopment.

Across the street, the City funded the \$1 million acquisition and demolition of properties for the Six Points East Condos, leading to a \$12 million, 42-unit mixed-use development in 2008. The condos are valued between \$109,400 and \$244,900, with 20,000 sq. ft. of retail space, including Lula Mae Aesthetic Boutique since 2017.

Additional commercial projects include the redevelopment of Taco Bell on S. 60 St., the 2008 renovation of the Historic West Allis Bank Building, and a new Walgreens pharmacy at the district's eastern edge, completed in 2009.

In addition to utilizing funding to directly spur private redevelopment, in 2006, \$2 million in TIF was utilized to pay for the preservation and renovation of West Allis' historic Farmers Market. This work, which was completed in July 2007 brought new life to one of the City's most recognized icons visited by thousands each year as well as notable chefs from the metro-Milwaukee area. In terms of enhancing the City's image, there probably could not have been a more successful project to accomplish this goal.

Although the eastern half of the district has already undergone extensive redevelopment, large opportunities on the western half saw construction of a new Aurora Clinic and 177 contemporary apartments. These developments were incorporated into the overlay district that was created to facilitate development and to address the time needed to capture incremental growth.



The CDA secured nearly \$435,000 in grant funding, including \$300,000 in Site Assessment Grants (SAG) from the DNR and \$135,000 from the Wisconsin Department of Commerce for environmental remediation in the early 2000s.

In late 2003, the CDA issued a request for proposals to develop three parcels, primarily consisting of two former Pressed Steel Tank sites and another parcel west of the Farmers Market, in three phases. Toldt Development was selected, proposing over \$60 million in redevelopment, including 600 new housing units and 100,000 sq. ft. of retail space.

Phase 1, a 3.1-acre parcel north of the Farmers Market, broke ground in 2006 with two buildings completed by 2008. This development, now valued at \$15.3 million and recently sold for over \$19 million, includes 182 market-rate apartments and 5,000 sq. ft. of commercial space.

Phase II, located west of the Farmers Market, involved the acquisition and remediation of several businesses, including two junkyards and taverns, on a 5.8-acre site. Despite clearing and preparing the site for development, Toldt Development backed out after the 2008 housing market crash, and Phase II never progressed. In December 2013, through claw back provisions in the original purchase and sale agreement, the site was re-acquired by the CDA at a substantially discounted value because of the developer's lack of performance.

Phase III, of the redevelopment, located northwest of the Historic Farmers Market on nearly 8 acres, involves the former Pressed Steel Tank facility. The site was cleared and remediated with approximately \$2.5 million in grant funding, including \$200,000 in SAG funds from the DNR, Wisconsin Department of Commerce, and the US EPA.

After Toldt Development backed out of Phases II and III, the CDA issued a new RFP in 2016, selecting Mandel Group, Inc. to redevelop the remaining vacant land. In the same year, the City and CDA adopted



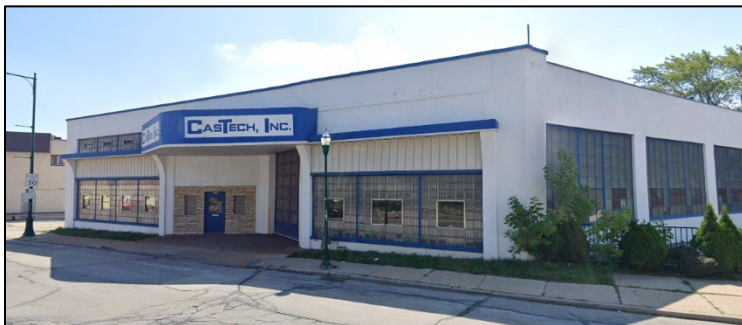
TID 15, an overlay district within TID 5, to freeze the valuation of properties in both districts. Any tax increment generated from redevelopment in these overlapping parcels benefits TID 15. The projected future value of development within TID 15 is \$73 million.

Given the current debt of TID 5 and the projected values from the Mandel Group redevelopment going to TID 15, the district will require cash injections from the Whitnall Summit TID 7 (and potentially other sources) to maintain expiration in 2027 after 27 years. In 2016, the City and CDA adopted Amendment #6 to TID 7, designating TID 7 as a “donor TID” to TID 5, designating approximately \$12,000,000 of increment from TID 7 to TID 5 between the years 2017 and 2026. Without sharing from TID 7, TID 5 would end up with a net negative balance of over \$14,000,000.

Since being created, TID 5 has experienced significant changes and challenges. In 2022, the current value of the TID is \$56,514,400 and is expected to have gained \$38,389,800 of incremental value. The estimated taxes of \$914,000 incremental taxes will annually reduce the accumulated costs that were required to acquire, clear, and prepare the district for development.

In 2022, Bars and Recreation purchased the vacant industrial building at 6325 W. National Avenue with plans to renovate the property into an entertainment tavern. The new established would add about \$400,000 of incremental value and another 10 jobs to the area. Plans are being reviewed at the December 2023 Common Council meeting with plans to open in 2024.

Tax Increment District No. 5 – Six Points/Farmers Market	
Base Value	\$18,524,600
Current Incremental Value	\$45,077,400
Projected Additional Incremental Value	\$500,000
Total Value	\$64,105,000
Base Taxes	\$372,344
Current Incremental Taxes	\$916,106
Projected Additional Incremental Taxes	\$10,050
Total Taxes	\$1,288,450
New Jobs Created	25
Projected Jobs	10
Total	35



The TIF was dissolved in 2023.

TIF DISTRICT NO. 8 – WEHR STEEL - CLOSED

Private development is key to the City's neighborhood revitalization efforts. The 13.5-acre site at 2154 S. 54th St., once home to the Wehr Steel plant, had been abandoned for over a decade, with remnants of building slabs and overgrown weeds. As the largest steel mill in Wisconsin, the site became a classic brownfield, with fears of contamination hindering redevelopment

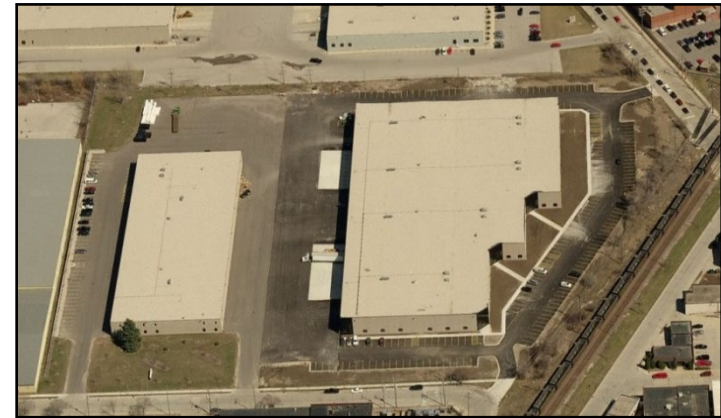
The creation of Tax Incremental District (TID) #8 in 2005 alleviated concerns about costly environmental mitigation. With \$60,000 in SAG funding from the DNR and a \$200,000 EPA Brownfield Assessment Grant, the CDA conducted environmental assessments that identified only minor contamination, including low-level metals and polycyclic aromatic hydrocarbons (PAHs).

With the contamination manageable through institutional controls (capping with the building footprint and soil cover), the property owner regained interest in redevelopment. The CDA also helped the owner navigate issues related to a stormwater line, ultimately allowing for a revised building design without additional public funding.

As a result, the owner completed a \$9 million redevelopment, creating 194,000 square feet of industrial space now occupied by Columbia Pipe & Supply Co., the Marek Group, and Raphael Industries Inc. No TIF capital expenditures were required, and the district closed in 2007.

The decision to create the Wehr Steel TID was driven by the concept of "Opportunity Cost"—the cost of inaction. The site had the potential to generate \$200,000 annually in new property tax revenue, which was lost each year by doing nothing. After 10 years of failed attempts to encourage private action, the City decided it could no longer wait to realize the \$200,000 in tax revenue and the creation of 124 manufacturing jobs.

Today, the district is valued at \$6.14 million, an increase of \$6.1 million from its original base value of \$1.1 million. It generates \$145,128 in property taxes, up \$123,444 from the base tax revenue of \$21,684. The site now hosts Columbia Pipe and Raphael Industries, which employs 57 full-time workers.



Tax Increment District No. 8 – Wehr Steel	
Base Value	\$1,078,800
Current Incremental Value	\$6,141,500
Total Value	\$6,141,500
Base Taxes	\$21,684
Current Taxes	\$145,128
Total Taxes	\$123,444
New Jobs Created	57
Total New Jobs	57

**TIF DISTRICT NO. 9 – PIONEER NEIGHBORHOOD
CLOSED: 2020 (15 YEARS)**

(W. National Ave. from S. 78 St. to S. 81 St.)

The creation of Tax Incremental District No. 9, known as the Pioneer Neighborhood, along W. National Ave. between S. 78th and S. 81st Streets, spurred over \$11.5 million in development. Established in 2006, the 7.8-acre district included several blighted parcels, such as a former school bus parking lot, a former lumber yard, and the vacant Neis Hardware store, all of which were negatively impacting the National Avenue corridor.



Initially considered by the West Allis Police Department for a new station, the site was rejected due to environmental concerns. In spring 2006, the CDA acquired the site through voluntary purchase, adding it to the Neis Hardware site, acquired through foreclosure in 2005, to form the district.

The district has seen two major redevelopments: the construction of PyraMax Bank and a senior living complex, completed in 2009, with 120 independent living units, 80 assisted living units, and 64 memory care units.

A total of \$3.5 million was spent on acquisition, environmental remediation, and site preparation. The CDA received two DNR SAG grants totaling about \$60,000 for the initial environmental assessments. Following full contamination characterization, the CDA used a \$475,000 Wisconsin Department of Commerce Brownfield Grant and TIF financing to help cover remediation costs

Tax Increment District No. 9 – Pioneer Neighborhood	
Base Value	\$1,075,800
Current Incremental Value	\$21,181,500
Total Value	\$22,257,300
Base Taxes	\$21,684
Current Incremental Taxes	\$425,748
Total Taxes	\$447,372
New Jobs Created	57
Total New Jobs	57

The district is currently valued at \$22.3 million, which is a \$21.2 million increase in value from its \$1,075,800 base. The current taxes of about \$447,372 represent an incremental increase of \$425,748 property taxes up from about \$21,623. The district closed in 2020 after 15 years. The developments added 77 new jobs to the district.

TIF DISTRICT NO. 12 – TELEDYNE
PROJECTED CLOSED: 2024

The former Teledyne site, located at S. 52nd St. and W. Burnham St., spans 8.96 acres and was once home to a 100-year-old industrial building used for manufacturing automotive engines. The site, previously owned by 5209 Burnham LLC, was transferred to Milwaukee County in April 2017 following foreclosure.



In 2010, the City of West Allis, in partnership with the CDA, conducted Phase I and II Environmental Site Assessments (ESAs) under a US EPA Petroleum Brownfield Assessment Grant to evaluate redevelopment challenges. The district was established to fund environmental remediation and other redevelopment costs. The assessments identified significant contamination, including volatile organic compounds (VOCs), chlorinated and petroleum VOCs in the soil and groundwater, and other contaminants like vinyl chloride, naphthalene, heavy metals (arsenic and lead), foundry sand, and PCBs. The City also removed seven underground storage tanks (USTs) during demolition, with further USTs possibly present.

Apart from environmental challenges, a substantial impediment to redevelopment stems from the property's considerable tax liability. Following a raze order issued by the Milwaukee County Circuit Court due to severe disrepair and non-compliance with building codes, the City, under state law, incurred \$1,900,000 in demolition costs, subsequently assessed as a special charge on the tax bill. Although Milwaukee County reimbursed the City for the entire demolition expense, unpaid taxes, interest, and penalties now aggregate to approximately \$3.5 million, posing a formidable obstacle to redevelopment.

The City acquired the property in 2023 with plans to construct a state-of-the-art Public Works Facility on the land, marking a significant step toward redeveloping the property. Since the site was planned for municipal use, the TIF was closed in March of 2024.

Tax Increment District No. 12 – Teledyne	
Base Value	\$232,900
Current Incremental Value	-\$232,900
Total Value	\$0
Base Taxes	\$0
Current Incremental Taxes	\$0
Total Taxes	\$0
New Jobs Created	0
Total New Jobs	0

CONCLUSION

Over the span of the past two decades, the narrative of employing tax increment financing unfolds as a series of contrasting and distinctive chapters, depicting a city in the process of reinvention. TIF has proven instrumental in steering the City away from decline, revitalizing challenged areas, and reshaping the City's image and tax base through substantial investments from both private and public sectors. Whether focusing on business expansion and job creation or providing housing opportunities, each TIF district in West Allis has directly addressed blight elimination and contributed to neighborhood stabilization using diverse methodologies.

The new or incremental property taxes generated from these initiatives have played a crucial role in financing the City's neighborhood revitalization. The measure of success is evident in the City's Largest Taxpayers list, where four of the top six entities were fostered through tax increment financing (see Exhibit 2). Furthermore, TID 7 stands out for producing one of the largest office buildings in the Milwaukee Metropolitan area.

Over the years, bond rating firms have consistently expressed favorable opinions on the City's redevelopment efforts, contributing to a stable and highly favorable bond rating even during economically challenging times.

In summary, this comprehensive report underscores the positive and transformative impact of TIF districts on the community, showcasing how this economic tool has reshaped West Allis' landscape and elevated its standing in the metro-Milwaukee area. If the recent years serve as a glimpse into the future, West Allis, driven by effective leadership and progressive visioning, will continue to leverage tax incremental financing as the catalyst and financial instrument propelling ongoing modernization and growth.

Exhibit 1

Background

Tax Increment Financing (TIF) legislation, first adopted in 1975 under Wisconsin State Statutes (66.1105), empowers municipalities to create TIF districts aimed at addressing urban blight through targeted redevelopment efforts. Central to TIF's purpose is the "but for" principle: the municipality must demonstrate that the proposed redevelopment would not occur without TIF funding. In other words, redevelopment is not feasible without TIF, which serves as a catalyst for the revitalization of underdeveloped or deteriorated areas.

What is Tax Increment Financing?

When a TIF District is proposed, the project and its financial feasibility are carefully reviewed and underwritten by City leaders, taxing jurisdictions, staff, and a team of consultants working together to ensure significant community benefit and proper investment of TIF revenue.

As part of the consideration, the City also looks at "opportunity cost." This term refers to leaving conditions as the status quo and deciding to wait for the private sector to inject investment capital and foster change. The time spent waiting over what could be conceptually developed, is an "opportunity cost." As increased tax revenues are not received, property values continue to diminish, and the appearance of aged blighted industrial sites restrict the ability to attract capital and new vibrant development. In addition, a community's image suffers greatly because of lack of reinvestment.

The Creation of a Tax Increment Financing District

A tax incremental financing (TIF) district is a contiguous geographical area within a city that is assessed for general tax purposes. The taxing jurisdictions (City, School District, Milwaukee County and Milwaukee Area Technical College) representing the area jointly decide to utilize the "value increment" or "new tax revenue" gained by the newly redeveloped property to pay for project costs.

The Tax Increment law allows a community to recapture the costs of public expenditures made to stimulate new development from the property taxes generated by the new development. Fundamental to the TIF law is the concept that new development will benefit all local taxing jurisdictions, but state law requires the municipality to take the lead in funding redevelopment initiatives. However, an inequity occurs because the community is left to finance the entire cost of public expenditures needed to facilitate the development. The TIF law recognizes that without the TIF expenditures, the desired development could not or would not have occurred.

Thus, the TIF law provides that all property taxes levied on increased property value within a TIF district are retained by the community to finance the public expenditures made within the TIF district, rather than normally being distributed among all the taxing jurisdictions. The base value (the value that existed at the time the TIF district is created), however, continues to provide same level of revenues to the other taxing jurisdictions. Once all the public expenditures have been repaid, all taxing jurisdictions can collect taxes levied on the new property value.

State statutes are very specific as to how a TIF district is created. First, a TIF project plan is developed and presented to the Community Development Authority (CDA) for a formal public hearing. The CDA makes a recommendation on the TIF project plan to the City Council. The Council then must pass a resolution adopting the TIF project plan and establishing the TIF boundaries. Finally, a Joint Review Board is created with members from the City, School District, County, Milwaukee Area Technical College, and one member at large. The Joint Review Board reviews the TIF plan and public hearing comments and approves the creation of the TIF district.

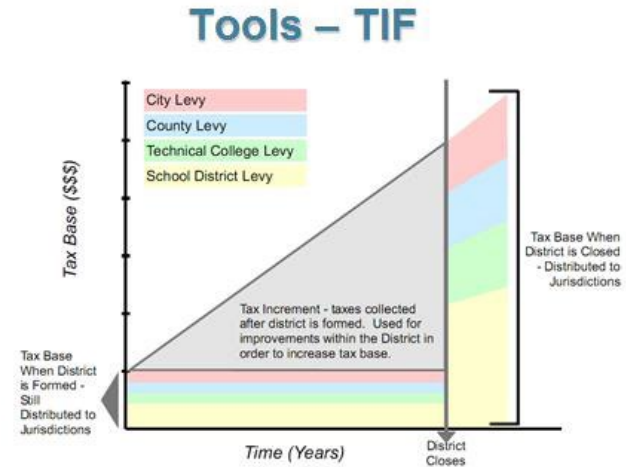
How TID Funds Are Spent

TIF funds are typically used to cover costs associated with redevelopment, including:

- **Demolition and Environmental Remediation:** Addressing contamination or aging infrastructure.
- **Public Infrastructure Improvements:** Such as roads, stormwater management, and utilities.
- **Site Access and Assembly:** Purchasing or preparing land for new development.
- **Geotechnical Issues:** Soil remediation and compaction to prepare the site for new construction.

Additionally, job creation incentives and neighborhood improvements are increasingly incorporated into TIF projects to ensure that redevelopment benefits the broader community. Public-private partnerships also play a crucial role in funding TIF projects, often leveraging private investment and external resources like New Market Tax Credits, and state or federal grants from agencies such as the Wisconsin Economic Development Corporation (WEDC), the Department of Natural Resources (DNR), and the Environmental Protection Agency (EPA).

State or federal grants, particularly Site Assessment Grants (SAG), are instrumental in covering initial environmental investigation costs, which are often the first barrier to redevelopment. In West Allis, for example, nearly \$1 million in SAG funding has been used to initiate redevelopment projects in its TIF districts.



The Decision to Create a TID Involves a Complex Matrix of Options

If a piece of property is stagnating or declining in value, it is prudent public policy to begin the process of evaluating what is holding this property back and what, if any measures, are necessary to facilitate revitalization. The first option is always to do nothing. If the aftermath of that decision leads to continual blighting conditions, some type of public intervention may be necessary.



With the creation of a TIF district, a community borrows money to pay for expenses tied to a specific development project. Only the property taxes generated from the increased value of the project pay off the borrowed debt over time. Once that debt is repaid, the tax base grows and the increased revenue generated by property taxes flow to the municipality, the school district, county and technical college, providing much needed property tax relief.

The second step would be to determine what impediments are holding the property back from being privately redeveloped. Once identified, what is the most cost-effective approach to proactively intervene and induce major private sector investment?

The next logical progression would be to define the cost of removing impediments, whether it is environmental remediation, demolition of dilapidated buildings, soil compaction, or amelioration of poor soils insufficient to support a modern building. Sometimes an economic incentive is necessary to attract a high-quality, job generating business to the neighborhood.

Once these impediment costs are identified, the next step is to determine how much of this cost the public sector must “eat” to return the site so that it can compete in the marketplace for private sector investment. The typical quandary is, if the market value of a piece of property is \$100,000/acre and the environmental remediation cost is \$200,000/acre, that parcel is utterly upside down with no prospects for redevelopment. Examples of these issues are the Wehr Steel site, the 113th & Greenfield site, and the Pressed Steel Tank site.

If it is too costly to remove the development impediments, a less challenged suburban site will be developed and the challenged site will just sit there negatively impacting the surrounding neighborhood. From an urban sprawl perspective, for every one acre of urban land that is redeveloped, 3 to 3.5 acres of suburban sprawl is avoided.

In many cases public improvements are also needed, such as streets, storm & sanitary sewers, and water lines to accommodate the new development. Examples of these issues are the S. 70th St. corridor, Theodore Trecker Way, 69th & Orchard St., etc.

In another local economic development decision scenario, you could have a site where a big box retailer could afford to purchase the property and remove the impediments but only provide few full-time minimum wage jobs. Under this scenario if this type of development

was all that the community aspired to, no TIF/public financing will be required. However, if it is a local decision that the community wants to promote family-supporting jobs on the site, TIF funding would be required to underwrite the site cost to a point where a manufacturer could afford the land.

Quad/Graphics is an excellent example of a local decision made by all the taxing jurisdictions to utilize TIF to lower the land development cost so that it was affordable to a manufacturing enterprise. Quad Graphics ultimately provided 800 manufacturing family-supporting jobs and in addition more than tripled the tax base.

These are the types of decisions that local taxing jurisdictions must jointly weigh in determining the costs and benefits of each TIF decision.

In built-out, urban communities with changing economic needs and historical environmental issues, redevelopment comes at a higher cost. For West Allis, a landlocked first-ring suburban community can only grow from within its existing boundaries. West Allis has no cornfields to expand on to. As an economic development tool, TIF provides local leadership an opportunity to level the playing field with appealing, “greenfield development” and more competitive urban sites. It ultimately keeps the image of communities viable, stabilizes property values, maximizes previous investments in public infrastructure and provides an environment where family-supporting jobs can be created.



Exhibit 2

**WEST ALLIS LARGEST TAXPAYERS - 2023 ASSESSMENT ROLL
NON-INDUSTRIAL
AS OF 01/01/2023**

	Owner (as of 01/01/2023)	Property Use	Real Estate	Peronal Property	2023 Assessed Value
1	Whitnall Summit Co LLC	Office Bldg	\$ 49,701,200	\$ 108,500	\$ 49,809,700
2	Element 84, LLC	Apartments	\$ 28,548,400	\$ -	\$ 28,548,400
3	Morgan Grove LLC	Apartments	\$ 24,823,600	\$ -	\$ 24,823,600
4	Six Points West Allis Apts II LLC	Apartments	\$ 24,586,600	\$ -	\$ 24,586,600
5	Ramco Properties Assoc	Shopping Center	\$ 21,466,300	\$ 8,300	\$ 21,474,600
6	Spof IV, LLC	Apartments	\$ 20,290,200	\$ -	\$ 20,290,200
7	Milwaukee Behavioral Health, LLC	Hospital	\$ 18,790,900	\$ -	\$ 18,790,900
8	2625 West Allis WI LLC	Shopping Center	\$ 17,623,100	\$ -	\$ 17,623,100
9	Lincoln Crest Apts LLP	Apartments	\$ 13,609,300	\$ -	\$ 13,609,300
10	SoNa Lofts, LLC	Apartments	\$ 13,469,300	\$ -	\$ 13,469,300
11	Mister Roger's Neighborhood LLC	Office Warehouse	\$ 12,498,600	\$ -	\$ 12,498,600
12	Southtown Plaza LLC	Shopping Center	\$ 10,350,600	\$ 2,400	\$ 10,353,000
13	Lithia Real Estate, Inc	Car Dealership	\$ 10,097,000	\$ 9,500	\$ 10,106,500
14	MKB West Allis	Shopping Center	\$ 10,010,600	\$ 1,492,600	\$ 11,503,200
15	West Allis Hotel Ventures	Hotel	\$ 9,796,100	\$ 630,600	\$ 10,426,700
16	Dayton-Hudson Corp	Shopping Center	\$ 9,576,500	\$ 1,231,600	\$ 10,808,100
17	STAG West Allis LLC	Warehouse	\$ 9,483,400	\$ -	\$ 9,483,400
18	Renaissance Faire II LLC	Office Warehouse	\$ 9,455,200	\$ 15,000	\$ 9,470,200
19	West Allis Business Park LLC	Manufacturing	\$ 9,359,300	\$ 941,500	\$ 10,300,800
20	Home Depot USA Inc	Shopping Center	\$ 9,303,600	\$ 770,100	\$ 10,073,700
21	NDC LLC	Shopping Center	\$ 9,242,400	\$ -	\$ 9,242,400
22	Acpf-Exr Jv Sub Cleveland Avenue West Allis	Storage Warehouse	\$ 9,191,800	\$ 3,600	\$ 9,195,400
23	DKS Realty Wisconsin V, LLC	Office Bldg	\$ 9,156,900	\$ 88,600	\$ 9,245,500
24	CNJ Investors LLC	Office Bldg	\$ 9,068,300	\$ -	\$ 9,068,300
25	4 Ross Investments III, LLC	Office Bldg	\$ 9,068,300	\$ -	\$ 9,068,300
			\$ 378,567,500	\$ 5,302,300	\$ 374,801,500

COMMUNITY DEVELOPMENT AUTHORITY
CITY OF WEST ALLIS, WISCONSIN
RESOLUTION NO. 1488
DATE ADOPTED: December 17, 2024

Resolution to approve a National Avenue Commercial Corridor Code Compliance Loan in the amount up to \$8,500 for the establishment of an entertainment venue at 6325 W. National Ave.

WHEREAS, the Community Development Authority of the City of West Allis (the “Authority”) adopted under Resolution #1226 a National Avenue Commercial Corridor Code Compliance Forgivable Loan Program; and,

WHEREAS, National Avenue Commercial Corridor Code Compliance Forgivable Loan Program has a goal to promote economic development and entrepreneurialism to foster the creation of small businesses and employment opportunities in the City; and,

WHEREAS, MITHLI, LLC submitted an application for a Forgivable Loan under the National Avenue Code Compliance Program to install ADA-compliant improvements to the bathrooms, as well as to undertake significant plumbing and electrical upgrades within the building, to enhance the property located at 6325 W. National Avenue; and,

WHEREAS, the Economic Development Program reviewed the application, and the borrower is eligible and the project meets project eligibility.

NOW, THEREFORE, BE IT RESOLVED by the Community Development Authority of the City of West Allis that it hereby approves a National Avenue Commercial Corridor Code Compliance Forgivable Loan Program to 6325 MITHLI LLC in the amount not to exceed \$8,500 for the commercial space at 6325 W. National Avenue.

BE IT FURTHER RESOLVED that the Executive Director or his designee is authorized to perform the duties as necessary to deliver the Code Compliance Forgivable Loan to 6325 MITHLI LLC.

BE IT FURTHER RESOLVED that the proper City Officers, or any other authorized deputies, as necessary, are authorized on behalf of the City to execute the aforesaid loan programs and associated documents as hereby attached Code Compliant Forgivable Loan Agreement.

BE IT FURTHER RESOLVED that the funding is hereby appropriated from Tax Increment Finance District #7 (Summit Place Redevelopment Area).

Approved: _____
Patrick Schloss, Executive Director
Community Development Authority

FORGIVABLE LOAN AGREEMENT

BETWEEN THE

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS

AND

6325 MITHLI LLC

FOR A

**NATIONAL AVENUE COMMERCIAL CORRIDOR
CODE COMPLIANCE RENOVATION AT**

**6325 W. NATIONAL AVENUE,
WEST ALLIS, MILWAUKEE COUNTY, WISCONSIN**

THIS AGREEMENT is made between the **Community Development Authority of the City of West Allis**, a separate body politic created by ordinance of the City of West Allis, pursuant to Section 66.1335 of the Wisconsin Statutes, (hereinafter the “CDA”), and **6325 MITHLI LLC**, a Limited Liability Company (hereinafter the “BORROWER”).

WHEREAS, the West Allis Common Council and the CDA adopted a variety of small business grants and loan programs for the National Avenue Commercial Corridor, described further by the boundary map hereby provided attached under Exhibit A –National Avenue Commercial Corridor, to promote investment in a designated area, reduce storefront vacancies, and to attract new businesses. The purpose of this loan is to assist a property owner of a commercial property with bringing a commercial space into code compliance while filling a storefront vacancy and/or encouraging business expansion; and

WHEREAS, the BORROWER, a property owner within the National Avenue Commercial Corridor, desires a Code Compliance Forgivable Loan from the CDA for up to Eight Thousand Five Hundred Dollars (\$8,500) or 100% the total project cost, whichever is the lesser amount, for the following business development purpose: required electrical and plumbing upgrades at 6325 W. National Avenue, West Allis, Wisconsin, (hereinafter the “PROJECT”), and the CDA is agreeable to loan said dollar amount to the BORROWER under terms as set forth in this Forgivable Loan Agreement.

NOW, THEREFORE, it is hereby agreed by and between the parties, for and in consideration of the following mutual covenants and promises, as follows:

1. DEFINITIONS. For the purposes of this Agreement, the following terms shall have the meanings set forth below:
 - A. “*Administrative Costs*” means administrative costs incurred by CDA in connection with the Project, but not included in nor deducted from the forgivable loan from

CDA to the BORROWER.

- B. “*Agreement*” means this Forgivable Loan Agreement for the National Avenue Commercial Corridor Code Compliance Forgivable Loan Program between the CDA and the BORROWER, together with any future amendments thereto.
 - C. “*Application*” means the National Avenue Commercial Corridor Code Compliance Forgivable Loan Program Application submittal by the BORROWER.
 - D. “*BORROWER*” means Marla Poytinger or David Poytinger 6325 MITHLI LLC, DBA Bars & Recreation with principal offices at N28W27542 Peninsula Dr. Pewaukee, WI 53072
 - E. “*Code Compliance Forgivable Loan Program*” means the program approved by Common Council Resolution R-2017-0053 and CDA Resolution #1226.
 - F. “*CITY*” means the City of West Allis, together with its lawful successors and assigns.
 - G. “*Effective Date*” means date of acceptance by signature by the Borrower of this Agreement.
 - H. “*Eligible Project Cost*” means the costs and expenditures incurred by the BORROWER in connection to the Project, as more fully described in **Exhibit B** and that are in compliance with the Program Guidelines for a Code Compliance Forgivable Loan, which is attached as **Exhibit C**.
 - I. “*Facility*” means the BORROWER’S real property, including improvements that are located only within the space that is 6325 W. National Avenue, West Allis, Wisconsin.
 - J. “*CDA*” means Community Development Authority of the City of West Allis, together with its lawful successors and assigns.
 - K. “*Project*” means activities described in **Exhibit B**.
 - L. “*Term of This Agreement*” means until the BORROWER’S obligations hereunder are fully satisfied.
 - M. “*Completed Project*” means commercial space that has fulfilled necessary requirements for the issuance of an Occupancy Permit from the City of West Allis Building Inspection and Neighborhood Services Department.
2. The CDA agrees, in consideration of the BORROWER executing this Agreement, completing the Project as described in Exhibit B, and agreeing to be bound by its terms, to loan the lesser amount of the maximum sum of Eight Thousand Five Hundred Dollars (\$8,500), or 100% of the total eligible project cost, to the BORROWER.

3. The CDA shall have received the representation and warranty of the BORROWER that the BORROWER has the necessary power to execute, deliver and carry out the terms and provisions of this Agreement; further, that compliance with the provisions of the Agreement will not conflict with or result in the breach of any other agreement to which it is a party or by which it is bound. The BORROWER acknowledges that nothing contained in this Agreement nor any act of the CDA shall be deemed or construed to create any relationship of third-party beneficiary, or of principal and agent, or of limited or general partnership, or of joint venture, or of any association between the parties to this Agreement.
4. The BORROWER will not discriminate against any employee, applicant for employment or customer because of race, religion, color, sex, age, national origin, handicap, marital status of the person maintaining the household, lawful source of income, ancestry or any other reason prohibited by federal, state or local law. Any act finally determined by a court of law to be an act of illegal discrimination shall be a breach of this Agreement, and the CDA may proceed to enforce its remedies in this Agreement by all lawful means available to the CDA.
5. The BORROWER represents and warrants to the CDA that it has obtained, or has reasonable assurance that it will obtain, all federal, state and local governmental approvals required by law to be obtained by it for this PROJECT.
6. The BORROWER acknowledges that the CDA, in making the Code Compliance Forgivable Loan, relied upon the assured completion of the PROJECT activities to be undertaken by the BORROWER, and the BORROWER reassures the CDA that it will complete such PROJECT activities.
7. The National Avenue Commercial Code Compliance Forgivable Loan from the CDA to the BORROWER hereunder for the Eligible Project Costs shall be made upon receipt and staff approval of requests for disbursements and supporting documents. The supporting documents shall include, but not limited to:
 - A. Contracts made with all contractors, subcontractors, vendors, and suppliers employed on this project.
 - B. Itemized invoices of all contractors, subcontractors, vendors, and suppliers employed on this project.
 - C. Lien waivers signed by all contractors, subcontractors, vendors, and suppliers employed on this project.
 - D. Copies of all paid invoices, cancelled checks and/or bank statements for all code compliance work covered by the grant. The invoices must be marked paid, signed, and dated by the contractors. **Cash payments are not allowed.**
 - E. Color photos of Completed Project.

8. The CDA may request reimbursement for the CDA Code Compliance Forgivable Loan funds paid if it determines that the BORROWER has not provided adequate documentation of Eligible Project Costs, has failed to file required reports hereunder, or is otherwise in default under the terms of this Agreement.
9. All reimbursement requests for Eligible Project Costs must be submitted by the Borrower to the CDA with all required supporting documents by December 31, 2025.
10. The BORROWER shall complete and maintain books, records and other documents relating directly to the receipt and disbursement of any of the Code Compliance Forgivable Loan proceeds received by it, either directly or indirectly, and any duly authorized representative of the CDA, shall at all reasonable times, after proper notice is given, have access to and the right to inspect, copy, audit and examine all such books, records and other documents of the BORROWER until the final settlement and conclusions of all issues arising out of the Forgivable Loan or under the Agreement.
11. The BORROWER agrees that any duly authorized representative of the CDA shall, at all reasonable times after notice, have access to any portion of the Project.
12. The BORROWER acknowledges that the duties, obligations or responsibilities under this Agreement are continuing, and no right or privilege inures to the BORROWER to the complete Code Compliance Forgivable Loan proceeds without complete compliance with the aforementioned continuing duties and responsibilities.
13. This Forgivable Loan Agreement may not be amended without approval of the CDA.
14. If an event occurs which causes or may cause delays in either the commencement or the completion of the undertaken Project, the BORROWER shall notify the CDA, in writing, of the delay or anticipated delay, and the cause or causes of the delays or anticipated delays; and, if the cause has been or will be by circumstances beyond the control of the BORROWER, the time for performance shall be extended for the period equal to the delay. The BORROWER agrees that any of the following events shall constitute an event of default:
 - A. failure to obtain a commercial occupancy permit for the Facility by December 31, 2025;
 - B. failure to maintain ownership of the Facility during the time period of this Agreement;
 - C. failure to perform any obligation contained in this Agreement;
 - D. the execution of any remedies resulting from an assignment for the benefit of the BORROWER's creditors or commission of any other act amounting to a business failure;
 - E. the filing, by or against the BORROWER, of a petition under any chapter of the U.S. Bankruptcy Code or for the appointment of a receiver;

- F. any uncured default or breach of the BORROWER's obligations under the terms and conditions of this Agreement, its leases, or financing arrangements with other creditors;
 - G. any material misrepresentation with respect to the BORROWER's warranties and representations under this Agreement or the Application;
 - H. any other action or omission by the BORROWER, which in the CDA's reasonable discretion, jeopardizes the BORROWER's ability to fulfill its obligations under this Agreement or otherwise causes the CDA to deem Borrower insecure.
15. The BORROWER shall procure and maintain comprehensive property damage and comprehensive liability insurance reasonably acceptable to the CDA and the City Attorney. Evidence of insurance shall be provided by a Certificate of Insurance listing the Community Development Authority of the City of West Allis and its officers (elected and appointed), employees, agents, and volunteers as an additional insured on the insurance policies. The Borrower's evidence of insurance must insure the CDA up to CDA's limits, and the Borrower agrees to submit all documents that are requested by the City Attorney. All insurance documents provided by the Borrower must be in a form approved by the City Attorney.
16. REMEDIES IN EVENT OF DEFAULT
- A. Upon the occurrence of any Event of Default, the CDA shall send a written notice of default to the BORROWER, setting forth with reasonable specificity the nature of the default. If the BORROWER fails to cure the default to the reasonable satisfaction of the CDA within ten (10) business days, the CDA may, without prior written consent and without further written notice to the BORROWER, declare the BORROWER in default, terminate this Agreement effective immediately, and seek return of all Forgivable Loan funds disbursed to the BORROWER hereunder.
 - B. Upon the termination of this Agreement:
 - 1. The BORROWER shall be liable for the full Forgivable Loan amount disbursed as a result of this Agreement.
 - 2. Subject to the rights of other creditors, the CDA shall be entitled to exercise any and all remedies available to the CDA under this Agreement, related Forgivable Loan documents, and applicable laws.
 - 3. In addition to the rights and remedies available to the CDA at law, in equity, or in bankruptcy, the CDA shall be entitled to recover from the BORROWER an amount equal to the sum of:
 - i. The full CDA Code Compliance Forgivable Loan amount and other amounts owed by the BORROWER hereunder;

- ii. All court costs and reasonable attorney's fees incurred by the CDA in the enforcement of its rights and remedies under this Agreement; and
 - iii. Any other damages arising from the BORROWER's default.
 - C. The CDA's foreclosure upon, repossession of, and subsequent actions shall not affect the CDA's right to recover from the BORROWER any and all damages caused by the BORROWER's breach of this Agreement. The CDA's rights and remedies hereunder shall be cumulative, not exclusive, and shall be in addition to all other rights and remedies available at law, in equity, or in bankruptcy.
 - D. Upon the occurrence of any Event of Default, the CDA, in its sole discretion, may pursue or intervene in any negotiations or litigation to enforce and protect the CDA's rights and interests. Upon the Borrower's request, the CDA shall execute and deliver an assignment and any other legal documents that may be required by the CDA to facilitate its pursuit or intervention in such negotiations or litigation.
- 17. To induce the CDA to enter into this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the BORROWER hereby warrants and represents that:
 - A. The BORROWER is qualified to engage in business in the State of Wisconsin and in every jurisdiction where the nature of his business makes such qualification necessary.
 - B. The BORROWER is in compliance with all laws, regulations, ordinances, and orders of public authorities applicable to it, the violation of which would have a material and adverse effect on the BORROWER's financial ability to comply with this Agreement.
 - C. The BORROWER is unaware of any conditions which could subject it to any damages, penalties, or clean-up costs under any federal or state environmental laws which would have a material and adverse effect on the BORROWER's financial ability to comply with this Agreement.
 - D. The BORROWER has read, fully understands, and agrees to all of the terms and conditions in this Agreement and the related Forgivable Loan documents.
 - E. This agreement is valid and enforceable in accordance with its terms against the BORROWER, subject only to applicable bankruptcy, insolvency, reorganization, or other similar laws affecting generally the enforceability of the rights of creditors.
 - F. The BORROWER is financially solvent and able to comply with all of the terms and conditions set for in the Agreement.
 - G. The financial statements and other information provided by the BORROWER to the CDA are complete and accurate in accordance with generally accepted accounting principles, and may be relied upon by the CDA in deciding whether to enter into this Agreement with the BORROWER.

- H. The BORROWER is not in default under the terms and conditions of any grant agreements, loans, notes, leases, or financing arrangements with the BORROWER's other creditors.
 - I. Excluding the funds to be disbursed under this Agreement, the BORROWER has sufficient funding to fund all costs related to this Agreement and as identified in Exhibit B
 - J. The BORROWER's warranties and representations herein are true and accurate as of the date of this Agreement, and shall survive execution thereof.
 - K. In making these warranties and representations, the BORROWER has not relied upon any information furnished by the CDA.
18. The BORROWER shall prepare, keep, maintain, and present such records as may be reasonably required by the CDA to show:
- A. The amount and disposition of Code Compliance Forgivable Loan funds provided and disbursed under this Agreement; and
 - B. The total cost of the Project.
19. All of the BORROWER'S financial records pertaining to this project only shall be prepared, kept, and maintained in accordance with generally accepted accounting principles. The BORROWER shall provide such records to the CDA during the term of this Agreement as may be reasonably requested. Such materials shall be retained by the BORROWER for a period of at least seven (7) years after the Code Compliance Forgivable Loan term is completed.
20. NEGATIVE COMPANY COVENANTS.
- A. During the term of this Agreement, the BORROWER shall not consolidate or merge with or into any other corporation or business entity without prior written notification to the CDA.
 - B. During the term of this Agreement, the BORROWER shall not sell, transfer, hypothecate, liquidate, pledge or otherwise encumber the Facility without prior written notification to the CDA; provided however, that nothing herein shall prohibit the BORROWER from selling inventory in the ordinary course of business.
21. WISCONSIN OPEN RECORDS LAW.

West Allis acknowledges that certain portions of the materials to be exchanged pursuant to this Agreement (e.g., financial statements, project models) contain sensitive and proprietary information relating to the Borrower and the Project and that disclosure could cause irreparable harm if such materials were to be made available to the general public. Additionally, certain of the materials to be exchanged may be trade secrets or

copyrighted. The Parties further acknowledge that West Allis is subject to the requirements of the Wisconsin Public Records Law. Wis. Stats. §§19.21 et seq. Under these statutes, all documents and records are subject to public disclosure, unless there is a statutory, common law, or public policy reason for nondisclosure. The Parties acknowledge that this Agreement is subject to the provisions of the Public Records Law of the State of Wisconsin (Wis. Stat. Section 19.21 et seq.) This Agreement, and other attachments to this agreement are deemed to be public records. Should West Allis receive a records request for Borrower's financial information, West Allis shall notify Borrower of the request and afford Borrower a reasonable period of time (not to exceed 10 days) to respond to West Allis. If the Borrower objects to the release of the requested record(s) or part thereof, West Allis shall perform the common law balancing test. If West Allis determines that the balance falls in favor of non-disclosure, it shall so inform Borrower and the requestor. If West Allis determines that the balance falls in favor of disclosure, it shall so notify Borrower and the requestor and afford the Borrower a reasonable time (not to exceed 10 business days) to commence an action seeking to prevent disclosure of the record(s).

22. To induce the CDA to enter into this Agreement, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the CDA hereby warrants and represents that:
 - A. The CDA has read, fully understands, and agrees to all of the terms and conditions in this Agreement;
 1. This Agreement is valid and enforceable in accordance with its terms against the CDA, subject only to applicable bankruptcy, insolvency, reorganization, or other similar laws generally affecting the enforceability of the rights of creditors and equitable principles relating to enforceability;
 2. The information provided by the CDA is complete and materially correct, and;
 3. The CDA's warranties and representations herein are true and accurate as of the date of this Agreement, and shall survive the execution thereof.
23. During the Terms of This Agreement, the CDA shall be responsible for:
 - A. Enforcing the CDA Code Compliance Forgivable Loan documents and ensuring that the BORROWER complies with all of its obligations;
 - B. Promptly notifying the City of any known Events of Default by the BORROWER;
 - C. Protecting its rights and interests with respect to the BORROWER's obligations; and
 - D. Complying with all of the contractual, statutory, and administrative requirements set forth in this Agreement and the Implementation Handbook.
24. Intentionally Left Blank
25. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors and assigns.

26. This Agreement shall, in all respects whether as to validity, construction, capacity, performance, or otherwise, be governed by the laws of the State of Wisconsin. Any suit or proceeding arising out of or related to this Agreement shall be commenced and maintained only in a court of competent jurisdiction in the state or federal courts located in Milwaukee County, Wisconsin. Each party irrevocably consents to submit to the exclusive jurisdiction of such courts.
27. The forgivable loan program is structured over a 5-year period. If the BORROWER'S property experiences the conditions outlined above is sold or the facility no longer is occupied, the funds shall be proportionally repaid according to the following schedule:

Year 0 - 1	100% of grant funds
Year 1 - 2	80% of grant funds
Year 2 - 3	60% of grant funds
Year 3 - 4	40% of grant funds
Year 4 - 5	20% of grant funds

28. If any term contained in this Agreement shall be invalid and unenforceable, the remainder of this Agreement shall not be affected thereby.
29. MISCELLANEOUS.
- A. Notices to the BORROWER hereunder shall be effective upon mailing by first class mail, postage prepaid, and addressed to the following persons and address or such other person and address as the BORROWER may designate in writing:
- Marla Poytinger or David Poytinger
6325 MITHLI LLC, DBA Bars & Recreation
6325 W. National Ave.
West Allis, WI 53214
- B. Notices to the CDA hereunder shall be effective upon mailing by first class mail, postage prepaid, and addressed to the following person and address or such other person and address as the CDA may designate in writing;
- Community Development Authority of the City of West Allis
Attn: Mr. Patrick Schloss, Executive Director
Development Department, City Hall
7525 W. Greenfield Avenue,
West Allis, WI 53214
- C. All documents required to be delivered contemporaneously with the execution of this Agreement are expressly made a part of this Agreement as though completely herein, and all references to this Agreement herein shall be deemed to refer to and include all such documents.

- D. In the event of any conflict or inconsistency between the Agreement and the exhibits hereto, the terms of this Agreement shall control.
- E. In the event of any conflict or inconsistency between the Agreement and previous correspondence or discussions between the BORROWER and the CDA, the terms of this Agreement shall control.
- F. Any publications or news releases issued by the CDA or the Borrower relating to this Project shall state that this Project was supported and financed by the National Avenue Commercial Corridor Code Compliance Forgivable Loan Program from the Community Development Authority of the City of West Allis.
- G. The captions in this Agreement are for convenience of reference only and shall not define or limit any of the terms and conditions set forth herein.

32. LIST OF EXHIBITS. The following exhibits shall be considered part of this Agreement:

- Exhibit A: National Avenue Corridor Map
- Exhibit B: Project Description
- Exhibit C: Code Compliance Requirements

33. IN WITNESS WHEREOF, the CDA, and the BORROWER, having full and complete authority to sign this Agreement, have executed and delivered this Agreement.

Signatures on the Next Page

Community Development Authority of the City of West Allis

By: _____
Patrick Schloss, Executive Director

Date

Borrower

6325 MITHLI LLC, DBA Bars & Recreation (“Borrower”)

By: _____
Marla Poytinger, Member

By: _____
David Poytinger, Member

Approved as to form this ____ day
Of _____, 2024

City Attorney

**EXHIBIT A:
National Avenue Corridor Map**

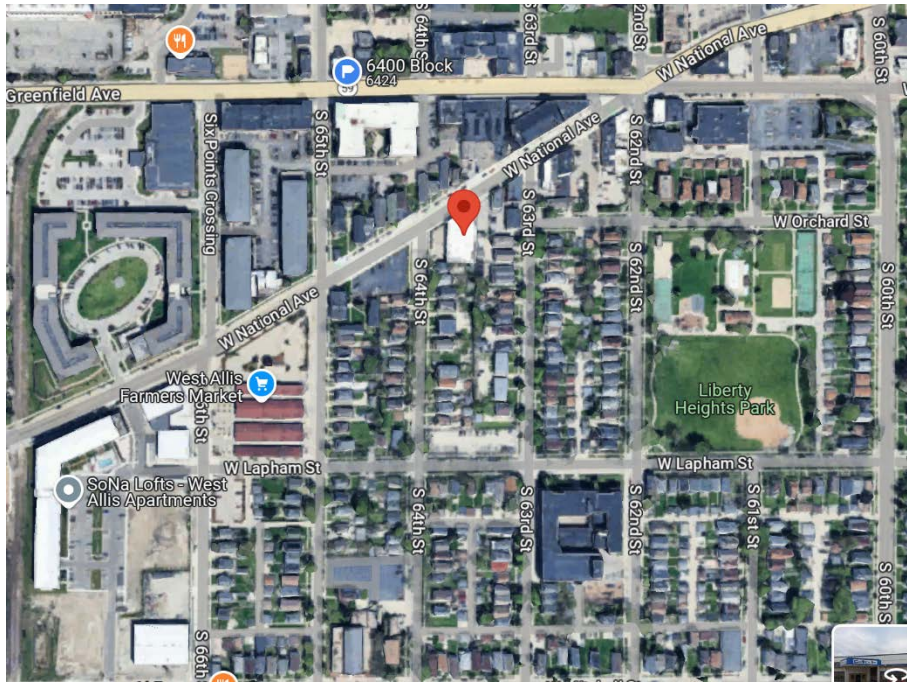


Exhibit B: Project Description

Bars and Recreation is a group of activity bars offering immersive experiences with cutting-edge activities, creative drinks, and exceptional customer service. In April 2022, Bars and Rec purchased the former Cas-Tech building at 6325 W. National Avenue. Right now, they are in the process of revitalizing the space, that currently has a cost estimate that exceeds one million dollars.

The concept planned for the West Allis location will serve as an entertainment destination, accommodating groups of 2-6 players per area, with the flexibility to combine areas for larger groups of up to 50 (half the facility) or 100 (entire facility) playing simultaneously. Reservations can be made in blocks of 1.5 hours for small groups or 3+ hours for larger groups.

As with all Bars & Rec facilities, the West Allis location will feature fully immersive experiences, including custom-built playing areas, specialized equipment, and thematic décor. The projected breakdown of sales is as follows:

Hours of Operation

Open to the public:

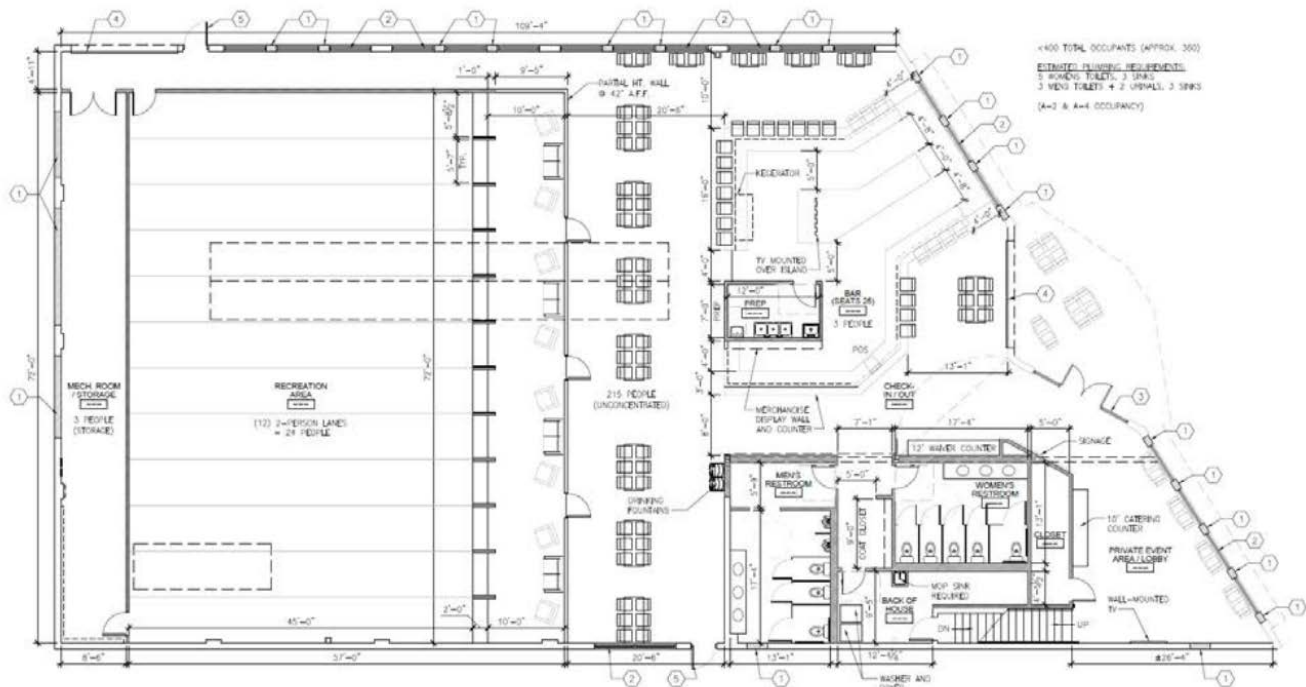
Wednesday–Sunday: 4:00 PM–Midnight (weeknights)

Saturday–Sunday: 11:00 AM–1:00 AM (weekends)

Anticipated expansion to Mondays and Tuesdays as demand stabilizes.

Per zoning regulations, indoor recreation is defined as a primary function of the business where individual customers and groups assemble, typically by appointment, to engage in games of skill for entertainment purposes.





<400 TOTAL OCCUPANTS (APPROX. 350)
 ESTIMATED TRAVELING REQUIREMENTS:
 2 WOMEN TOILETS, 3 URINALS, 3 SINKS
 3 MEN TOILETS, 4 2 URINALS, 3 SINKS
 (A-3 & A-4 OCCUPANCY)

FIRST FLOOR PLAN

SCALE: 1/8"=1'-0" (22x34); 1/16"=1'-0" (11x17)

1

FLOOR PLAN KEYNOTES	
①	BLOCK INFILL EXISTING OPENING.
②	REPLACE EXISTING WINDOW.
③	NEW STOREFRONT ENTRANCE.
④	REPLACE EXISTING GARAGE DOOR.
⑤	PAINT EXISTING DOOR TO MATCH EXTERIOR PAINT COLOR.



Plumbing Contractor WIS MP7063
4040 North 126th Street, Brookfield, WI 53005
 Phone: 262-373-1822
 Fax: 262-373-1838

8/28/24

Bars & Rec
 1117 S 2nd Street
 Milwaukee, WI

Attn: Kevin Muscott
 Re: 6325 W National Ave, West Allis
 Sub: Interior plumbing remodel quote

Demolition:

- Disconnect sanitary drain, vent and water from existing fixtures to "make safe"
- Disconnected plumbing and obsolete plumbing piping to be removed and disposed of by Demolition contractor

Remodeling:

- Excavate, truck spoils off site and backfill trenches with gravel
- Connect to new sanitary drain and water service in basement
- Sanitary drain, waster and vent piping to be sch 40 PVC
- Domestic water to be pex tubing and cpvc ets pipe
- Insulate hot water loop
- Supply and install the following:
 - 1 6" ductile iron water service tee with flange for fire protection
 - 1 1" water meter connection with inlet/outlet valves
 - 4 standard height water closet, floor mount, tank type, open front seat
 - 1 ADA water closet, left hand trip lever, floor mount, tank type, open front seat
 - 1 ADA water closet, right hand trip lever, floor mount, tank type, open front seat
 - 2 ADA urinal, wall hung, manual flush valve
 - 4 ADA lavatory, undermount oval, manual faucet, drain, trap wrap
 - 1 2' x 2' mop sink, faucet
 - 1 clothes washer outlet box, water hammer arrestors
 - 1 50 gallon electric water heater
 - 1 hot water recirculation pump
 - 2 floor drains
 - 2 floor clean outs
 - 4 hub drains for bar equipment
 - Req'd All shut off valves, p-traps, supply tubes for fixture hook up
- Hook up the following bar equipment supplied by owner/others
 - 2 4 compartment bar sinks, faucets
 - 2 build station sinks, faucets
 - 2 bar hand sinks
 - 2 glass washers
 - 4 drain boards (for bar)
 - 1 ice maker

Labor and material **\$53,150.00**

Alternate-1: If we saw-cut, remove and dispose of the concrete floor for the plumbing trenches...
 Add \$6,340.00

Alternate-2: If we patch concrete floor for the plumbing trenches...
 Add \$3,950.00

- Alternate-3: If we upgrade the four lavatory faucets to battery sensor operated...
 Add \$1,180.00 (295.00 per faucet)
- Alternate-4: Increase water heater size to an 80 gallon electric water heater
 Add \$940.00

Clarifications:

Price based on the following:

- Working 1st shift M-F
- Saw-cutting and excavating for plumbing trenches before stud walls are installed in those areas
- Existing concrete floor being no more than 6" thick where we need to saw-cut
- Price might change based on final bar equipment layout

Includes:

- Design/build CAD plumbing design
- City of West Allis plumbing plan review fees
- Plumbing permit

Excludes:

- Hazardous material testing and/or abatement
- Capping off existing 2" copper water service at lot line (assuming it was capped when recent road work was done)
- Any work on existing roof drains or roof drain piping
- Any work on existing sump pumps in basement
- Grease trap
- Natural gas piping (can be figured if requested)

Daniel G. Zachow
Wm. A. Zachow and Sons, Inc.
 Phone 262-373-1822
 Fax 262-373-1838
 Cell 414-828-7684
 E dzachow@zachowplumbing.com
www.zachowplumbing.com
 Building contractor registration # 264911
 Plumbing since 1938



rodriguezpaintingllc78@gmail.com

1430 n water | Milwaukee , WI 53204
 4145444062 | rodriguezpaintingllc78@gmail.com

RECIPIENT:

marla poytiger

6325 W National, West Allis, WI
 Menomonee Falls, Wisconsin 53214

Estimate #285	
Sent on	Oct 02, 2024
Total	\$6,908.40

Product/Service	Description	Qty.	Unit Price	Total
Drop ceiling/ epoxy (both bathrooms)	<p>We will proceed with the following steps:</p> <ol style="list-style-type: none"> 1. Measure the desired height for the drop ceiling in the bathrooms. 2. Mark the measurements accurately around the area. 3. Install the grids for the ceiling panels. 4. Proceed with the installation of the panels in both bathrooms. <p>Additionally, we will undertake the following tasks:</p> <ol style="list-style-type: none"> 1. Grind the floor to eliminate the concrete sealer. 2. Vacuum the surfaces post-grinding to enhance the adhesion of the epoxy. 3. Fill any concrete cracks with self-leveling concrete. 4. Apply two coats of water-based epoxy after completing all preparation work. The color will be determined by Marla. <p>These procedures will be carried out on both bathroom floors.</p> <p>Painting (both bathroom) Scraping sanding Priming Painting (Walls)</p> <p>We are committed to maintaining a clean and garbage-free work environment throughout and after each workday.</p> <p>Please note that the provided quote covers labor costs only. The total cost of materials will be determined based on Marla's selection for the project.</p>	1	\$7,676.00	\$7,676.00

A deposit of \$3,454.20 will be required to begin.

S40 W24160 Rockwood Way
 Waukesha, WI 53189
 Phone 262-574-9473



Proposal

Date	Proposal #
9/13/2024	7641-KW

Name / Address
Bars & Rec Kevin Muscott 175 S Water St. Milwaukee, WI 53204

Project Location
6325 W National Ave West Allis, WI 53214

Terms	Project

Item	Description	Qty	Rate	Total
Description	Description: -Demo per scope of work Furnish and install materials for the following: Exterior: -3-Exterior egress light fixtures -3-Decorative up/down exterior wall sconce light fixtures -7-Exterior wall pack light fixtures -2-Weather resistant Gfci duplex receptacles Private Event Area/Lobby 100: -2-Combination exit/emergency light fixtures -4-Sixteen inch hanging pendant light fixtures -5-Duplex receptacles -1-Combination tv/coax box -1-Air curtain (Supplied and installed by others) Check In/Out 101: -2-Combination exit/emergency light fixtures -5-Sixteen inch hanging pendant light fixtures -3-Duplex receptacles -1-Garage door operator duplex receptacle Bar 102:		77,676.00	77,676.00

Subtotal
Sales Tax (0.0%)
Total
Accept all terms of proposal: Authorization of completing the work as specified, for price above.

Signature

**Exhibit C:
Program Guidelines**

Code Compliance Forgivable Loan Program



National Avenue Corridor Commercial District

Economic Development
414-302-8470 or development@westalliswi.gov



Program Guidelines

Purpose of the Program. The purpose of the Code Compliance Forgivable Loan Program is to provide assistance in addressing code compliance issues in obtaining occupancy or permits as an expansion of use. The program is designed to assist properties located in the National Avenue Corridor Commercial District with code compliance improvements to buildings, such as accessibility modifications, fire systems and other compliance updates that must be made.

The property shall be held in ownership or lease by the Borrower for a minimum of five (5) years or the Borrower shall remit the forgivable loan funds to the CDA in the following proportion:

- Year 0-1: 100% of eligible loan funds
- Year 1-2: 80% of eligible loan funds
- Year 2-3: 60% of eligible loan funds
- Year 3-4: 40% of eligible loan funds
- Year 4-5: 20% of eligible loan funds

Eligible Area:

A map of the National Avenue Commercial Corridor business district is provided below.



Eligibility Requirements

- Please "check" each box to indicate acceptance of the eligibility requirement. Work that does not comply with the eligibility requirements is subject to reduction or retraction of award.
- Projects must achieve the following:
- All work pertaining to code compliance or existing Plan Commission approvals must be completed in entirety.
- Work undertaken on the exterior of the building must result in a publicly visible improvement.
- Only work begun after approval by the Community Development Authority (CDA) is eligible for funding.
- All permits and plans must receive approval from all relevant the City departments prior to work commencing.
- Project Cost must exceed \$2,000 to be considered for funding.
- Deferred maintenance activities such as painting, masonry, and minor repairs do not qualify.
- Must be a eligible borrower with acceptable credit history.

Ineligible Properties

The following types of property are not eligible for the Code Compliance Program:

- Tax delinquent property
- Property whose owner has any other tax delinquent property in WestAllis
- Property in litigation
- Property owned nonprofit organizations on which taxes are not being paid
- Properties, on which taxes are being paid, but have nonprofit use, such as schools, charities, clubs or organizations, etc.
- Exclusively residential buildings
- Daycare Centers
- Funeral Home

* Examples of code compliant projects may include ADA improvements to a restroom to permit expansion, elevation upgrade to affix an updated sign, adding a grease trap to permit a new restaurant use, etc.



Program Guidelines

Application Review

Staff will determine if the submitted application package is sufficiently complete to review and will draft a recommendation to the Community Development Authority (CDA).

The CDA meets the second Tuesday, of each month. The application package is expected at least two weeks before the meeting date.

The CDA will review the application and determine the amount of project funding. In making the determination, the CDA will consider the following factors and may give priority to projects that meet the following criteria:

- Is the project historic or eligible for historic designation?
- Will the project positively contribute to the City's assisted redevelopment effort, goals and objectives in the National Avenue corridor?
- Will the project ameliorate a blighting influence?
- Will the business/project occupy a vacant commercial space?
- Will the grant result in an improvement that would not be made otherwise?
- Will the business retain and/or create jobs?
- Will the project resolve a tenant issue that permits extension of the lease or business granted?

Required Materials for Application

Applications must be complete and include enough documentation to illustrate the details of the project and its costs. Failure to provide required information will delay the review process. The items submitted to the Department of Development should include:

- A completed application form
- Application Fee of \$50 submitted to the Department of Development.
- Written consent from property owner giving permission to conduct improvements (if applicable)
- Digital photographs of existing conditions
- Any other documentation necessary to illustrate details of the proposed project scope and completion schedule and comments in less than 100 words on how the project meets the project criteria outlined under Application Review.
- Submit two competitive proposals from licensed and bonded contractors. These proposals should give detailed information about the work to be done, the costs, and the project completion schedule. Any contractor that has submitted a competitive detailed estimate may be used. Contractors cannot be changed unless new proposals have been submitted to the CDA.
- Owners or merchants who are licensed or bonded contractors may perform work on their own properties or businesses, but must furnish at least one proposal other than their own.
- Owners and merchants may perform work on their own buildings; however, they will not be reimbursed for their time while acting as contractor and/or installing material.
- Material costs and labor of employees are reimbursable; however, documentation must be produced for the number of hours worked on the project by the employees and the rate of pay of the employees.
- Copy of lease (if applicable)



Program Guidelines

Award Reimbursement

Reimbursement can be up to 100% of the eligible improvement cost, not to exceed \$8,500 per building. The CDA reserves the right to approve funding above this level for projects involving extraordinary costs. All necessary government approvals, building permits, and taxes are not eligible items for reimbursement.

The CDA reserves the right to refuse reimbursements in whole or in part for applicants and businesses that:

- Do not conform to the Plan Commission approval (if applicable)
- Do not comply with all City zoning, permitting, licensing and other relevant requirements.
- Do not conform to the proposals submitted with the application and authorized by the CDA.
- Do not complete the project within 1 year. Since the CDA cannot reserve funds indefinitely, the grant may be subject to cancellation if not completed or significant progress hasn't been made by the completion date. Request for extensions will be considered only if made in writing and progress towards completion has been demonstrated.

Staff will inspect work to ensure that it complies with the approved plans. ***Any changes to the approved plan will require a written request from the applicant and approval by the CDA in order to retain the funding.***

Required Documents for Reimbursement

Reimbursement can be expected in approximately three to six (6) weeks after all of the following documentation has been submitted to the Economic Development Department:

- Copies of all paid invoices, canceled checks, and or bank statements for all of the code compliance work covered by grant. The invoices must be marked paid, signed, and dated by the contractors. Cash payments are not allowed.
- Lien waivers (cannot be substituted for canceled checks or bank statements).
- Digital photographs of completed project.



COMMUNITY DEVELOPMENT AUTHORITY
CITY OF WEST ALLIS, WISCONSIN
RESOLUTION NO: 1489
DATE ADOPTED: December 17, 2024

Resolution to approve a Purchase and Sale and Development Agreement between JJH3Group, LLC, and the City of West Allis and Community Development Authority of the City of West Allis for the for the multifamily and mixed-use development for the property located along W. Greenfield Ave. between S. 64th and S. 65th St.

WHEREAS, JJH3Group, LLC (the “Developer”) has submitted an offer to purchase 0.40 acres of the Community Development Authority of West Allis (the “Authority”) owned property known as the former Spot Lite and former Crawdaddy’s properties located at 6414-22 W. Greenfield Ave. - (Tax Key No. 439-0144-001); 6424-26 W. Greenfield Ave. - (Tax Key No. 439-0145-002); and 13** S. 65 St. – (Tax Key No. 439-0146-000), referred to as (the “Property”) for \$7.4 million townhome and mixed-use multifamily development; and,

WHEREAS, the Authority approved the Agreement under Resolution 1476, there are various word changes, edits, and modifications that Staff recommends the agreement are considered again for approval; and,

WHEREAS, the Developer plans to build an 8-unit townhome development, a three story, 11-unit market rate apartment building with 2,500 sq. ft. of commercial space, referred to as (the “Project”); and,

WHEREAS, as part of the Agreement, the Developer will be responsible for demolishing the existing improvements and constructing a new public space at the northeast corner of 65th and Greenfield Avenue.

WHEREAS, the project will also include the creation of a new Tax Incremental Financing District that will provide an economic benefit to develop the Project; and,

WHEREAS, the development of the Project would not occur without the benefits provided to Developer as set forth in this Purchase and Sale and Development Agreement hereby attached as Exhibit A.

NOW, THEREFORE BE IT RESOLVED that the Common Council of the City of West Allis hereby authorizes as follows:

1. A Purchase and Sale and Development Agreement between the City of West Allis, the Community Development Authority of the City of West Allis and JJH3GROUP, LLC and/or its assigns, for development of for the property located at 6414-22 W. Greenfield Ave. - (Tax Key No. 439-0144-001); 6424-26 W. Greenfield Ave. - (Tax Key No. 439-0145-002); and 13** S. 65 St. – (Tax Key No. 439-0146-000).
2. That the Economic Development Executive Director, with the approval of the City’s Director of Finance, or their designees, are hereby authorized and directed to take any and all other actions on behalf of the City which are deemed necessary or desirable in connection with the

aforementioned Development Agreement, including, without limitation, negotiating, executing, delivering and performing obligations under any and all documents in connection therewith including, without limitation, the sale of land, loan commitments, loan agreements, mortgages, notes, guaranties, security agreements, escrow agreements, certificates, affidavits, assignment agreements, pledges, disbursing agreements, subordination agreements, environmental agreements, indemnification agreements, land use restriction agreements, certified survey maps, easements, operating reserve agreements, replacement reserve agreements, working capital agreements, grant agreements and financing statements.

3. That the Economic Development Executive Director, with the approval of the Finance Director, or their designees, are hereby authorized and directed to take any and all other actions deemed necessary or desirable by him to effectuate the intent of the project.
4. Authorizes the Economic Development Executive Director and Finance Director to make such non-substantive changes, modifications, additions, and deletions to and from the various provisions reasonably necessary to complete the transactions contemplated therein.
5. That the City Attorney be and is hereby authorized to make such non-substantive changes, modifications, additions and deletions to and from the various provisions of the contract, including any and all attachments, exhibits, addendums and amendments, as may be necessary and proper to correct inconsistencies, eliminate ambiguity and otherwise clarify and supplement said provisions to preserve and maintain the general intent thereof, and to prepare and deliver such other and further documents as may be reasonably necessary to complete the transactions contemplated therein

BE IT FURTHER RESOLVED that the Common Council of the City of West Allis hereby authorizes the Economic Development Executive Director, or his designee, to execute and deliver the aforesaid Purchase and Sale and Development Agreement on behalf of the City of West Allis.

Approved: _____
Patrick M. Schloss, Executive Director
Community Development Authority

1 **DEVELOPMENT AGREEMENT**
2 **(6400 GREENFIELD)**

3 **THIS DEVELOPMENT AGREEMENT** (this “Agreement”), made and entered into as of the
4 ____ day of _____, 2024, by and between the Community Development Authority of the
5 City of West Allis, a separate body politic created by ordinance of the City of West Allis, pursuant to
6 Section 66.1335 of the Wisconsin Statutes (“Authority”), the City of West Allis, a municipal
7 corporation), (Authority and City are collectively, “West Allis”) and Six Points Square LLC, a
8 Wisconsin limited liability company, its successors and/or assigns (“Developer”). The Authority, the
9 City, and Developer are each referred to herein as a party or together as the “Parties.”

10 **WHEREAS**, the Developer, the Authority and the City are Parties to a Purchase and Sale
11 Agreement (the “Purchase and Sale Agreement”) for the purchase and the sale of certain property
12 owned by City outlined Certified Survey Map (the “CSM”) described in **Exhibit A** attached hereto (the
13 “Property”).

14 **WHEREAS**, on even date hereof, West Allis closed on the sale of the Property to Developer
15 pursuant to the Purchase and Sale Agreement.

16 **WHEREAS**, the Developer intends to construct 8 two-story townhomes with garages and 8
17 parking slabs and a 11-unit market rate multifamily apartment building and approximately 2,500
18 square feet of retail space, including approximately 24 surface parking spaces, and new public
19 space at the northeast corner of 65th and Greenfield Avenue, generally consistent with the
20 preliminary site plan and rendering, attached hereto as **Exhibit B** (the “Project Plans”) which, subject
21 to Section 1. A below. West Allis agrees that the Project Plans are acceptable in all respects, and
22 satisfies, in West Allis’ opinion, the standards set forth in this Development Agreement. The
23 development described above is hereinafter referred to as the “Project” and is located within the
24 northside, of the 6400 block of West Greenfield Avenue, between S. 64th St. and S. 65th St. within Six
25 Points/Farmers Market Redevelopment Area.

26 **WHEREAS**, the Parties have also entered into a Development Financing Agreement (the
27 “Development Financing Agreement”) dated of even date hereof, pursuant to which Development
28 Financing Agreement, West Allis has agreed to provide certain financial incentives and assistance to
29 allow Developer to develop the Project.

30 **WHEREAS**, the Developer and the City desire to set forth in writing the terms and conditions
31 under which Developer has agreed to develop and maintain the Project; and

32 **NOW, THEREFORE**, in consideration of the mutual covenants and benefits contained herein
33 and in the Development Financing Agreement, and for other good and valuable consideration, the
34 receipt and sufficiency of which are hereby acknowledged, it is agreed as follows:

35 **1. AUTHORITY’S and CITY’S OBLIGATIONS.** West Allis shall have completed the following
36 actions:

37 **A. Zoning and Planning Approvals.** The City shall have issued all required approvals for
38 the Project, which remain subject to final approval of City’s Common Council and
39 City’s Plan Commission.

40 **B. Certified Survey Map.** West Allis shall cause the CSM, as contemplated by the
41 Purchase and Sale Agreement, to be fully executed and recorded to combine the
42 Property and to legally subdivide the parcels.

43 **C. Environmental Assistance.** West Allis shall have completed all preliminary
44 environmental assessment work, in accordance with the direction of the Wisconsin
45 Department of Natural Resources, to develop an acceptable remediation plan and
46 provided and made available to Developer, to the extent obtained by West Allis, any
47 EPA Assessment grant or similar funding to assist with any required remediation
48 work.

49 **D. No Impact Fees.** West Allis shall not issue any impact fees in association with the
50 Project.

51 **2. DEVELOPER'S OBLIGATIONS.** Developer shall be obligated as follows:

52 **A. Environmental Remediation.** Developer shall be responsible for all costs
53 associated with environmental remediation of the Property as required by the
54 Wisconsin Department of Natural Resources. The City shall utilize an EPA
55 Assessment grant to complete additional testing of the Property per the approved
56 scope between Parties. Following the Phase II report, any additional testing will be
57 the responsibility of the Developer. Prior to closing, environmental costs related to
58 issues brought to the City's attention during the Developer's geotechnical
59 investigation or due diligence, Parties will work to together to explore programs that
60 may be applied to any environmental costs such as TIF, EPA loan funds, etc.

61 **B. Construction of Project.** Subject to the obligations and contingencies set forth in
62 the Purchase and Sale Agreement, Developer will undertake the following;

63 (1) Commence construction of the Project and substantially complete the
64 Project in accordance with Section 2.C below.

65 (2) The Project shall be landscaped in accordance with approved Project Plans.

66 (3) Build a public space of approximately 50 ft. By 119 ft. (6,020) square feet
67 including public amenities and landscaping to meet the City's Park
68 standards.

69 **C. Schedule.** Developer shall commence construction of the Project no later than the
70 date referred to in **Exhibit C** of this Agreement (the "Project Schedule") and shall
71 proceed with due diligence to substantial completion and occupancy no later than
72 the date referred to in the Project Schedule. Failure of Developer to commence or

73 substantially complete construction as required by the Project Schedule, subject to
74 Force Majeure (as defined below), shall constitute a breach of this Agreement;
75 provided, however, such failure shall not constitute a default if Developer is actively
76 and continuously pursuing commencement or substantial completion, as
77 applicable, of construction in good faith and with due diligence.

78 **Availability of Funds and Approval for Construction.** Prior to the execution of this
79 Agreement, and from time to time thereafter, upon reasonable request of West Allis,
80 but not more than once in a 12-month period, Developer shall provide to West Allis
81 evidence satisfactory to West Allis and their financial and/or construction cost
82 consultants, in West Allis reasonable discretion, that Developer has available to it
83 the necessary corporate approvals and sufficient funds for the completion of the
84 Project upon the schedule set forth herein. Notwithstanding anything in this Section
85 2 to the contrary, Section 40 of the Purchase and Sale Agreement shall apply with
86 respect to any materials that Developer determines contain sensitive or proprietary
87 information relating to Developer or the Property or that may be trade secrets or
88 copyrighted. Pursuant to said Section 40, among other things, Developer may deliver
89 such materials to Authority's and the City's financial consultant upon receipt of such
90 consultant's agreement to keep such information confidential, to the extent allowed
91 by law, other than with respect to disclosures to West Allis, and the financial
92 consultant will report to West Allis on the contents thereof.

93 **D. Conveyance.** Prior to issuance of an Occupancy Permit for the Project, Developer
94 shall not sell, transfer or convey the Property to anyone other than an Affiliate (as
95 hereinafter defined), except that Developer may at any time, with or without the
96 Authority's and City's consent: (i) mortgage all or any portion of the Project property

97 as security for the Project's financing (a "Mortgage"); (ii) collaterally assign
98 Developer's interest in this Agreement to Developer's mortgage lender ("Lender") in
99 connection with the Project's financing. For purposes of this Agreement "Affiliate"
100 shall mean an entity controlling, controlled by or in common control with Developer.
101 Nothing herein shall preclude Developer from selling a majority membership interest
102 in the ownership of the Property. Lender shall be permitted to foreclose on the
103 Property without Authority's or City's consent.

104 **E. Nondiscrimination.** Developer shall not restrict the use or enjoyment of the Property
105 or the Project of a person because of race, color, national origin, age, sex or disability
106 in the sale, use or occupancy of the Project.

107 **3. DESIGN AND CONSTRUCTION STANDARDS.** The Parties have concluded that the Project
108 will create a quality development that fits the context and vitality of the surrounding
109 neighborhood redevelopment while utilizing contemporary design standards, and that the
110 development is intended to increase the tax base and enhance the neighborhood. Building
111 plans and specifications, including architectural elevations, for the Project, to include
112 construction materials, shall be substantially in conformity with the Project Plans.
113 Notwithstanding anything to the contrary set forth in Sections 4 through 10 below, the
114 construction, design and operation of the Project shall comply in all material respects with
115 the approved Project Plans subject to Developer's ability to make reasonable design and
116 scope changes as approved by proper authorities within the spirit of the approved Project
117 Plans.

118 **4. LANDSCAPING.** Landscaping for the Project shall be substantially in conformity with the
119 Project Plans.

120 **A.** All areas on the Property not used for building, storage, parking, walks, and access
121 roads, shall be suitably graded and drained, seeded, sodded, landscaped and
122 maintained as provided in Sec. 19.13 of the West Allis Municipal Code.

123 **B.** All required landscaping shall be completed within one year of the completion of
124 construction of the principal buildings on the Property and shall, thereafter, be
125 maintained in a manner acceptable to City. Developer will maintain the site
126 landscaping in accordance with the requirements of the City Code.

127 **5. SITE STANDARDS AND IMPROVEMENTS.** Unless otherwise approved by the City’s Plan
128 Commission, including with respect to the approved Project Plans, all buildings and other
129 site improvements (collectively “Improvements”) to be constructed under this Agreement
130 shall comply with the following minimum standards:

131 **A. Plan Review.** To the extent not approved as part of the Project Plans, improvements
132 shall be designed by a licensed architect or engineer. Building Improvements are
133 subject to architectural review and approval by City’s Plan Commission as provided
134 herein.

135 **B. Parking.** Any surface parking shall be distributed throughout the Property in a
136 manner that no more than 30% of total surface parking should be located on any side
137 facing a street. Landscaping shall be used to define parking areas, primary vehicular
138 drives and pedestrian areas in an aesthetically and environmentally pleasing
139 manner. The Plan Commission hereby approves the parking plan and associated
140 landscaping as depicted on the Approved Plans.

141 **6. REFUSE.** Trash containers for the apartment buildings shall be located within any of the
142 following: individual unit garages, placed along the garage or parking slab but with proper
143 screening or in an enclosed refuse enclosure. Any permanent trash containers located

144 outdoors and above ground, including dumpsters, must be enclosed by a wall that matches
145 the character of the building facade and provides a suitable visual screen. Such wall shall
146 be of sufficient height to cover the material stored and shall be maintained so as to present
147 an aesthetically appealing appearance at all times. All permanent, outdoor trash enclosures
148 to be permitted inside and rear yards only.

149 **7. UTILITIES AND SITE LIGHTING.** All new utility lines on the Property shall be installed
150 underground in easements provided, therefore. No new overhead electric power, telephone
151 or cable service will be permitted. Existing overhead wires may remain in place. Parking and
152 roadway lighting (fixture, height, type and intensity) where provided shall be approved by
153 West Allis. Full cut off fixtures shall be utilized to prevent light-spray onto surrounding
154 properties.

155

156 **8. PEDESTRIAN AND VEHICULAR ACCESS.**

157 **A.** All curb cuts and service drives shall be designed to minimize disruption of
158 pedestrian activity and movements and are subject to the approval of City's Board of
159 Public Works.

160 **B.** Pedestrian linkages and crossing access are encouraged between existing
161 neighborhoods and the proposed development area in an effort to promote
162 walkability, traffic safety, and reduction of the number of new driveways on major
163 street arterials.

164 **C.** Loading docks and refuse areas shall be screened and concealed from street view.

165 **9. ACCESSORY STRUCTURES.** The location, size and design compatibility of all permitted
166 Accessory Structures (defined below) in the Project shall be approved by the City's Plan
167 Commission pursuant to this Agreement before construction of such accessory structure.

168 As used in this Agreement, the term “Accessory Structure” includes, but is not limited to,
169 garages, maintenance buildings and the following structures (if such structures are to be
170 located within the required setbacks): ground-mounted telephone and electrical
171 transformers, gas meters, ground-mounted air conditioners, exhaust ducts and similar
172 structures. Issuance of a building permit by the City and Plan Commission approval shall
173 constitute conclusive evidence that the City has approved any and all Accessory Structures.

174 **10. SIGNAGE.** Signage placement shall be considered in the building and site design. A
175 complete signage package, indicating design, materials size, location, and illumination,
176 shall be submitted to City’s Development Department for approval.

177 **11. CERTIFICATE OF COMPLETION.** Notwithstanding anything in this Agreement to the
178 contrary, construction of the Project in accordance with the final plans and specifications
179 approved by the City’s Plan Commission shall conclusively evidence compliance with this
180 Agreement. Following completion of construction of the Project in accordance with such
181 final approved plans and issuance of an occupancy permit by the City of West Allis, at the
182 written request of Developer, West Allis shall execute and deliver to Developer a Certificate
183 of Completion in substantially the form attached hereto as **Exhibit D** confirming that the
184 Project is acceptable to West Allis in all respects and satisfies, in West Allis’ opinion, the
185 standards set forth in this Agreement (the “Certificate of Completion”). The Certificate of
186 Completion shall constitute a conclusive determination of satisfaction and termination of
187 Developer’s covenants and agreements set forth in this Agreement, including, without
188 limitation, any provision related to (a) the obligation of Developer to complete the Project,
189 and (b) the required date for completion of the Project; provided, however, that Developer’s
190 obligations pursuant to Sections 2.B, 4.B, 12.A, and 12.C shall continue in effect until
191 otherwise satisfied as set forth in this Agreement.

192 **12. MAINTENANCE RESPONSIBILITIES.**

193 **A.** Developer shall keep the Property in a well-maintained, safe, clean, and attractive
194 condition at all times. Such maintenance includes, but is not limited to, the
195 following:

- 196 (1) The removal of all litter, trash, refuse, and waste.
- 197 (2) The mowing of all lawn areas should be conducted in accordance with
198 municipal code.
- 199 (3) The maintenance of lawn and landscape areas in a weed-free, healthy and
200 attractive condition.
- 201 (4) The care and pruning of trees and shrubbery outside of easements within
202 Property boundaries.
- 203 (5) The maintenance of exterior lighting, signs, and mechanical facilities in
204 working order.
- 205 (6) The keeping of all exterior building surfaces in a clean, well-maintained
206 condition.
- 207 (7) The striping and sealing of parking and driveway areas.
- 208 (8) The removal of unlicensed or inoperable vehicles.
- 209 (9) Snow and ice removal.

210 **B. Maintenance During Construction.** During construction, it shall be the
211 responsibility of Developer to ensure that construction sites on the Property are kept
212 free of unsightly accumulations of rubbish and scrap materials; and that
213 construction material, trailers, and the like are kept in a neat and orderly manner. If
214 any street rights-of-way abutting the Property are damaged as a result of Developer's
215 construction activities, Developer shall repair said damage to edge of pavement.

216 Burning of excess or scrap construction material is prohibited. Construction site
217 erosion control practices shall be implemented to prevent erosion, sedimentation
218 and pollution of air or water during construction in accordance with the Building
219 Permit for erosion control issued by the City’s Building Inspection & Neighborhood
220 Services Department on October 25, 2021, as Permit No. 211849. The Developer is
221 responsible for any snow removal, grass cutting, weed removal, and fencing the
222 Property.

223 **C. Storm Water Management and Controls.** Developer shall be responsible for
224 obtaining all necessary stormwater permits for the Project.

225 **13. DEFAULT PROVISIONS AND REMEDIES.**

226 **A. Event of Default.** The occurrence of the following conditions shall constitute an
227 “Event of Default” so long as such conditions exist and are continuing:

228 (1) Developer fails to perform or satisfy any of its obligations under this
229 Agreement within thirty (30) days following written notice from Authority or
230 the City; provided, however, if the default is not reasonably susceptible of
231 cure within such thirty (30) day period, then Developer shall have such
232 additional period of time to cure the default as long as the Developer is
233 diligently pursuing such cure to completion.

234 (2) Developer becomes insolvent or generally does not pay or becomes unable
235 to pay or admits in writing to its inability to pay its debts as they mature.

236 (3) Developer makes an assignment for the benefit of creditors or to an agent
237 authorized to liquidate any substantial amount of assets.

- 238 (4) Developer becomes the subject of an “order for relief” within the meaning of
239 the United States Bankruptcy Code or files a petition in bankruptcy, for
240 reorganization or to affect a plan or other arrangement with creditors.
- 241 (5) Developer has a petition or application filed against it in bankruptcy or any
242 similar proceeding or has such a proceeding commenced against it, and such
243 petition, application or proceeding shall remain undismissed for a period of
244 ninety (90) days or Developer files an answer to such petition or application,
245 admitting the material allegations thereof.
- 246 (6) Developer applies to a court for the appointment of a receiver or custodian
247 for any of its assets or properties or has a receiver or custodian appointed for
248 any of its assets or properties, with or without consent, and such receiver
249 shall not be discharged within ninety (90) days after their appointment.
- 250 (7) Developer adopts a plan of complete liquidation of its assets. For avoidance
251 of doubt, nothing herein shall prohibit Developer from selling Developer’s
252 interest in the Project.

253 **B. Failure to Commence or Substantially Complete Construction.** So long as West
254 Allis is in compliance with all of its obligations under the Purchase and Sale
255 Agreement and the Development Financing Agreement, in the event Developer does
256 not commence construction of the Project pursuant to the Project Schedule, subject
257 to Force Majeure, Authority or the City may, but shall not be required to, purchase
258 the Property for the price paid to Authority and/or the City by the Developer, as its
259 sole remedy, by giving at least thirty (30) days’ prior written notice to Developer of its
260 intention to repurchase, in which case West Allis will take title. If commencement of
261 construction of the Project has occurred, but Developer does not substantially

262 complete construction of the Project pursuant to the Project Schedule, subject to
263 Force Majeure, Authority and the City may charge Developer a fee of \$50.00 per day
264 for each day between the date that substantial completion is required pursuant to
265 the Project Schedule and the date that the Project is substantially complete.

266 (1) The foregoing right to repurchase shall be subject and subordinate to the lien
267 and rights of any Lender providing financing to the Project and shall
268 automatically terminate upon commencement of construction of the
269 Project.

270 (2) The term “commence construction” or “commencement of construction,”
271 as applicable, as used in this Agreement shall mean the pouring of footings
272 for a building within the Property, provided that if footings are poured prior to
273 Closing, then construction shall be deemed to commence as of Closing. The
274 term “substantial completion” as used in this Agreement shall mean the
275 issuance of an initial occupancy permit for the Project, whether temporary or
276 permanent, subject to punch list items.

277 **C. Limitation on Remedies.** Neither party shall be liable to the other for consequential,
278 indirect, incidental or exemplary damages, whether based on contract, negligence,
279 and strict liability or otherwise. In any action to enforce this Agreement, the prevailing
280 party shall be entitled to its costs, including statutory attorney’s fees.

281 **14. APPLICABLE TERMS FROM PURCHASE AND SALE AGREEMENT.** The terms and conditions
282 of Section 14 (Time of the Essence), Section 20 (No Partnership or Venture), Section 21
283 (Notices), Section 22 (Further Assurances), Section 23 (Waiver of Terms), Section 25
284 (Amendment of Agreement), Section 26 (Governing Law and Venue), Section 27 (Successors
285 and Assigns), Section 28 (Execution in Counterparts), Section 29 (Titles and Headings),

286 Section 31 (Interpretation), Section 32 (Construction), Section 33 (Severability), Section 38
287 (Binding Effect), and Section 39 (Good Faith) of the Purchase and Sale Agreement shall
288 govern the interpretation and application of this Agreement.

289 **15. ASSIGNMENT.** Upon the sale or conveyance of the Project, the Developer may assign its
290 rights and obligations under this Agreement to the purchaser or assignee. The rights and
291 obligations under this Agreement shall run with the land and shall bind and inure to the
292 benefit of the owner of the Property.

293 **16. DEFINED TERMS.** Defined terms contained in the Development Agreement shall, unless a
294 different specific definition is given, be governed by the definitions contained in the Purchase
295 and Sale Agreement.

296 **17. ENTIRE AGREEMENT.** This Agreement, including the schedules and Exhibits annexed
297 hereto, constitutes the entire agreement and supersedes all other prior agreements and
298 understandings, both written and oral, by the Parties or any of them, with respect to the
299 development and maintenance of the Project

300 **18. FORCE MAJEURE.** No Party shall be responsible to the other Party for any resulting losses,
301 and it shall not be a breach of this Agreement, if fulfillment of any of the terms of this
302 Agreement is delayed or prevented by reason of acts of God, inclement weather, civil
303 disorders, pandemics, national epidemics wars, acts of enemies, strikes, lockouts, or
304 similar labor troubles, fires, floods, legally required environmental remedial actions,
305 shortage of materials, relocation of utilities, or by other cause not within the control of the
306 Party whose performance was interfered with ("Force Majeure"), and which by the exercise
307 of reasonable diligence such Party is unable to prevent. The time for performance shall be
308 extended by the period of delay occasioned by such Force Majeure.

309

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

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

By: _____

Name:

Title:

Dated: _____

Approved as to form this ____ day
of _____, 2024.

Name: Kail Decker
Title: City Attorney

DEVELOPER: SIX POINTS SQUARE LLC

By: _____

By: Jeffrey J. Hook, Manager

Dated: _____

Development Agreement List of Exhibits

Exhibit A	Property
Exhibit B	Project Plans
Exhibit C	Project Schedule
Exhibit D	Certificate of Completion

EXHIBIT A

Property

CERTIFIED SURVEY MAP NO.

BEING A REDIVISION OF LOTS 1 THRU 9, BLOCK 1, IN THE FIRST CONTINUATION OF THE SOLDIERS' HOME HEIGHTS SUBDIVISION AND THE SOUTH 15 FEET OF LOT 12, BLOCK 11 IN SECOND CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, BEING PART OF THE SOUTHEAST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 34, TOWNSHIP 7 NORTH, RANGE 21 EAST, IN THE CITY OF WEST ALLIS, MILWAUKEE COUNTY, WISCONSIN.



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PREPARED FOR:

CITY OF WEST ALLIS
 WEST ALLIS COMMUNITY
 DEVELOPMENT AUTHORITY
 7252 W GREENFIELD AVE.
 WEST ALLIS, WI 53214

ALL BEARINGS REFERENCED TO THE WISCONSIN COUNTY COORDINATE SYSTEM, MILWAUKEE COUNTY. THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SECTION 34 HAVING A BEARING OF N 89°32'23"

+ SET CROSS

○ INDICATES 1 INCH DIA. IRON PIPE, 18 INCHES IN LENGTH, WEIGHING 1.68 LBS PER LINEAL FOOT, SET.

● INDICATES 1 INCH DIA. IRON PIPE FOUND.

(N89°36'E 214.52') DENOTES RECORDED AS BEARINGS AND DISTANCES

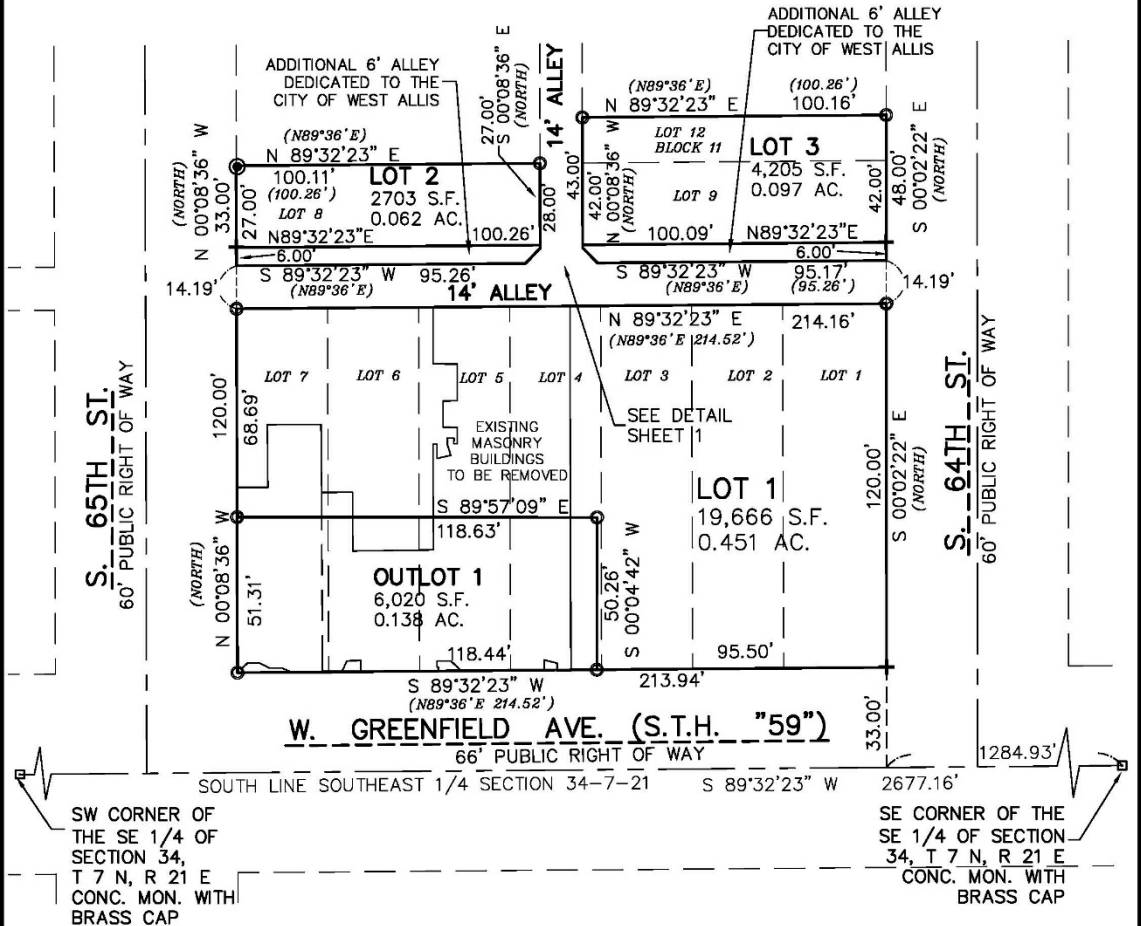


EXHIBIT B
Project Plans

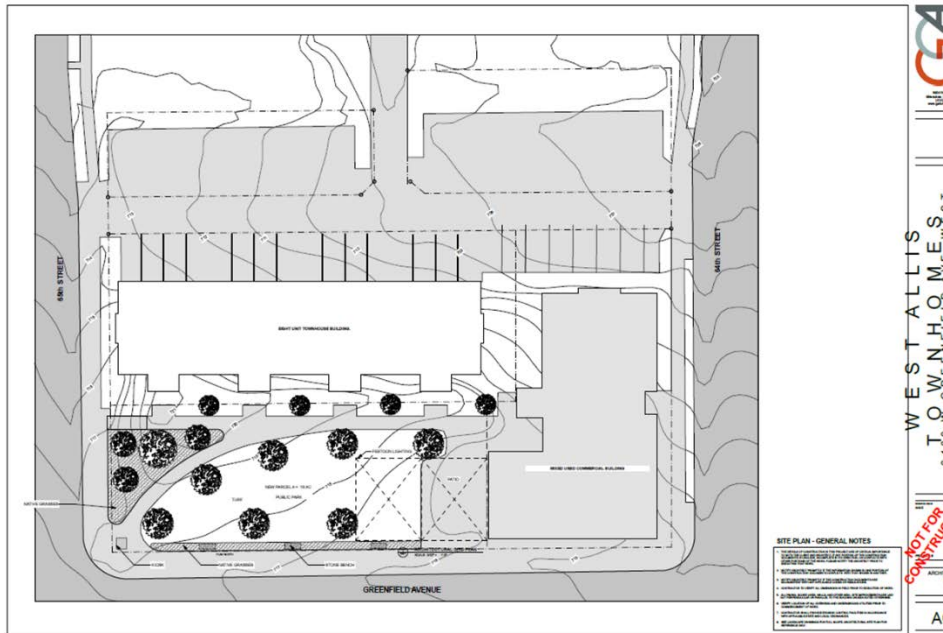


Exhibit B

EXHIBIT C

Project Schedule

Item	Description	Date	Entity
1	Closing	As defined in the Purchase and Sale Agreement	AUTHORITY/DEVELOPER
2	Commence Construction	Within 45 days following Closing	DEVELOPER
3	Project Completion	24 months following the later of (a) Closing and (b) commencement of construction, subject to Force Majeure	DEVELOPER
4	Final Request for Certification of Completion	60 days following construction completion	DEVELOPER
5	Completion of Public Space	120 days following construction completion	DEVELOPER

EXHIBIT D

CERTIFICATE OF COMPLETION

SIX POINTS SQUARE LLC

This Guaranty by is made by Six Points Square LLC, a Wisconsin Limited Liability Company, (“JJH”)(“**Guarantor**”) (“**Developer**”), to and for the benefit of the City of West Allis, Wisconsin (the “**City**”) and the Community Development Authority of the City of West Allis (the “**Authority**”). The City and the Authority will be combined parties within this Agreement and hereby called the “City.”

WHEREAS, Pursuant to that certain Development Agreement and Development Finance Agreement dated of even date herewith (as amended, restated, supplemented or otherwise modified from time to time,(the “**Development Agreement**”) and (the “Development Finance Agreement:”) by the Developer, the City, and the Authority, pursuant to Section 66.1335 of the Wisconsin Statutes , have agreed to make certain financial accommodations available to Developer, on the terms and subject to the conditions set forth in the Development Agreement and Development Financing Agreement; and,

WHEREAS, pursuant to that certain Development Agreement dated of even date herewith (as amended, restated, supplemented or otherwise modified from time to time, the “**Development Agreement**”) by and among the City, Authority, and the Developer, the Developer agreed to certain terms and conditions with respect to the development and maintenance of a multifamily apartment project more particularly described in the Development Agreement (the “**Project**”); and

WHEREAS, the City and the Authority require, as a condition of entering into the Development Financing Agreement and the transactions related thereto, that Guarantor guaranty certain obligations of Developer to the City and the Authority pursuant to the terms hereof; and,

WHEREAS, Guarantor will derive substantial benefits from the conduct of the Developer's business and operations; and, by reason of the relationship with the Developer, has agreed to execute this Guaranty; and,

WHEREAS, it is in the interests of the Developer to obtain the benefits under the Development Financing Agreement.

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby agrees as follows:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Financing Agreement

2. So long as this Guaranty is outstanding, the Guarantor represents and warrants as follows:

A. This Guaranty is legal, valid, binding upon and enforceable against such Guarantor in accordance with its terms, except as it may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors' rights and except as may be limited by general principles of equity. The Guarantor agrees to file, when due, all federal and state income and other tax returns, which are required to be filed, and will pay all taxes shown on said returns and on all assessments received by it to the extent that such taxes shall have become due and all extensions have expired. The Guarantor has no knowledge of any liabilities as to it, which may be asserted against it upon audit of its federal or state tax returns for any period that remains subject to audit.

B. Except as disclosed by the Guarantor to the City or the Authority, in writing, prior to the date hereof, there is no action, suit, proceeding or investigation before any court, public board or body pending or threatened against the Guarantor, or any of its properties, which, if adversely determined, would have a material adverse effect upon the business, properties or financial condition of the Guarantor.

C. The Guarantor acknowledges that the City and/or the Authority has not made any representations or warranties with respect to, and agrees that the City and/or the Authority does not assume any responsibility to the Guarantor for and has no duty to provide information to the Guarantor regarding the collectability or enforceability of the Development Financing Agreement or the financial condition of Developer. The Guarantor has independently determined the issues relating to completion of the Project.

3. The Guarantor hereby absolutely and unconditionally guarantees to the City and the Authority (i) the prompt and complete performance of Developer's obligation to complete the construction of the Project as set forth in the Development Agreement ("**Guaranteed Obligations**"). In the event that Developer fails to substantially complete construction of the Project as required under the terms of the Development Agreement, then, upon receipt of written notice from the City, Guarantor will within thirty (30) days after receipt of such notice undertake to complete construction of the Project pursuant to the provisions of this Section 3 and thereafter pursue such construction through to substantial completion of the Project. If the City elects to require Guarantor to complete the Project, then within thirty (30) days after written demand by the City, Authority, Guarantor will commence such construction of the Project.

4. The Guaranteed Obligations hereunder shall be binding upon the Guarantor, its successors, and permitted assigns; however, the Guarantor shall not transfer or assign its Guaranteed Obligations to an affiliate or another entity without the written consent of the City and or Authority . This Guaranty shall remain in full force and effect so long as any of the Guaranteed Obligations are outstanding, without any right of offset and irrespective of:

A. The genuineness, validity, regularity or enforceability of the Development Agreement or any of the terms thereof, the continuance of any Guaranteed Obligations on the part of the Developer on the Development Agreement, or the power or authority or lack of power or authority of the Developer or any other party to execute and deliver the Development Financing Agreement, Development Agreement, or to perform any of the Guaranteed Obligations thereunder.

B. Any failure or lack of diligence in connection or protection, failure in presentment or demand, protest, notice of protest, notice of default and of nonpayment, failure of notice of acceptance of this Guaranty, failure to give notice of failure of the Developer to perform any covenant or agreement under the terms of the Development Agreement, or the failure to resort for payment to the Developer or to any other person or entity or to any rights or remedies of any type (the Guarantor hereby expressly waiving all of the foregoing).

C. The acceptance or release of any security or other guaranty, extension of the Development Financing Agreement and/or Development Agreement or amendments, modifications, consents or waivers with respect to the Development Financing Agreement and/or Development Agreement or any subordination of the Guaranteed Obligations to any other obligations of the Developer (the Guarantor hereby expressly consenting to all of the foregoing).

D. Any defense whatsoever that the Developer might have to the payment or to the performance or observance of any of the Guaranteed Obligations, other than full payment or performance thereof, as applicable.

E. Any legal or equitable principle of marshalling or other rule of law requiring a creditor to proceed against specific property, apply proceeds in a particular manner or otherwise exercise remedies so as to preserve the several estates of joint obligors or common debtors (the Guarantor hereby expressly waiving the benefit of all of the foregoing).

F. Any act or failure to act with regard to any of the Guaranteed Obligations or anything which might vary the risk of the Guarantor; provided that the specific enumeration of the above mentioned acts, failures or omissions shall not be deemed to exclude any other acts, failures or omissions, though not specifically mentioned above, it being the purpose and intent of this Guaranty that the Guaranteed Obligations of the Guarantor shall be absolute and unconditional and shall not be discharged, impaired or varied, except by the full payment or performance of the Guaranteed Obligations, notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of or defense to the Guarantor. Without limiting any of the other terms or provisions hereof, it is understood and agreed that in order to hold the Guarantor liable hereunder, there shall be no obligation on the part of the City to resort in any manner or form for payment to the Developer or to any other person, firm or corporation, their properties or assets, or to any security, property or other rights or remedies whatsoever, and the City shall have the right to enforce this Guaranty irrespective of whether or not proceedings or steps are pending seeking resort to or realization upon from any of the foregoing. It is further

understood that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Developer shall default in the performance of the Guaranteed Obligations under the terms of the Development Agreement beyond any applicable grace or cure period and that, notwithstanding recovery hereunder for or in respect of any given default or defaults, this Guaranty shall remain in full force and effect and shall apply to each and every subsequent default until terminated as herein provided.

5. This Guaranty shall be a continuing guaranty so long as any of the Guaranteed Obligations remain unpaid or unperformed, as applicable, and may be enforced by the City or any successor in interest under the Development Agreement; provided that the City may only transfer this Guaranty, the Development Agreement and the Development Financing Agreement to the CDA or any successor to the CDA or to the City, in each case, affiliated with the City of West Allis and to no other party without the consent of Guarantor and provided further that notice is given to the Guarantor within a reasonable time after such assignment.

6. This Guaranty shall terminate and Guarantor shall be released from all further liability hereunder upon the issuance of the Certificate of Completion (as defined in the Development Agreement).

7. Notices hereunder shall be given in accordance with the provisions of the Development Financing Agreement.

8. This Guaranty shall be governed by and construed in accordance with the laws of the State of Wisconsin.

(SIGNATURES CONTINUED ON NEXT PAGE)

IN WITNESS WHEREOF, the Guarantor has executed this Guaranty, to take effect as of the day of _____, 2024.

SIX POINTS SQUARE LLC

Name: Jeffrey J. Hook
Title: Manager

State of Wisconsin)
) ss.
Milwaukee County)

Personally, came before me this ____ day of _____, 2024 the above-named Jeffrey J. Hook, Manager of Six Points Square LLC me known to be the person who executed the foregoing instrument and acknowledged same on behalf of such company.

Witness my hand and official seal.

Notary Public, State of Wisconsin

Print Name: _____
My Commission: _____

Acceptance:

This Guaranty is hereby accepted this ____ day of _____ 2024, by the City of West Allis and the Community Development Authority of the City of West Allis.

CITY OF WEST ALLIS (“City”)

By: _____

Dan Devine, Mayor

By: _____

Rebecca Grill, City Clerk

By _____

Patrick Schloss, Executive Director

Document Number	<p style="text-align: center;">CERTIFICATE OF COMPLETION</p> <p style="text-align: center;">Document Title</p>
<p style="text-align: center;">CERTIFICATE OF COMPLETION</p> <p style="text-align: center;">6400 GREENFIELD</p>	
<p>Recording Area</p> <hr/> <p>Name and Return Address</p> <p style="text-align: center;">J Peter J. Faust, Attorney at Law</p> <p style="text-align: center;">O’Neil, Cannon, Hollman, DeJong and Laing S.C.</p> <p style="text-align: center;">111 E. Wisconsin Avenue, Suite 1400</p> <p style="text-align: center;">Milwaukee, WI 53202</p> <p style="text-align: center;">Attn: Peter J. Faust</p>	

Parcel Identification Number (PIN)

Property Address	
Developer:	Six Points Square LLC, a Wisconsin limited liability company

Memorandum of Development Agreement:	Memorandum of Development Agreement dated as of _____, 2024, as amended or modified, recorded on _____, 2024, in the Register of Deeds Office in Milwaukee County, Wisconsin as Document Number _____.
Legal Description:	See attached Exhibit "A"

THIS IS TO CERTIFY that the undersigned, on behalf of the Community Development Authority of the City of West Allis, a separate body politic created by ordinance of the City of West Allis, pursuant to Section 66.1335 of the Wisconsin Statutes, ("Authority") and the City of West Allis, caused the inspection of the above-described real estate and physical improvements constructed thereon, and that construction of said physical improvements has been substantially completed in accordance with the final plans and specifications approved by the City's Plan Commission and in accordance with the Development Agreement dated as of _____, 2024, which is evidenced by that certain Memorandum of Agreements recorded on _____, 2024, in the Register of Deeds Office in Milwaukee County, Wisconsin as Document Number _____ (the "Memorandum").

Construction was deemed by Authority and the City to be timely completed.

THIS CERTIFICATE, when signed and bearing the seal of Authority and the City, this shall constitute a conclusive determination of satisfaction and termination of Developer's covenants and agreements set forth in the Development Agreement, including, without limitation, any provision related to (a) the obligation of Developer to complete the Project (as defined in the Development Agreement), and (b) the required date for completion of the Project.

Upon recording of this CERTIFICATE, the real estate described above shall specifically be "released" of record from the Development Agreement and the restrictions against the real estate set forth therein; provided, however, that Developer's obligations pursuant to Sections 2.E, 4.B, 12.A, and 12.C of the Development Agreement shall continue in effect until otherwise satisfied pursuant to the Development Agreement.

[Signature page follows]

Dated at West Allis, Wisconsin, this _____ day of _____, 2024.

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

Name: Patick Schloss
Title: Executive Director

STATE OF WISCONSIN)

)ss.

MILWAUKEE COUNTY)

Personally came before me this ____ day of _____, 2024, _____,
_____ of the Community Development Authority of the City of West Allis, to me
known to be the persons who executed the foregoing instrument, and to me known to be such
_____, and acknowledged that they executed the foregoing instrument as such
officers as the deed of said Community Development Authority by its authority.

(SEAL)

Name:
Notary Public, State of Wisconsin
My Commission expires:

1 **Exhibit E to the Purchase and Sale Agreement**

2 **Public Space Agreement**

3 This Public Space Agreement ("Agreement") is made effective as of December _____, 2024, by
4 and between Six Points Square LLC, a Wisconsin limited liability corporation, located at 2921 N.
5 70th Street, Milwaukee, WI, ("Developer"); and the City of West Allis, a municipal corporation,
6 located at 7525 W. Greenfield Avenue, West Allis, WI (the "City"), and the Community
7 Development Authority of the City of West Allis, a separate body politic created by ordinance of the
8 City of West Allis, pursuant to Section 66.1335 of the Wisconsin Statutes ("Authority). The City and
9 the Authority are collectively, "West Allis." The Authority, the City, and Developer are each
10 referred to herein as a party or together as the "Parties."

11 **WHEREAS**, the Developer, the Authority and the City are Parties to a Purchase and Sale
12 Agreement (the "Purchase and Sale Agreement") for the purchase and the sale of certain property
13 owned by City outlined Certified Survey Map (the "CSM") described in **Exhibit A** attached hereto (the
14 "Property").

15 **WHEREAS**, on even date hereof, West Allis closed on the sale of the Property to Developer
16 pursuant to the Purchase and Sale Agreement.

17 **WHEREAS**, the City desires to develop a public space for the benefit of its residents and
18 visitors, and the Developer has proposed to design, construct, and deliver a new public space to the
19 City at the northeast corner of S. 65th and Greenfield Avenue in exchange for the sale of land by the
20 City at 6400 W. Greenfield Avenue.

21 **WHEREAS**, the City created a new Tax Increment District to support the financial request
22 from the Developer to provide financial support to the overall development.

1 **WHEREAS**, the Developer has the expertise and resources necessary to undertake the
2 design, construction, and completion of the public space in accordance with the specifications
3 and requirements agreed upon by the parties.

4 **NOW, THEREFORE**, in consideration of the mutual covenants and promises contained herein, the
5 parties agree as follows:

6 **1. Project Description:**

7 1.1 The property covered by this Agreement consists of “Outlot 1” (Park Area”) and the portion of
8 the alley bounded by Lots 1, 2 and 3 (“Alley”) on Certified Survey Map No. _____ attached in
9 Exhibit A – Property (“Public Space”).

10 1.2 Developer agrees to design, construct, and deliver the "Park Area" in accordance with the
11 specifications and plans mutually agreed upon by the Parties. The Park Area shall include
12 amenities such as paved walkways, lighting, and landscaping, seating areas, etc.

13 1.3 The parties acknowledge that conceptual plans for the Public Space are attached hereto as
14 Exhibit B and incorporated herein by reference.

15 **2. Developer's Responsibilities:**

16 2.1 Developer shall be responsible for obtaining all necessary permits, licenses, and approvals
17 required for the construction and operation of the Park Area.

18 2.2 Developer shall commence construction of the Park Area in combination with the overall
19 Development outlined in the a Development Agreement between the Parties and shall be
20 completed per the Schedule outlined in the Development Agreement. Developer shall diligently
21 pursue completion in accordance with the agreed timeline.

1 2.3 Developer shall ensure that the Park Area is constructed in compliance with all applicable
2 laws, regulations, and building codes.

3 2.4 Developer shall deed the Park Area back to the City upon project completion and acceptance of
4 work by the City Departments of Public Works and Engineering.

5 2.5 The Developer shall be responsible for routine maintenance of the Public Space including but
6 not limited to: grass cutting, snow plowing or shoveling, emptying refuse, landscaping (pruning,
7 weeding, remulching, and replacement of plants), grounds maintenance (i.e. refuse, graffiti, light
8 bulb replacement, etc.), etc.

9 2.6 After the Park Area is owned by the City, the Public Space will be open to the public and
10 Developer may not restrict the public use of the Park Area unless approved by the City.

11 2.7 The City shall be responsible for Long-Term Capital Costs and Costs Associated With Public
12 Use of the Public Space. "Long-Term Capital Costs" are costs associated with ownership of a
13 property including, but not limited to, replacement of damaged or worn-out furnishings and
14 equipment, replacement of dead or diseased trees, replacement of damaged paving and
15 sidewalks, etc. "Costs Associated With Public Use" are costs associate with the use of the Public
16 Space by parties outside the control of the Developer including, but not limited to, repair or
17 replacement of furnishings, equipment, landscaping, etc due to mistreatment, misuse and/or
18 damage done by parties not affiliated with the Developer, its tenants or the Development.

19 2.8 The Developer will consult with the City about Park Space furnishings in order to install
20 consistent items with other City Public Spaces and will obtain approvals from City Staff prior to
21 installation.

22 **3. Funding and Payment Terms:**

1 3.1 The Developer shall finance the cost of the project as the City adopted Tax Increment Financing
2 to the Developer for the scope of the project.

3 3.2 Developer shall provide City with regular progress and cost reports as outlined in the
4 Development Financing Agreement.

5

6 **4. Ownership and Acceptance:**

7 4.1 Upon completion of the construction of the Park Area, Developer shall donate the Park Area to
8 City.

9 4.2 Developer warrants that the Park Area shall be free and clear of all liens and encumbrances
10 upon transfer of ownership to City.

11 .]

12 **5. Maintenance and Operation:**

13 5.1 Following completion and acceptance of the Park Area, City shall operate the Park Area as a
14 city park.

15 5.2 Developer shall provide City with all necessary operation and maintenance manuals,
16 warranties, and any other relevant documentation related to the Park Area.

17 **6. Termination:**

18 6.1 This Agreement may be terminated upon mutual consent of the Parties.

19 6.2 In the event of termination, Developer shall promptly complete and deliver all work in progress
20 and shall cooperate with City in the orderly transition of responsibilities related to the Public
21 Space.

22 **7. Insurance and Indemnification:**

1 7.1 Developer shall provide proof of comprehensive general liability insurance covering any
2 employee or contractor performing work on the Park Area, including coverage for construction
3 risks, with limits and endorsements satisfactory to City.

4 7.2 Developer shall indemnify, defend, and hold harmless City, its officers, agents, and employees
5 from and against all claims, damages, losses, liabilities, costs, and expenses arising out of or
6 related to Developer's performance under this Agreement, except to the extent caused by City's
7 negligence or willful misconduct.

8

9 **8. Miscellaneous:**

10 8.1 This Agreement constitutes the entire agreement between the parties with respect to the
11 subject matter hereof and supersedes all prior agreements, negotiations, representations, and
12 understandings, whether oral or written.

13 8.2 Any modification or amendment to this Agreement must be in writing and signed by authorized
14 representatives of both parties.

15 8.3 This Agreement. This Agreement shall, in all respects whether as to validity, construction,
16 capacity, performance, or otherwise, be governed by the laws of the State of Wisconsin. Any suit or
17 proceeding arising out of or related to this Agreement shall be commenced and maintained only in
18 a court of competent jurisdiction in the state or federal courts located in Milwaukee County,
19 Wisconsin. Each party irrevocably consents to submit to the exclusive jurisdiction of such courts. .

20 8.4 Assignment. Upon the sale or conveyance of the Project, the Developer may assign its rights
21 and obligations under this Agreement to the purchaser or assignee. The rights and obligations

1 under this Agreement shall run with the land and shall bind and inure to the benefit of the owner of
2 the Property. .

3

4 **IN WITNESS WHEREOF**, the parties hereto have executed this Public Space Agreement as of the
5 date first above written.

6 **Six Points Square LLC (“Developer”):**

7 _____

8 Jeffrey J. Hook

9

10 Owner and Managing Member

11

12 _____

13 Date

14 **City of West Allis (“City”):**

15 _____

16 [Signature]

17 Dan Devine

18 Mayor

19 _____

20 Date

21

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EXHIBIT A - PROPERTY

CERTIFIED SURVEY MAP NO. _____

BEING A REDIVISION OF LOTS 1 THRU 9, BLOCK 1, IN THE FIRST CONTINUATION OF THE SOLDIERS' HOME HEIGHTS SUBDIVISION AND THE SOUTH 15 FEET OF LOT 12, BLOCK 11 IN SECOND CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, BEING PART OF THE SOUTHEAST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 34, TOWNSHIP 7 NORTH, RANGE 21 EAST, IN THE CITY OF WEST ALLIS, MILWAUKEE COUNTY, WISCONSIN.

ALL BEARINGS REFERENCED TO THE WISCONSIN COUNTY COORDINATE SYSTEM, MILWAUKEE COUNTY. THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SECTION 34 HAVING A BEARING OF N 89°32'23"

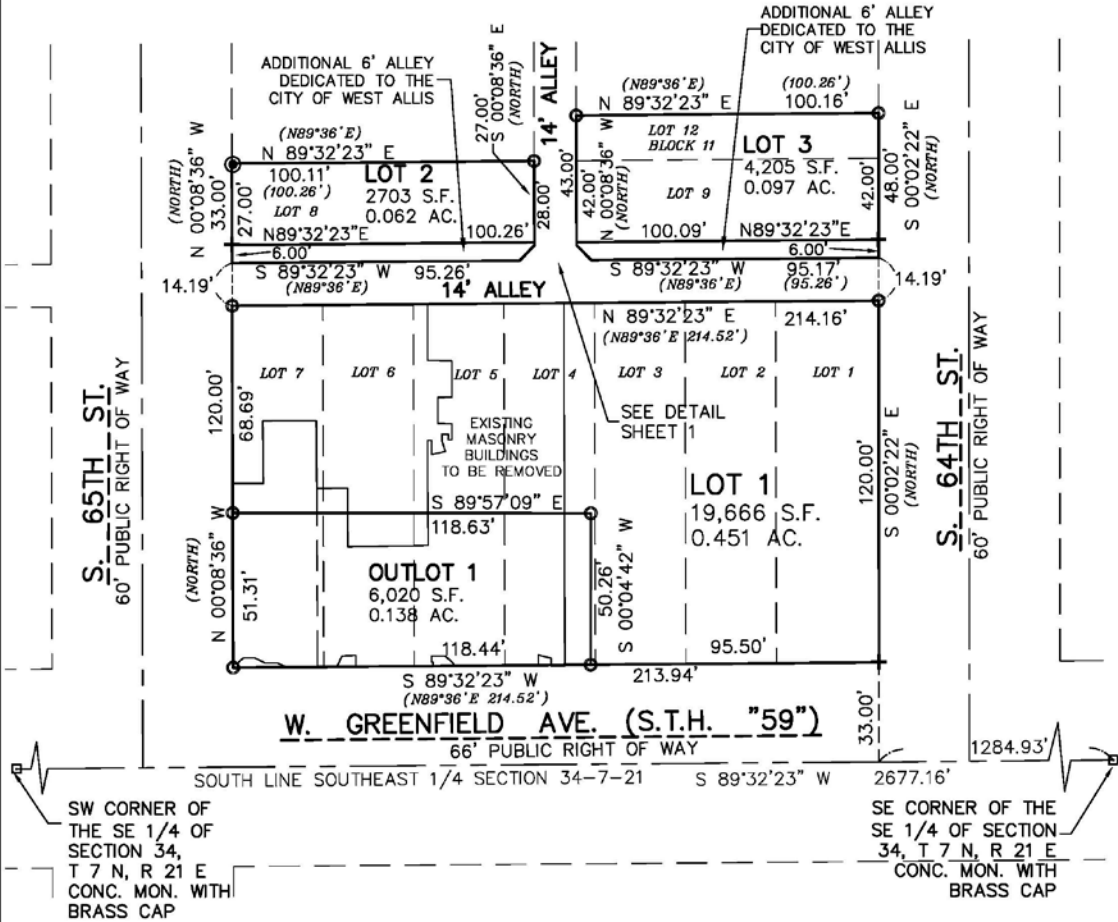
+ SET CROSS

- INDICATES 1 INCH DIA. IRON PIPE, 18 INCHES IN LENGTH, WEIGHING 1.68 LBS PER LINEAL FOOT, SET.
- INDICATES 1 INCH DIA. IRON PIPE FOUND.

(N89°36' E 214.52') DENOTES RECORDED AS BEARINGS AND DISTANCES

CJ
engineering
civil design and consulting
9205 W. Center Street
Suite 214
Milwaukee, WI 53222
PH. (414) 443-1312
www.cj-engineering.com

PREPARED FOR:
CITY OF WEST ALLIS
WEST ALLIS COMMUNITY
DEVELOPMENT AUTHORITY
7252 W GREENFIELD AVE.
WEST ALLIS, WI 53214



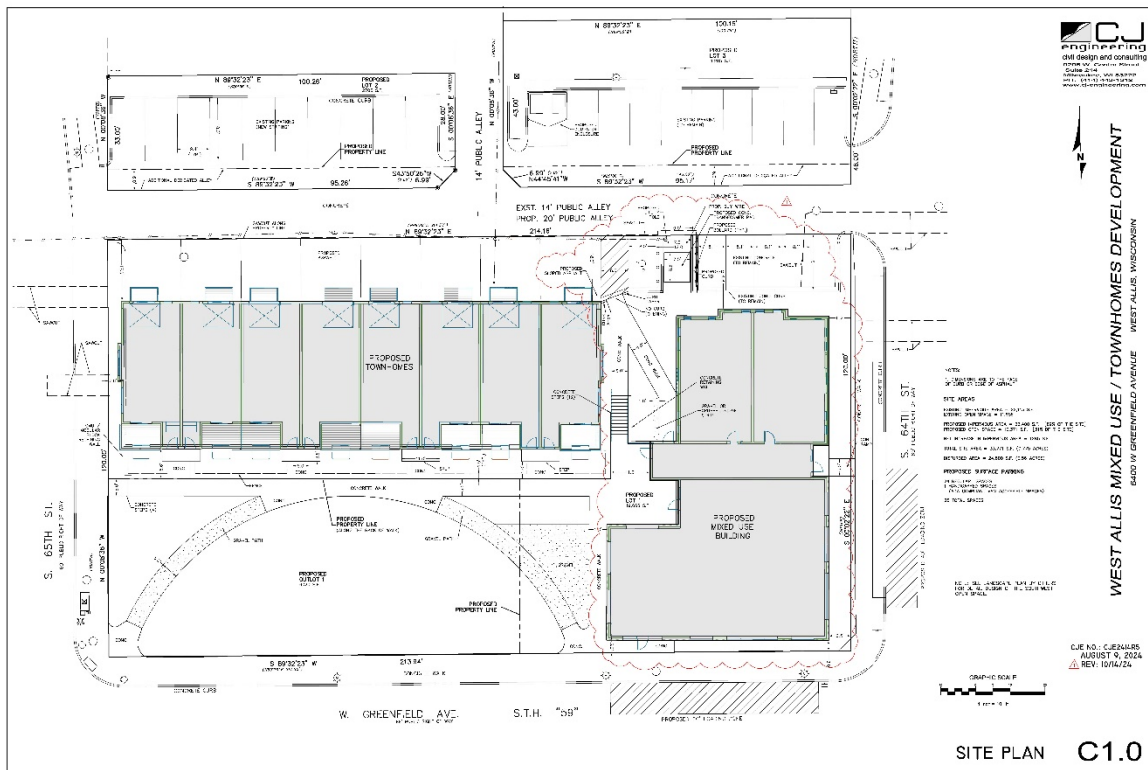
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EXHIBIT B – CONCEPTUAL PLANS



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**PURCHASE AND SALE AGREEMENT
(6400 BLOCK OF W. GREENFIELD AVENUE -NORTH)**

THIS PURCHASE AND SALE AGREEMENT (“Agreement”) is entered into as of the ____ day of December, 2024, by and between the CITY OF WEST ALLIS, a Wisconsin municipal corporation (the “City”), the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS, a separate body politic created by ordinance of the City of West Allis, pursuant to Section 66.1335 of the Wisconsin Statutes (the “Authority”) (the City and Authority are collectively referred to as “West Allis” throughout this agreement), and SIX POINTS SQUARE LLC, a Wisconsin limited liability company, (the “Developer”), its successors and/or assigns. The Authority, the City, and the Developer are each referred to herein as a party or together as “Parties.”

FOR AND IN CONSIDERATION of the promises and the undertakings and mutual covenants of the Parties set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Authority, City, and the Developer hereby covenant and agree as follows:

1. Property. West Allis hereby agrees to sell and convey to the Developer multiple parcels located between S. 64 and S. 65th Street along W. Greenfield Avenue, in West Allis, Milwaukee County, Wisconsin depicted on the Parcel Map attached hereto as part of **Exhibit A** (“Property”). The Developer hereby agrees to buy and pay for certain parcels of real property within the City of West Allis, Milwaukee County, Wisconsin, consisting of approximately 0.39 acres of land as depicted as Lot 1, 2, 3 from the Authority and purchase Lots 4 and 5 consisting of approximately 0.40 acres of land from the City. Pursuant to the Wisconsin Tax Increment Law, Wis. Stat. § 66.1105 *et seq.*, the Common Council of the City of West Allis has created by resolution Tax Incremental District Number 20, City of West Allis, as of July 10, 2024 (the “District”) and approved the project plan (the “Project Plan”) for the District. The Property is within the boundaries of the District, has been designated by

24 the City as blighted, and the transaction contemplated by this Agreement and this Agreement is
25 essential to the viability of the District.

26 The sale includes all of West Allis' interest in the Property and every easement, access right,
27 privilege and appurtenance thereto, currently in existence (or to be created pursuant to this
28 Agreement) and all other real property rights and interests of West Allis related to the Property.

29 **2. Project.** The sale of the Property shall include a commitment to develop a project that will
30 include the construction of approximately 8 market-rate rental town home units, 11 market-rate
31 apartment units, approximately 2,500 square feet of first floor retail space, and will utilize a portion
32 of land purchased by the Developer for approximately 25 surface parking spaces (the "Project").
33 Attached as **Exhibit B – Project** are Developer prepared renderings of the proposed development
34 and site plan in conjunction with the Project.

35 **3. Purchase Price.** The purchase price for the Property shall be One Dollar (\$1.00) (the
36 "Purchase Price") to be paid at Closing (as hereinafter defined) and reflects the environmental
37 condition and blighted nature of the Property as determined by West Allis.

38 **4. Closing.** The closing of the transaction contemplated by this Agreement (the "Closing") will
39 take place on December 20, 2024, or such earlier or later date as may be agreed to by the Developer,
40 the City, and the Authority in writing (the "Closing Date"), provided that West Allis contingencies and
41 the Developer's contingencies in connection therewith have been satisfied or waived as herein
42 provided.

43 **5. Conveyance.** West Allis shall, at the Closing and upon receiving payment of the Purchase
44 Price, convey the Property to the Developer by warranty deed in the form to be attached hereto as
45 **Exhibit C** (the "Deed").

46 **6. Easement Agreement.** INTENTIONALLY DELETED.

47 **7. As Is, Where Is.**

48 **A. Sale.** The sale of the Property to the Developer hereunder shall be **AS-IS, WHERE-**
49 **IS,** with all faults and without representation or warranty of any kind except as expressly
50 provided in this Agreement and in the documents delivered at Closing. Any other warranties
51 or representations of any kind made either orally or in writing by any agent or representative
52 of the Authority or anyone purporting to be an agent or representative of the Authority shall
53 be of no force and effect. Except as expressly provided in this Agreement and in the
54 documents delivered at Closing, the Developer hereby acknowledges that it does not rely
55 upon any representation or warranty made by the Authority or by the Authority’s agents and,
56 except as expressly provided in this Agreement and in the documents delivered at Closing,
57 none have been made.

58 **B. Developer’s Investigation.** Prior to Closing, the Developer, with the cooperation
59 and assistance of the City and the Authority as provided in this Agreement, will have
60 investigated all aspects of the Property and performed whatever tests and inspections and
61 due diligence that Developer deems necessary and will have knowledge of operative or
62 proposed governmental laws and regulations (including, but not limited to, zoning,
63 environmental and land use laws and regulations) to which the Property is or may be subject
64 and, based upon the foregoing, the Developer shall accept the Property upon the basis of its
65 review and determination of the applicability and effect of such laws and regulations, except
66 as expressly provided in this Agreement.

67 **C. Warranties.** The Developer further acknowledges that Authority, its agents and
68 employees and other persons acting on behalf of the City and the Authority have made no
69 representation or warranty of any kind in connection with any matter relating to the condition,
70 value, fitness, use or zoning of the Property upon which the Developer has relied directly or

71 indirectly for any purpose other than as may be expressly provided in this Agreement and in
72 the documents delivered at Closing.

73 **8. Environmental.** Upon Closing, the duties and responsibilities for environmental
74 remediation and all general site preparation, will be outlined as provided in the Development
75 Agreement between West Allis and Developer.

76 **9. Conditions of Closing.**

77 **A. West Allis' Contingencies to Closing.** The obligation of West Allis to consummate
78 the transactions contemplated hereby is subject to the fulfillment of all the following
79 conditions on or before the Closing Date (all of which may be waived by the City and the
80 Authority in whole or in part in its sole discretion):

81 (1). Compliance with Agreement. The Developer shall have performed and
82 complied with all its obligations under this Agreement, in all material respects, to the
83 extent such obligations are to be performed or complied with by the Developer on or
84 before the Closing Date.

85 (2). No Litigation. No litigation, investigation, or other proceeding challenging or
86 affecting the legality of the transaction contemplated by this Agreement, or seeking
87 the restraint, prohibition, damages or other relief in connection with this Agreement
88 or the use intended for the Property by the Developer, shall have been instituted or
89 threatened by any person, agency, or other entity prior to the Closing, which would
90 reasonably be expected to prohibit or materially interfere with the transaction
91 contemplated by this Agreement.

92 (3). Payment of Purchase Price. The Developer shall pay the Purchase Price
93 outlined in the above Section 3.

94 (4). Execution and Delivery of Development Agreement, Memorandum of
95 Agreements and Related Documents. Developer shall have executed and delivered
96 the Development Agreement in form and substance reasonably acceptable to the
97 Parties (the “Development Agreement”), the Development Financing Agreement in
98 form and substance reasonably acceptable to the Parties (the “Development
99 Financing Agreement”), Public Space Agreement, the Memorandum (as defined in
100 Section 11 below); and the Guaranty of Completion in form and substance
101 reasonably acceptable to the Parties to be executed by SIX POINTS SQUARE LLC (the
102 “Completion Guaranty”) in the form and substance reasonably acceptable to the
103 Parties.

104 (5). Representations. Each of the representations and warranties of the
105 Developer in this Agreement shall be true and correct in all material respects as of
106 the Closing Date.

107 (6). Public Space. The Developer shall agree to create a public space located on
108 the Southwest Corner of the 6400 Block as outlined in **Exhibit E – Public Space**
109 **Agreement.**

110 (a) The Public Space will be deeded to the City upon completion of the
111 Project.

112 (b) The Developer shall construct and install the Public Space per the
113 Project Schedule within the Development Agreement as Exhibit C.

114 (c) The Developer and its assigns shall be responsible for maintaining the
115 Public Space including landscaping maintenance and replacement, grass
116 cutting, trash and refuse collection, snow removal, lighting, etc., as outlined
117 in the Public Space Agreement attached hereto as **Exhibit E.**

118 (d) Parties agree to work on adding a public art piece within a designated
119 area of the Public Space. The Public Space Agreement shall be assumed by
120 any future owner of the Project as outlined in the Public Space Agreement
121 attached as **Exhibit E – Public Space Agreement**.

122 **B. Developer’s Contingencies to Closing.** The obligation of the Developer to
123 consummate the transaction contemplated hereby is subject to the fulfillment of all the
124 following conditions (the “Developer Conditions”) on or before the Closing Date as indicated
125 below (all of which may be waived by the Developer in whole or in part, in its sole discretion):

126 (1). Compliance with Agreement. West Allis shall have performed and complied
127 with all its obligations under this Agreement, in all material respects, to the extent
128 such obligations are to be performed or complied with by West Allis.

129 (2). No Misrepresentation or Breach of Covenants and Warranties. Each of the
130 representations and warranties of West Allis in this Agreement shall be true and
131 correct in all material respects as of the Closing Date.

132 (3). No Litigation. No litigation, threat, investigation, or other proceeding
133 challenging or affecting the legality of the transaction contemplated by this
134 Agreement, or seeking the restraint, prohibition, damages or other relief in
135 connection with this Agreement or the use intended for the Property by the
136 Developer, which would reasonably be expected to have an adverse impact, in any
137 respect, on the Property or the Developer’s intended use, individually or in the
138 aggregate shall have been instituted or threatened by any person, agency, or other
139 entity prior to the Closing.

140 (4). Developer’s Financing and Approvals.

141 (a) The Developer shall have secured sources of financing and private
142 equity with terms reasonably acceptable to the Developer.

143 (b) Developer shall have secured all necessary approvals and
144 confirmations that all necessary actions by any governmental
145 instrumentality, agency, or affiliate (such as but not limited to the Authority
146 and the City) have been taken for the full execution and performance under
147 this Agreement, the Development Agreement, the Development Financing
148 Agreement, and the Public Space Agreement.

149 (c) The Authority and the City and any of the other parties thereto shall
150 have executed and delivered the Development Agreement, the Development
151 Financing Agreement, Public Space Agreement, and the Memorandum of
152 Agreements, as applicable.

153 (5). West Allis' Approvals, Test, and Reports. West Allis shall have furnished the
154 Developer the Due Diligence Documents (as hereinafter defined).

155 (6). Government Approvals. The Developer shall have confirmed prior to Closing
156 that the Developer has adequate assurances of the availability of any governmental
157 permits, easement agreements, licenses, and approvals that are or may be
158 necessary to develop and use the Property in the manner intended by the
159 Development Agreement; provided, however, if any such approvals cannot be
160 obtained within said time period, the date for Closing shall be extended for a
161 reasonable time to allow all approvals to be obtained, provided the Developer is
162 pursuing such approvals in good faith and with due diligence.

163 (7). Utilities and Access. The Developer shall have been satisfied, in its sole
164 discretion, with the location, availability, sufficiency and suitability of municipal and

165 other utilities in connection with the Developer's intended use of the Property. West
166 Allis makes no representations or warranties concerning the location or the condition
167 of utilities. The Developer shall have been satisfied, in its sole discretion, that all
168 access connections to public rights-of-way are available and sufficient to allow
169 construction and operation of the Project.

170 (8). Due Diligence. The Developer and its lender shall have been satisfied, in their
171 sole discretion, with the physical condition of the Property, including any
172 environmental conditions and the required remediation and funding available to
173 address those environmental conditions, and with the condition of title to the
174 Property.

175 (9). Title Policy. The Title Company shall be ready, willing, and able to issue at
176 Closing (upon payment of the premiums and other charges) the Title Policy (as
177 hereinafter defined) ensuring fee simple title to the Property to the Developer, subject
178 only to Permitted Encumbrances (as hereinafter defined) and shall irrevocably agree
179 to do so for the Closing.

180 (10). No New Encumbrances. There shall be no new encumbrances against title
181 reflected in the Title Policy or any updated Title Commitment (as hereinafter defined)
182 for the Property, unless approved by the Developer in writing.

183 (11). No Material Change. There shall not have occurred any change, and no
184 circumstance shall have occurred, including, without limitation, with respect to the
185 condition (including, without limitation, the environmental condition) or the zoning or
186 permitting or leasing of the Property except changes caused by Developer or an
187 affiliate of Developer prior to Closing, or the commencement or continuation of any
188 condemnation or moratorium affecting the Property which could reasonably be

189 expected to have an adverse impact, in any respect, on the Property or as set forth in
190 the Development Agreement, individually or in the aggregate.

191 **C. Termination.**

192 (1). By West Allis. In the event the conditions listed above (the West Allis
193 Conditions”) have not been satisfied or waived by West Allis on or before the
194 Closing Date, then West Allis may terminate this Agreement by written notice to
195 the Developer given on or before the Closing Date; provided, however, if West
196 Allis Conditions set forth in subparagraphs (1), (2), (4), (5) and (6) have not been
197 satisfied or waived by such date, West Allis will allow for an extension of this
198 deadline if requested by the Developer, provided that Developer can demonstrate
199 that it is pursuing satisfaction of the conditions in good faith and with due diligence.
200 In case of such termination, no Party shall have any further liability under this
201 Agreement except as specifically set forth as surviving termination.

202 (2). By Developer. In the event that any of the Developer Conditions have not
203 been satisfied or waived by the Developer on or before Closing, the Developer may,
204 by written notice to West Allis on or before the Closing Date, terminate this
205 Agreement; provided, however, if the Developer Conditions set forth in subsections
206 (4), (6) or (7) have not been satisfied or waived by such date, West Allis will allow
207 for an extension of this deadline if requested by the Developer, provided that
208 Developer can demonstrate that it is pursuing satisfaction of the conditions in good
209 faith and with due diligence. In case of such termination, no party shall have any
210 further liability under this Agreement except as specifically set forth as surviving
211 termination. Closing on the Property shall be deemed as satisfaction or waiver of
212 the Developer Conditions.

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10. Obligations and Title Matters.

A. West Allis' Obligations. West Allis' obligations under this Agreement include:

- (1). Subdivision. Prior to the Closing, West Allis shall cause the certified survey map (CSM) attached hereto as part of **Exhibit A**, which combines and legally subdivides the parcels which comprise the Property, to be (a) approved by all necessary parties, and (b) ready for execution and recordation as contemplated by the Development Agreement.
- (2). Zoning and Permitting Cooperation. To the same extent as it does for all property developers, West Allis shall cooperate with the Developer through the term of this Agreement and shall promptly assist in obtaining and expediting the necessary review by the City and in processing all submissions and applications in accordance with the applicable City ordinances, such that, as of the Closing, all zoning approvals necessary for the construction and occupancy of the Project will have been granted other than those items that are subject to completion of construction.
- (3). Due Diligence Documents. West Allis have delivered to the Developer such documents in the Authority's or the City's possession or under its control and West Allis shall promptly deliver such additional documents that West Allis may obtain hereafter, as may be requested by the Developer for purposes of evaluating the Property and its ability to use the Property for the use intended by the Developer under this Agreement (collectively, the "Due Diligence Documents").
- (4). Operation and Maintenance of the Property before Closing. Between the Effective Date and the Closing, West Allis covenants and agrees that it will:

237 (a) continuously maintain in full force and effect liability insurance
238 coverage with respect to the Property, as typically maintained in the City's
239 and Authority's ordinary course of business in addition to that insurance;
240 (b) refrain from entering any new lease, easement, agreement, or
241 contract affecting the Property unless approved by the Developer in writing
242 (which approval may be granted or withheld in the Developer's sole
243 discretion); and
244 (c) not do or permit to be done any act with respect to the Property that
245 would adversely affect or make more expensive the Developer's intended use
246 thereof as set forth in the Development Agreement.

247 **B. Approvals.** The Developer is responsible, at its sole cost, to seek to obtain all
248 necessary governmental approvals and financing as may be required for the Developer's
249 intended use of the Property as set forth in the Development Agreement.

250 **C. Title Evidence and Documents.**

251 (1). Title Commitment. The Developer shall obtain and pay for prior to or at
252 Closing a commitment (the "Title Commitment") from a qualified Title Insurance
253 Company (the "Title Company") to issue an owner's policy of title insurance (the
254 "Title Policy") to the Developer or its permitted assigns in the amount of the Purchase
255 Price of the Property or such higher amount as reflects the Developer's projected
256 development costs for the Project which Title Commitment shall show title to the
257 Property to be merchantable as of the Closing Date, subject only to such exceptions
258 to title which will not unreasonably inhibit, prohibit or impair the Developer's use of
259 the Property for the Developer's intended uses as set forth in the Development
260 Agreement and which are approved by Developer in writing ("Permitted

261 Encumbrances”). West Allis shall release, or cause to be released, any
262 encumbrances in favor of the West Allis other than Permitted Encumbrances.

263 (2). Survey. The Developer shall be responsible for obtaining and paying for an
264 ALTA/ASCM all-urban standards survey (“Survey”) of the Property.

265 (3). Objections. The Developer, at least fifteen (15) calendar days prior to Closing
266 shall submit to West Allis in writing a list of matters affecting the Property to which
267 the Developer objects (“Title Objections”). Such Title Objections shall not have been
268 caused by Developer Contractor, or any of their affiliates. West Allis shall have ten
269 (10) calendar days to remove or cause the Title Company to insure over the Title
270 Objections. Failure of West Allis to notify Developer that said objections will be
271 removed or waived constitutes refusal of West Allis to agree to such waiver or
272 removal. The Developer reserves the right to approve the means and methods by
273 which the West Allis proposes to remove or cause the Title Company to insure over
274 the Title Objections. If West Allis is unable or unwilling to remove the Title Objections
275 to the Developer’s satisfaction, the Developer shall have five (5) days from the
276 expiration of such ten (10) day period, to deliver written notice to the West Allis
277 waiving the Title Objections. If the Developer does not waive the Title Objections,
278 then this Agreement shall be null, and void and both the Developer and West Allis
279 shall have no further liabilities under this Agreement.

280 **D. Assessments**. As of the date hereof and as of the Closing Date, the Property is not
281 and will not be subject to real estate taxes or assessments. The West Allis represents to the
282 Developer that there are no special assessments or charges outstanding for public
283 improvements that have been made, or will have been made, against the Property that have

284 not been paid. Further, West Allis covenants that it will not assess any impact fees in
285 association with the Project.

286 **11. Memorandum of Agreements.** West Allis and the Developer agree that, on or before
287 Closing, they will execute a Memorandum of this Agreement, the Development Financing
288 Agreement, Public Space Agreement, and the Development Agreement to be recorded in the Office
289 of the Register of Deeds of Milwaukee County, Wisconsin (the "Register's Office") against the
290 Property in substantially the form to be attached hereto as **Exhibit D** (the "Memorandum"). The
291 Parties further agree that the Memorandum shall be recorded prior to the Developer attaching any
292 mortgage, lien, or other encumbrance on the Property except for any mortgage or lien granted to a
293 lender in connection with its construction and permanent loans on the Property.

294 **12. Closing and Closing Costs.** The Closing shall be held at such place as the Parties may
295 mutually agree on the Closing Date.

296 **A.** Closing will be through an escrow account with the Title Company.

297 **B.** Closing Costs will be allocated as follows:

298 (1). The Developer shall pay the cost to record the Deed and its loan documents.

299 (2). West Allis shall pay the recording fee for any satisfaction of its existing liens
300 and encumbrances and the Memorandum.

301 (3). Each Party shall pay its own attorney's and other professional fees; and

302 (4). All other non-specified closing costs, including the costs of the Title
303 Commitment, Title Policy and Survey shall be paid by the Developer.

304 **C.** The \$5,000.00 deposit paid by Developer prior to Closing shall be first utilized to pay
305 for any costs imposed upon Developer. Any remainder shall be returned to Developer at
306 Closing.

307 **13. Representations and Warranties.**

308 **A. West Allis Representations and Warranties.** West Allis hereby represents and
309 warrants that as of the date hereof and as of the Closing Date:

310 (1). Organization; Good Standing. The City as a municipal corporation under the
311 laws of the State of Wisconsin and the Authority as a Community Development
312 Authority duly organized and validly existing under Sec. 66.1335 of the laws of the
313 State of Wisconsin. The City and the Authority have full power and authority to sell,
314 own, or hold under lease its properties and assets and to carry on its business as
315 presently conducted, to enter into this Agreement, and to carry out the transactions
316 contemplated hereby.

317 (2). Authorization. The execution and delivery of this Agreement and the
318 consummation by West Allis of the transaction contemplated hereby are within the
319 power and authority of West Allis and have been duly authorized by all necessary
320 actions on the part of the Community Development Authority and the persons
321 executing this Agreement on behalf of West Allis have been duly authorized.

322 (3). No Violation or Conflict. The execution, delivery, and performance of this
323 Agreement by West Allis does not and will not conflict with or violate any law,
324 regulation, judgment, deed restriction, order, decree, or any contract or agreement
325 to which West Allis is a party or by which it is bound.

326 (4). Floodplain. No part of the Property is in a floodplain, flood hazard area, shore
327 land, wetland, or similarly restricted area.

328 (5). Liens. There are no Liens on the Property regarding work performed or
329 materials furnished for lien-able work on the Property.

330 (6). Leases and Third-Party Rights. There are no written or oral leases, occupancy
331 agreements, rights of first refusal, options to purchase or any other rights of
332 possession affecting the Property.

333 (7). Service Agreements. There is no existing service, maintenance,
334 management, or any other agreements regarding the Property.

335 (8). No Default, Violation or Litigation. Regarding the Property and, to West Allis
336 knowledge, West Allis are not in violation of any regulation, law, order of any court,
337 federal, state, or municipal, or other governmental department, commission, board,
338 bureau, agency or instrumentality, or restriction or covenant contained in any
339 agreement or document of title (including, without limitation, legislation, regulations
340 and agreements applicable to environmental protection, civil rights, public and
341 occupational health and safety), nor has West Allis received any notice of
342 noncompliance that has not been remedied, except as set forth in subsection (9)
343 below as to certain environmental conditions. There are no lawsuits, proceedings,
344 claims, governmental investigations, citations or actions of any kind pending or
345 threatened against West Allis or against the Property nor is there any basis known to
346 West Allis for any such action, and there is no action, suit or proceeding by any
347 governmental agency pending or threatened which questions the legality, validity or
348 propriety of the transaction contemplated hereby nor is there any basis known to
349 West Allis for any such action.

350 (9). Laws. Except for the exhibits and schedules attached to this Agreement
351 relating to environmental condition and any documents listed thereon, there is no
352 government agency or court order requiring repairs, alterations, or corrections of or
353 relating to the Property or any condition which might be cause for any such order, and

354 to West Allis' knowledge, the Property complies with all laws. Further, except for
355 documents provided to Developer as part of the Due Diligence Documents relating
356 to the environmental condition, to West Allis' knowledge, there is no violation of any
357 law or any building, zoning, environmental, or other ordinance, code, rule, or
358 regulation and no notice from any governmental body or other person has been
359 served upon West Allis' or upon the Property, claiming the violation of any such law,
360 ordinance, code rule, or regulation; there are no legal actions, suits, or administrative
361 proceedings, including condemnation, pending or threatened against the Property.
362 West Allis has provided to the Developer all materials in the possession related to
363 known environmental conditions of the Overall Project Site.

364 (10). Warranty. West Allis acknowledges that the warranties and representations
365 made herein and by West Allis are a material inducement to the Developer entering
366 into this Agreement, the Developer is entitled to rely upon these warranties and
367 representations despite independent investigation undertaken by the Developer and
368 that the warranties and representations made here and by West Allis shall survive the
369 Closing and the execution and delivery of the Deed.

370 **B. Developer's Representations and Warranties**. The Developer hereby represents
371 and warrants that as of the date hereof and as of the Closing Date:

372 (1). Organization; Good Standing. The Developer is a Wisconsin limited liability
373 company duly organized and validly existing under the laws of the State of Wisconsin
374 and authorized to do business in the State of Wisconsin. The Developer has full
375 power and authority to acquire and own real estate and to carry on with its business
376 as presently conducted, to enter into this Agreement, and to carry out the transaction
377 contemplated hereby.

378 (2). Authorization. The execution and delivery of this Agreement and the
379 consummation by the Developer of the transaction contemplated hereby are within
380 the power and authority of the Developer and have been duly authorized by all
381 necessary actions on the part of the Developer, and the persons executing this
382 Agreement on behalf of the Developer have been duly authorized.

383 (3). No Violation or Conflict. The execution, delivery, and performance of this
384 Agreement by the Developer do not and will not conflict with or violate any law,
385 regulation, judgment, deed restriction, order, decree, or any contract or agreement
386 to which the Developer is a party or by which it is bound.

387 (4). Litigation. To the Developer's knowledge, there are no lawsuits, proceedings,
388 claims, governmental investigations, citations or action of any kind pending or
389 threatened against the Developer, nor is there any basis known to the Developer for
390 any such action, and there is no action, suit or proceeding by any governmental
391 agency pending or threatened which questions the legality, validity or propriety of the
392 transactions contemplated hereby nor is there any basis known to the Developer for
393 any such action.

394 (5). Warranty. The Developer acknowledges that the warranties and
395 representations made here and by the Developer are a material inducement to West
396 Allis entering into this Agreement, West Allis is entitled to rely upon these warranties
397 and representations despite independent investigation undertaken by West Allis that
398 the warranties and representations made here and by the Developer shall survive the
399 Closing and the execution and delivery of the Deed.

400 **C. Waiver and Release**. Except to matters otherwise specifically set forth herein,
401 including this Section 13 and in any closing documents signed in connection with this

402 Agreement, such as, but not limited to, the Development Agreement and the Development
403 Financing Agreement, if this transaction closes, the Developer agrees to waive, release and
404 forever discharge West Allis officers, employees and agents or any other person acting on
405 behalf of West Allis of and from any claims, actions, causes of action, demands, rights,
406 damages, costs, expenses or compensation whatsoever, direct or indirect, known or
407 unknown, foreseen or unforeseen, which the Developer now has or which may arise in the
408 future on account of or in any way growing out of or connected with this transaction. This
409 waiver and release do not extend to any matter with respect to which West Allis had actual
410 notice or knowledge prior to Closing and failed to disclose to the Developer or to any breach
411 of this Agreement.

412 **14. Time of the Essence.** Time is of the essence with respect to all obligations arising
413 hereunder.

414 **15. Brokers.** West Allis shall be responsible for and shall indemnify and hold the Developer and
415 its affiliates harmless for any claim for commission made by any agent or broker claiming to have
416 acted on West Allis 'behalf or otherwise in connection with this sale or conveyance of the Property.
417 The Developer shall be responsible for and shall indemnify and hold West Allis harmless for any
418 claim for commission made by any agent or broker claiming to have acted on the Developer's behalf
419 or otherwise in connection with the purchase or leasing of any portion of the Property.

420 **16. Closing Documentation.**

421 **A.** The Closing on the purchase and sale of the Property shall occur by placing all
422 documents and funds into a trust or escrow with Title Company, at least one business day
423 prior to the Closing Date. The Title Company shall prepare a closing statement setting forth
424 a summary of the Purchase Price and debits and credits to the Developer and West Allis for
425 Closing. The Title Company shall provide and record at Closing a properly completed

426 Wisconsin Real Estate Transfer Return. A Payout Letter shall be delivered at Closing for any
427 mortgages or other liens being satisfied as of the Closing Date.

428 **B.** At least one business day prior to the Closing, the Parties shall deliver, or cause to be
429 delivered, to Title Company with directions to record and/or deliver to the other Parties at
430 Closing, fully executed originals of the following (as applicable):

431 (1). Warranty Deed. The Deed to the Property was executed by the City and
432 Authority.

433 (2). Development Agreement. The Development Agreement executed by the
434 Parties.

435 (3). Development Financing Agreement. The Financing Agreement executed by
436 the City and the Parties.

437 (4). Memorandum of Agreements. The Memorandum executed by the City and
438 the Parties.

439 (5). Public Space Agreement. The Agreement by the Parties describing
440 Developer's duties to maintain certain public spaces after Closing.

441 (6). Title Affidavits. Owner's Affidavit and standard GAP affidavit required by the
442 Title Company for title insurance purposes, executed by the City and the Authority.

443 (7). Other Documents. Such other documents and instruments reasonably
444 requested by the Title Company to consummate the transactions contemplated by
445 this Agreement.

446 (8). Guaranty. The Completion Guaranty executed by Developer.

447 **17. Possession.** At Closing, the City and the Authority shall deliver to the Developer legal and
448 physical possession of the Property.

449 **18. Independent Consideration and Project Documents.** In the event the Developer
450 terminates this Agreement prior to Closing, the Developer shall deliver to West Allis the Survey, the
451 Title Commitment and any environmental reports prepared for the Developer and shall pay to West
452 Allis One and No/100 Dollar (\$1.00) as consideration for entering into this Agreement (the
453 “Independent Consideration”), which amount the Parties bargained for and agreed to as
454 consideration for the City’s and Authority’s grant to the Developer of the Developer’s exclusive right
455 to purchase the Property pursuant to the terms hereof and for the City’s and the Authority’s
456 execution, delivery and performance of this Agreement. Each Party waives all claims or defenses to
457 enforceability of this Agreement in any way predicated upon the broad discretion afforded the
458 Developer in evaluating the satisfaction of conditions precedent to the Developer’s performance.
459 The provisions of this Section 18 shall survive termination of this Agreement.

460 **19. Condemnation.** If, prior to the Closing Date, an authority other than West Allis itself takes
461 the Property or any material portion thereof by power or exercise of eminent domain, or institutes
462 any proceedings to effect such a taking, the West Allis shall immediately give the Developer notice
463 of such occurrence, and the Developer shall have the option to terminate this Agreement,
464 whereupon no Party shall have any obligation to another under this Agreement; West Allis shall not
465 exercise and powers of eminent domain or the like to take any portion of the Property. If this
466 Agreement is not so terminated, the conveyance that is the subject of this Agreement shall be
467 completed and the Developer shall receive all proceeds of such condemnation. As used herein, a
468 material portion of the Property shall be deemed taken if the same shall unreasonably interfere with
469 the intended use of the Property by the Developer.

470 **20. No Partnership or Venture.** The Developer and its contractors or subcontractors shall be
471 solely responsible for the completion of the Project. Nothing contained in this Agreement shall
472 create or effect any partnership, venture or relationship between West Allis and the Developer or any

473 contractor or subcontractor employed by the Developer in the construction of the Project. No
474 elected official, member, officer, or employee of West Allis during his/her tenure or for one year
475 thereafter, will have or shall have had any interest, direct or indirect, in this Agreement or any
476 proceeds thereof.

477 **21. Notices.** All notices permitted or required by this Agreement shall be given in writing and
478 shall be considered given upon receipt if hand delivered to the party or person intended, or one
479 calendar day after deposit with a nationally recognized overnight commercial courier service, or two
480 (2) business days after deposit in the United States mail, postage prepaid, by certified mail, return
481 receipt requested, addressed by name and address to the party or person intended as follows:

482

483 To the Authority: Community Development Authority of the City of West Allis
484 Office of the Executive Director
485 7525 West Greenfield Avenue
486 West Allis, WI 53214
487 Attn: Executive Director

488

489 With a copy to: City of West Allis
490 Office of the City Attorney
491 7525 West Greenfield Avenue
492 West Allis, WI 53214
493 Attn: City Attorney

494

495 To Developer: Six Points Square LLC
496 2921 North 70th Street
497 Milwaukee, WI 53210
498 Attn: Jeffrey J. Hook

499

500 With a copy to: Peter J. Faust, Attorney at Law
501 O'Neil, Cannon, Hollman, DeJong, and Laing S.C.
502 111 E. Wisconsin Avenue, Suite 1400
503 Milwaukee, WI 53202
504 Attn: Peter J. Faust

505

506 **22. Further Assurances.** Following the Closing Date, each of the Parties will take such further
507 actions and execute and deliver such additional documents and instruments as may be reasonably

508 requested by any other Party to perfect and complete the purchase and sale of the Property as set
509 forth herein as well as any other transactions specifically contemplated herein.

510 **23. Waiver of Terms.** Except as otherwise provided herein, any of the terms or conditions of this
511 Agreement may be waived at any time by the Party or Parties entitled to benefit thereof, but only by
512 a written notice signed by the Party or Parties waiving such terms or conditions. The waiver of any
513 term or condition shall not be construed as a waiver of any other term or condition of this Agreement.

514 **24. Right of Entry.**

515 **A. To Developer.** The City and the Authority grants to the Developer, its agents and
516 contractors, the right to enter upon the Property, subject to the insurance requirements
517 below, at all reasonable times prior to closing for the purpose of performing the physical and
518 environmental tests, investigations, testing and analysis of the Property and the feasibility of
519 the Property for the Developer’s intended use thereof. However, the Developer must restore
520 the Property to substantially its previous condition if the Closing does not occur and this
521 Agreement and the Development Agreement are terminated, except for any work completed
522 pursuant to the Staging Easement; such work shall remain “as is.” The Developer must
523 provide West Allis copies of all written reports generated from such investigation.
524 Developers shall restore the site and provide copies of reports within 30 days of termination.
525 The provisions of Section 24(A) shall survive the termination of this Agreement.

526 (1) Before entering the Property, Developer shall obtain and maintain in full force and
527 effect, at its own expense: (i) workers’ compensation insurance required under
528 state law, if applicable; (ii) a policy of insurance written by one or more
529 responsible insurance carrier(s), which will include West Allis as an additional
530 insured, insuring against liability for injury to persons and/or property and death
531 of any person or persons occurring in, on or about Property arising from

532 Developer's conduct, with a liability limit of not less than \$1,000,000 per
533 occurrence, and \$3,000,000 general aggregate limit, and which shall not be
534 canceled except after thirty (30) days written notice to West Allis; and (iii)
535 umbrella or excess liability insurance providing a minimum limit of \$5,000,000.00
536 per occurrence and in the aggregate. Before entering the Property, Developer
537 shall furnish West Allis with evidence of insurance reasonably acceptable to
538 West Allis demonstrating compliance with the terms of this subsection, including
539 but not limited to a certificate of insurance and endorsements naming the City
540 and the Authority as an additional insured, waiving the insurance company's right
541 to recover against West Allis, providing notice of cancellation for all causes, and
542 making Developer's insurance primary and noncontributory.

543

544 **B. Cooperation.** The Parties shall cooperate with each other and their respective
545 agents and contractors to facilitate the timely and accurate completion of the aforesaid
546 tests, examinations, inspections, and remedial activities.

547

548 **C. License.** The Parties acknowledge that this right of entry is a license only and does
549 not constitute a lease of or grant of any easement or other interests in real property; and each
550 agree that in the exercise of such right they shall comply with all valid laws, ordinances, rules,
551 orders or regulations of the United States, the State of Wisconsin, the County of Milwaukee,
552 City or any agencies, departments, districts or commissions thereof.

553 **25. Amendment of Agreement.** This Agreement may be amended, supplemented, or modified
554 at any time, but only by a written instrument duly executed by West Allis and the Developer.

555 **26. Governing Law and Venue.** This Agreement shall, in all respects whether as to validity,
556 construction, capacity, performance, or otherwise, be governed by the laws of the State of
557 Wisconsin. Any suit or proceeding arising out of or related to this Agreement shall be commenced
558 and maintained only in a court of competent jurisdiction in the state or federal courts located in
559 Milwaukee County, Wisconsin. Each party irrevocably consents to submit to the exclusive
560 jurisdiction of such courts.

561 **27. Successors and Assigns.** This Agreement and all rights and obligations therein, including
562 but not limited to the indemnification provisions thereunder, may be assigned in whole or in part by
563 the Developer to an affiliated entity upon notice to West Allis. For purposes of this Section 27, the
564 term “affiliated entity” shall mean an entity controlling or controlled by or under common control
565 with the Developer. This Agreement may also be collaterally assigned in whole or in part by the
566 Developer to any lender or lenders holding a mortgage on all or any part of the Property. No such
567 lender shall have any liability hereunder unless said lender elects to effectuate such assignment and
568 exercise the Developer’s rights hereunder.

569 **28. Execution in Counterparts.** This Agreement may be executed simultaneously in one or
570 more counterparts, each of which shall be deemed an original Agreement, but all of which together
571 shall constitute one and the same instrument.

572 **29. Titles and Headings.** Titles and headings to sections or subsections are for purposes of
573 references only and shall in no way limit, define, or otherwise affect the provisions herein.

574 **30. Entire Agreement.** This Agreement, including the schedules and Exhibits annexed hereto,
575 constitutes the entire agreement, and supersedes all other prior agreements and understandings,
576 both written and oral, by the Parties or any of them, with respect to the subject matter hereof.

577 **31. Interpretation.** Unless the context requires otherwise, all words used in this Agreement in
578 the singular number shall extend to and include the plural, all words in the plural number shall

579 extend to and include the singular, and all words in any gender shall extend to and include all
580 genders.

581 **32. Construction.** West Allis and the Developer acknowledges that each party and its counsel
582 have reviewed and revised this Agreement and that the normal rule of construction to the effect that
583 any ambiguities are to be resolved against the drafting party shall not be employed in the
584 interpretation of this Agreement or any amendments or exhibits hereto.

585 **33. Severability.** If any term or provision of this Agreement is determined to be invalid, illegal, or
586 incapable of being enforced by any rule or law, or public policy, all other conditions and provisions
587 of this Agreement shall nevertheless remain in full force and effect.

588 **34. Default Provisions and Remedies.**

589 **A. West Allis' Remedies.** If the purchase and sale of the Property is not consummated
590 because of the Developer's failure to perform its obligations under this Agreement within three (3)
591 business days after written notice from West Allis, then West Allis shall have the right to terminate
592 this Agreement by written notice to Developer as the City's and the Authority's sole remedy.

593 **B. Developer Remedies.** In the event that the purchase and sale of the Property is not
594 consummated because of the City's or the Authority's failure to perform its obligations under this
595 Agreement within three (3) business days after written notice to West Allis, then the Developer shall
596 have the following rights and remedies, which shall be cumulative to the fullest extent permitted by
597 law: (1) to seek injunctive relief; (2) to bring an action for specific performance; (3) to terminate this
598 Agreement upon notice to West Allis, whereupon the Developer and West Allis shall have no further
599 rights, obligations or liabilities hereunder, except for those agreements, which by their terms,
600 expressly survive termination of this Agreement; and (4) to bring an action for direct money damages.

601 **C. Limitations on Remedies.** Neither party shall be liable to the other for
602 consequential, indirect, incidental, or exemplary damages, whether based on contract, negligence,

603 and strict liability or otherwise. In any action to enforce this Agreement, the prevailing party shall be
604 entitled to its costs, including statutory attorney's fees.

605 **35. No Reliance.** No third party, except for the City as to Section 11 of this Agreement, is entitled
606 to rely on any of the representations, warranties, or agreements of the Developer or West Allis
607 contained in this Agreement. The Parties assume no liability to any third party because of any
608 reliance on the representations, warranties and agreements of the Parties contained in this
609 Agreement.

610 **36. Survive the Closing.** The agreements, covenants, warranties, and representations
611 contained herein shall survive the Closing of the transaction contemplated herein.

612 **37. Representations and Warranties.** All representations and warranties contained in any
613 certificate, instrument, or document executed and delivered by any Party pursuant to this Agreement
614 and the transactions contemplated hereby prior to Closing shall, unless otherwise expressly
615 provided therein or in this Agreement, be deemed representations and warranties by such Party
616 solely for purposes of establishing if a breach of any representation or warranty has occurred
617 hereunder and nothing contained herein will in any way modify, change or prolong the survival or
618 term of any such warranty or representation.

619 **38. Binding Effect.** The terms and conditions of this Agreement shall be binding upon and
620 benefit the Parties and their respective successors and assigns.

621 **39. Good Faith.** The Parties covenant and agree to act in good faith in the performance and
622 enforcement of the provisions of this Agreement.

623 **40. Confidentiality Agreement.** West Allis acknowledges that certain portions of the materials
624 to be exchanged pursuant to this Agreement contain sensitive and proprietary information relating
625 to the Developer, the Property, and the Project and that disclosure could cause irreparable harm if
626 such materials were to be made available to the general public. Additionally, certain materials to be

627 exchanged may be trade secrets or copyrighted. The Parties further acknowledge that West Allis is
628 subject to the requirements of the Wisconsin Public Records Law, Wis. Stats. §§ 19.21 et seq. Under
629 these statutes, all documents and records are subject to public disclosure, unless there is a
630 statutory, common law, or public policy reason for nondisclosure. The Parties acknowledge that this
631 Agreement is subject to the provisions of the Public Records Law of the State of Wisconsin (Wis. Stat.
632 Section 19.21 et seq.) Developer may deliver such materials to Authority's and the City's financial
633 consultant upon receipt of such consultant's agreement to keep such information confidential to
634 the extent allowed by law, other than with respect to disclosures to West Allis, and the financial
635 consultant will report to West Allis on the contents thereof.

636 **41. Force Majeure.** No Party shall be responsible to the other Party for any resulting losses, and
637 it shall not be an Event of Default hereunder, if fulfillment of any of the terms of this Agreement is
638 delayed or prevented by reason of acts of God, inclement weather, civil disorders, pandemics,
639 national epidemics, wars, acts of enemies, strikes, lockouts, or similar labor troubles, fires, floods,
640 legally required environmental remedial actions, shortage of materials, relocation of utilities, or by
641 other cause not within the control of the Party whose performance was interfered with ("Force
642 Majeure"), and which by the exercise of reasonable diligence such Party is unable to prevent. The
643 time for performance shall be extended by the period of delay occasioned by such Force Majeure.

644 **[Signature Pages Follow]**

AGREED TO BY AND BETWEEN the Developer and the Authority and the City on the date first set forth above.

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS

By: _____

Name:

Title:

Dated: _____

CITY OF WEST ALLIS

By: _____

Dan Devine, Mayor

Dated: _____

By: _____

Rebecca Grill, City Administrator and City Clerk

Dated: _____

Approved as to form this ____ day.
of _____, 2024.

Name:

Title:

[Signature Page to Purchase and Sale Agreement]

SIX POINTS SQUARE LLC

By: _____
Jeffrey J. Hook, Manager

Dated:

EXHIBITS TABLE

Exhibit A - Parcel Map

Exhibit B - The Project

Exhibit C - Warranty Deed Form

Exhibit D - Memorandum of Agreements

Exhibit E - Public Space Agreement

EXHIBIT A

Property

Parcels currently owned by the City of West Allis:

- 6400 West Greenfield Avenue, West Allis WI 53214 (Tax Key No. 439-0141-001)
- 1351 South 64th Street, West Allis WI 53214 (Tax Key No. 439-0147-001)

Parcels currently owned by Community Development Authority of the City of West Allis:

- 6414-6422 West Greenfield Ave, West Allis WI 53214 (Tax Key No. 439-0144-001)
- 6424-6425 West Greenfield Ave, West Allis WI 53214 (Tax Key No. 439-0145-0002)
- 13** South 65th Street, West Allis WI 53214 (Tax Key No. 439-0146-000)

CERTIFIED SURVEY MAP NO. _____

BEING A REDIVISION OF LOTS 1 THRU 9, BLOCK 1, IN THE FIRST CONTINUATION OF THE SOLDIERS' HOME HEIGHTS SUBDIVISION AND THE SOUTH 15 FEET OF LOT 12, BLOCK 11 IN SECOND CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, BEING PART OF THE SOUTHEAST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 34, TOWNSHIP 7 NORTH, RANGE 21 EAST, IN THE CITY OF WEST ALLIS, MILWAUKEE COUNTY, WISCONSIN.

ALL BEARINGS REFERENCED TO THE WISCONSIN COUNTY COORDINATE SYSTEM, MILWAUKEE COUNTY. THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SECTION 34 HAVING A BEARING OF N 89°32'23"

+ SET CROSS

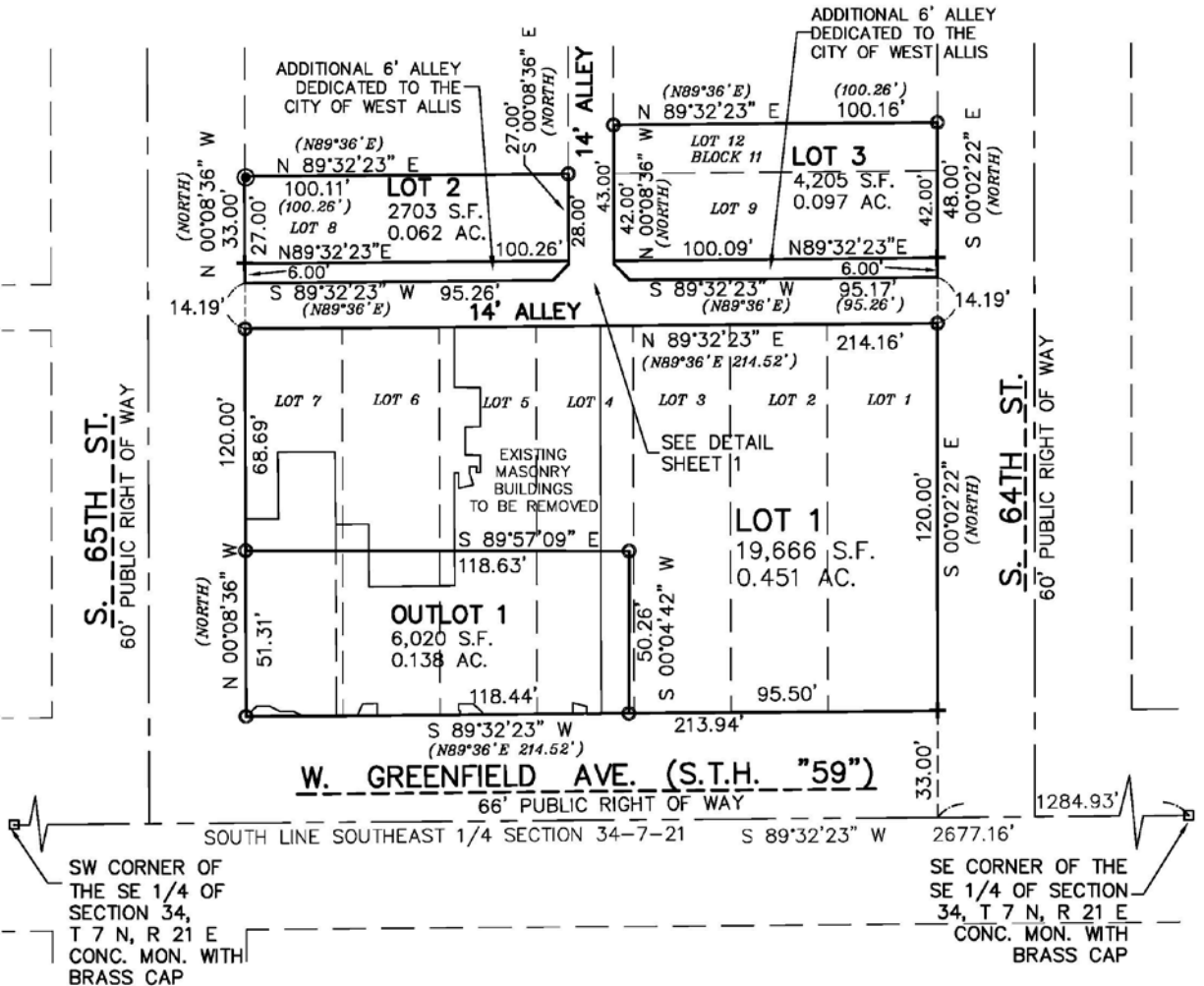
○ INDICATES 1 INCH DIA. IRON PIPE, 18 INCHES IN LENGTH, WEIGHING 1.68 LBS PER LINEAL FOOT, SET.

● INDICATES 1 INCH DIA. IRON PIPE FOUND.

(N89°36'E 214.52') DENOTES RECORDED AS BEARINGS AND DISTANCES

CJ
engineering
 civil design and consulting
 9205 W. Center Street
 Suite 214
 Milwaukee, WI 53222
 PH. (414) 443-1312
 www.cj-engineering.com

PREPARED FOR:
 CITY OF WEST ALLIS
 WEST ALLIS COMMUNITY
 DEVELOPMENT AUTHORITY
 7252 W GREENFIELD AVE.
 WEST ALLIS, WI 53214



Tax Increment District # 20: Parcel Map



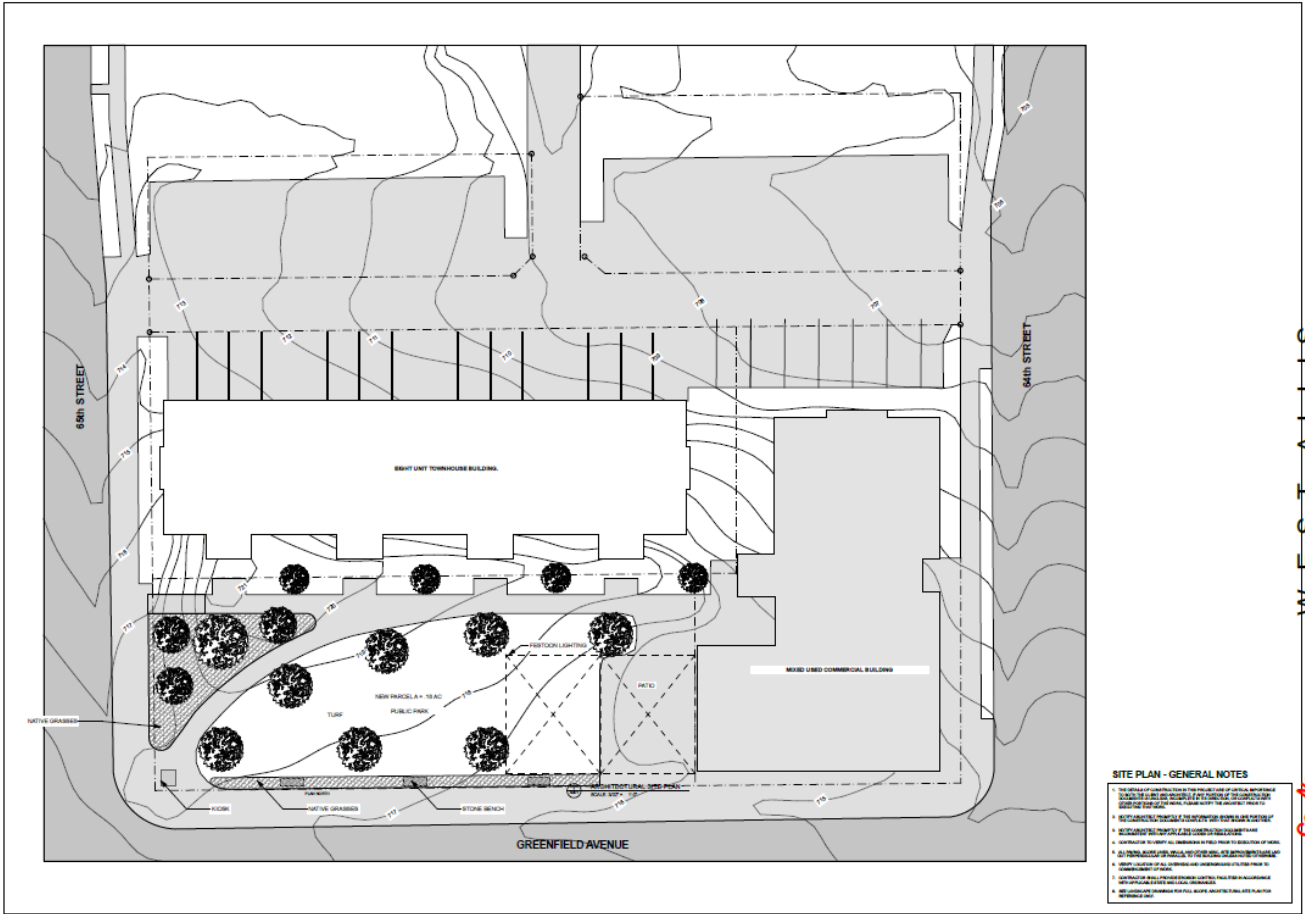
Parcel Map

- | | |
|------------------------------|------------------------------|
| ① 6400 W. Greenfield Ave. | ④ 6424-26 W. Greenfield Ave. |
| ② 1351 S. 64 St. | ⑤ 6414-22. W Greenfield Ave. |
| ③ 13 th S. 65 St. | |



EXHIBIT B – PROJECT





- SITE PLAN - GENERAL NOTES**
1. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 2. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 3. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 4. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 5. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 6. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 7. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.
 8. THE DEVELOPER SHALL BE RESPONSIBLE FOR OBTAINING ALL NECESSARY PERMITS AND APPROVALS FROM THE CITY OF WEST ALLIS AND THE STATE OF WISCONSIN.

WEST ALLIS
TOWNSHIP
6400 W. GREENFIELD AVE. S.W. 1/4 S.E. 1/4
 ARCHITECT: **GA**
 A0

NOT FOR CONSTRUCTION



Exhibit C - Warranty Deed Form

WARRANTY DEED

Document Number

Document Name

THIS DEED, made between the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS and the City of West Allis, (the “Grantors”), and SIX POINTS SQUARE LLC, a Wisconsin Limited Liability company, (the “Grantee”).

Grantors, for a valuable consideration, conveys to Grantee the following described real estate, together with the rents, profits, fixtures and other appurtenant interests, in Milwaukee County, State of Wisconsin (“Property”):

See Exhibit A Legal Descriptions of land to JJH#GROUP LLC,

.

Recording Area

Name and Return Address

Parcel Identification Number:

See attached Exhibits A.

This is not homestead property.

Grantor warrants that the title to the Property is good, indefeasible in fee simple, and free and clear of all encumbrances except easements, covenants, and restrictions of record.

This Warranty Deed is dated as of _____, 2024.

[SIGNATURE PAGE FOLLOWS]

This Instrument Drafted By:
Patrick Schloss, Executive Director

IN WITNESS WHEREOF, said **COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS** has caused its duly authorized officer to execute and deliver this Warranty Deed as this ____ day of _____, 2024.

GRANTOR

COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS

By: _____

Name: Patrick Schloss

Title: Executive Director

GRANTOR

City of West Allis

By: _____

Name: _____

Title: _____

ATTEST:

By: _____

Name: Kail Decker

Title: City Attorney

ACKNOWLEDGMENT

STATE OF WISCONSIN)

) SS

COUNTY OF MILWAUKEE)

Personally came before me this ____ day of _____, 2024, the above-named _____ and _____, to me known to be the _____ and _____, respectively, of _____, and to me known to be the persons who executed the foregoing instrument and acknowledged the same.

Printed Name: _____

Notary Public

Milwaukee County, Wisconsin

My Commission expires: _____

EXHIBIT D

Memorandum of Agreements

Document Number _____

MEMORANDUM OF AGREEMENTS

NOTICE IS HEREBY GIVEN that (1) a Purchase and Sale Agreement: SIX POINTS SQUARE LLC, (2) a Development Agreement, and (3) a Development Financing Agreement have been made and entered into as of the ____ day of December, 2024 (collectively, the “Agreements”), by and among the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS, a separate body politic created by ordinance by the City of West Allis, pursuant to Section 66.1335 of the Wisconsin Statutes, the CITY OF WEST ALLIS, and SIX POINTS SQUARE LLC, a Wisconsin limited

liability company, and its successors and assigns, and, as applicable, the City of West Allis, Wisconsin, wherein the parties have set forth certain terms and conditions governing the sale, purchase, and development of certain lands located in the City of West Allis, Milwaukee County, State of Wisconsin, legally described on **Exhibit "A"**, attached hereto and made a part hereof.

For Notice Purposes. This Memorandum of Agreements (this “Memorandum”) is entered into for notice purposes only, and anyone relying hereon is put on notice that this Memorandum is only a summary of certain terms and conditions set forth in the Agreements, and the Agreements contain additional terms and conditions not set forth herein, including an agreement requiring, under certain circumstances, payments in lieu of taxes. Nothing contained herein shall modify or amend the terms of the Agreements, and if the terms of this Memorandum conflict with the terms of the Agreements, the Agreements shall control.

This space is reserved for recording data

Return to

Parcel Identification Number/Tax Key Number

Counterparts. This Memorandum may be executed in one or more counterparts which, when taken together, shall constitute one original.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, the undersigned have executed and delivered this Memorandum of Agreements.

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

By: _____
Name: _____
Its: _____

State of Wisconsin)
) ss
Milwaukee County)

Personally came before me this _____ day of _____, 2024, _____, the _____ of the Community Development Authority of the City of West Allis, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same on behalf of said Authority.

_____ (SEAL)
(_____)
Notary Public, State of Wisconsin
My Commission Expires: _____

CITY OF WEST ALLIS

By: _____
Dan Devine, Mayor

By: _____
Rebecca Grill, City Clerk

State of Wisconsin)
) ss
Milwaukee County)

Personally, came before me this _____ day of _____, 2024, Dan Devine, the Mayor of the City of West Allis, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same on behalf of said City.

() (SEAL)
Notary Public, State of Wisconsin
My Commission Expires: _____

State of Wisconsin)
) ss
Milwaukee County)

Personally, came before me this _____ day of _____, 2024, Rebecca Grill, the City Clerk of the City of West Allis, to me known to be the person(s) who executed the foregoing instrument and acknowledged the same on behalf of said City.

_____(SEAL)
()
Notary Public, State of Wisconsin
My Commission Expires: _____

EXHIBIT A

Parcel A:

Lot numbered One (1), and the East Ten (10) feet of Lot numbered Two (2) in Block numbered One (1), in FIRST CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, in the Southeast 1/4 of Section 34, Township 7 North, Range 21 East, in the City of West Allis, County of Milwaukee, State of Wisconsin.

Also: The West Twenty (20) feet of Lot Two (2), all of Lot Three (3) and the East Ten (10) feet of Lot Four (4), in Block One (1), in the FIRST CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, of a part of the South East One-quarter (1/4) of Section Thirty-four (34), Township Seven (7) North, Range Twenty-one (21) East, in the City of West Allis, County of Milwaukee, State of Wisconsin.

[For Informational Purposes Only: Tax Parcel No. 439-0141-001. Property Address: 6400 West Greenfield Avenue]

Parcel B:

The West 20 feet of Lot 4 and the East 25 feet of Lot 5, in Block 1, in FIRST CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, of a part of the Southeast 1/4 of Section 34, Township 7 North, Range 21 East, in the City of West Allis, County of Milwaukee, State of Wisconsin.

Also: The West 5 feet of Lot 5, all of Lot 6 and the East 1.78 feet of Lot 7, in Block 1, in FIRST CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, of a part of the Southeast 1/4 of Section 34, Township 7 North, Range 21 East, in the City of West Allis, County of Milwaukee, State of Wisconsin.

[For Informational Purposes Only: Tax Parcel No. 439-0144-001. Property Address: 6414, 6416, 6418 and 6422 West Greenfield Avenue]

Parcel C:

The West 28.22 feet of Lot 7, Block 1 in the FIRST CONTINUATION OF SOLDIERS' HOMES HEIGHTS SUBDIVISION, of a part of the Southeast ¼ of Section 34, Township 7 North, Range 21 East, in the City of West Allis, County of Milwaukee, and State of Wisconsin.

[For Informational Purposes Only: Tax Parcel No. 439-0145-002. Property Address: 6424 and 6426 West Greenfield Avenue]

Parcel D:

Lot 8, in Block 1, in FIRST CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, of a part of the Southeast ¼ of Section 34, in Township 7 North, Range 21 East, in the City of West Allis, Milwaukee County, Wisconsin.

[For Informational Purposes Only: Tax Parcel No. 439-0146-000]

Parcel E:

THE FIRST CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, Lot 9, Block 1, and the South 15 feet of Lot 12, Block 11, in the SECOND CONTINUATION OF SOLDIERS HOME HEIGHTS SUBDIVISION, in the City of West Allis, County of Milwaukee, State of Wisconsin.

[For Informational Purposes Only: Tax Parcel No. 439-0147-001. Property Address: 1351 South 64 Street]

EXHIBIT E – Public Space Agreement

[see attached]

DEVELOPMENT FINANCING AGREEMENT
(TAX INCREMENTAL DISTRICT NUMBER 20)

THIS AGREEMENT is entered into as of this ___ day of December, 2024 (the “Effective Date”), between the Community Development Authority of the City of West Allis, Wisconsin, a separate body politic created by ordinance of the City of West Allis, pursuant to Section 66.1335 of Wisconsin Statutes (“Authority”), the City of West Allis (“City”), (Authority and City are collectively referred to as “West Allis”) and Six Points Square LLC, a Wisconsin limited liability company, its successors and/or assigns (“Developer”).

WHEREAS, on even date herewith, West Allis and Developer have entered into a Purchase and Sale Agreement (the “Purchase and Sale Agreement”) for the sale of certain real property (the “Public Property”), identified in the Purchase and Sale Agreement constitutes the “Property,” to be used for the Project as defined below; and,

WHEREAS, Pursuant to the Purchase and Sale Agreement for the purchase and sale of certain property owned by the City of West Allis and the Community Development Authority of the City of West Allis, described in **Exhibit A** of this Agreement attached hereto (the “Property”); and ,

WHEREAS, as of the date hereof, West Allis closed on the sale of the Property to the Developer pursuant to the Purchase and Sale Agreement (the “Closing”), which sale was contingent upon, among other matters, the Developer’s commitment to construct 8 townhome units and a multifamily mixed-use apartment building with 11-units and with approximately 2,500 sq. ft. of commercial space (as set forth in the “Development Agreement”). The Project will include approximately 24 surface parking spaces. The estimated budget for the project is \$7.4 million. The Developer will construct a new 50 ft. by 119 ft. (6,020) sq. ft. public space within the

1 Project area. The Plan Commission approved the site plan on May 29, 2024, generally consistent
2 with the preliminary site plan and rendering, attached hereto as **Exhibit B** (the “Project Plans”).
3 and,

4 **WHEREAS**, the Property and Project are located in a newly created City Tax Incremental
5 District Number 20 (the “District”) which City has established in order to finance project costs
6 related to eliminating blight within the District as permitted under Wis. Stat. Section 66.1105; and,

7 **WHEREAS**, pursuant to the Purchase and Sale Agreement, West Allis agreed to provide
8 certain financial incentives and assistance to allow the Developer to develop the Project and the
9 Developer would not undertake the development and construction of the Project without such
10 financial incentives and assistance; and,

11 **WHEREAS** the Parties desire to set forth in writing the terms of such financial incentives
12 and assistance in the terms and conditions under which West Allis will provide such financial
13 incentives and assistance; and,

14 **WHEREAS**, the Developer plans to expend certain costs to construct the Project and all
15 such costs as described on **Exhibit C – Project Costs of the Development Financing Agreement**
16 hereto (the “Project Costs”).

17 **WHEREAS**, the Project will serve the purpose of eliminating the blighted conditions which
18 exist in the District in accordance with Section 66.1105(4) (gm)4. a.-b. of the Wisconsin
19 Statutes.

20 **WHEREAS**, West Allis has determined that the Project and the City Investment (defined
21 below) related to the Project serve a public purpose by eliminating blighted conditions and
22 encouraging residential development within the City, enhancing the City’s tax base, promoting

1 employment opportunities, inducing appropriate development of the Property, and
2 encouraging redevelopment of nearby parcels; and,

3 **WHEREAS**, Developers would not undertake the Project without the availability of tax
4 increment financing as provided in this Agreement; and

5 **NOW, THEREFORE**, the Parties, in consideration of the terms, mutual obligations and
6 conditions contained in this Agreement and for other good and valuable consideration, the receipt
7 and sufficiency of which are hereby acknowledged, agree as follows:

8 **1. Developer Investment, Equity and Financing**. On or prior to Closing, Developer will
9 demonstrate to the City that in connection with the Project: (i) Developer has obtained
10 approximately \$5.733 million in a combination of (a) debt financing from a private lending
11 institution (the “Debt Financing”) and (b) private equity (“Equity”). Developer shall have the
12 right to adjust the projected amounts of Debt Financing and Equity provided that Developer
13 shall, in the aggregate, have obtained sufficient Debt Financing and Equity that, together with
14 the public funding and financing assistance described in this Agreement, is sufficient to
15 complete development of the Project. Developer and/or its affiliates shall provide any and
16 all guaranties required to obtain the necessary Debt Financing provided any and all such
17 guaranties are on commercially reasonable terms and conditions and consistent with
18 Developer’s and its affiliates’ standard practices.

19
20 **2. Tax Increment Financing**. Pursuant to the Wisconsin Tax Increment Law, Wis. Stats.
21 §66.1105 *et seq.*, the Common Council of the City of West Allis created by resolution Tax
22 Incremental District Number 20, City of West Allis, as of July 10, 2024 (the “District”) and
23 approved the project plan (the “Project Plan”) for the District (hereby incorporated by

1 reference as **Exhibit D – Tax Incremental District Number 20**). The Property is within the
2 boundaries of the District and the transaction contemplated by Purchase and Sale
3 Agreement, the Development Agreement and this Agreement is essential to the viability of
4 the District.

5 a. The Project to be developed by the Developer benefits the surrounding
6 neighborhood and West Allis (i.e. the City and the Authority) as a whole. West Allis
7 has determined that the Project is consistent with Project Plan and the City’s 2040
8 Master Plan as of May 29, 2024.

9 b. West Allis desires to encourage economic development, expand the tax
10 base, and create new jobs within the area, all in furtherance of and in compliance
11 with the TID Project Plan and the Master Plan. West Allis finds that the Project and
12 this Agreement are in the vital and best interests of West Allis and its residents and
13 serve a public purpose in accordance with state and local law.

14 c. The Project would not occur without the financial participation of West Allis
15 as provided herein.

16 d. The City has created a Tax Incremental Financing District to facilitate the
17 actions and financings described in this Agreement. Property taxes paid on
18 properties located within TID in excess of those paid on the base valuation are
19 referred to as “Tax Increments.”

20 **3. TID Law**. All terms that are capitalized but not defined in this Agreement and that are
21 defined under the Tax Increment Law shall have the definitions assigned to such terms by the Tax
22 Increment Law in Section 66.1105 of Wisconsin Statutes.

23 **4. Financial Assistance**. West Allis hereby agrees to provide to the Developer for the
24 Project the following financial incentives and financial assistance:

1 a. Property Conveyance. The City owns the Project area and hereby agrees to
2 convey the Property to the Developer or its affiliate for \$1 in accordance with the terms of the
3 Purchase and Sale Agreement.

4 b. Developer Municipal Revenue Obligation. West Allis will provide to the
5 Developer an amount not to exceed \$4,057,961 of “Pay Go” TIF payments (referred to as “D-
6 MRO”) to the Developer based on the estimates provided in **Exhibit E – TIF Model of the**
7 **Development Financing Agreement** plus the D-MRO Shortfall.¹ The amount of each annual
8 payment will vary based upon the Projects increment paid. Estimated payments are
9 provided on Exhibit F and were prepared and modeled by the City’s TIF consultant Ehlers and
10 hereby attached. The Annual Payment will be made based upon the actual Tax Increment
11 received by West Allis but can be greater than or less than the amount shown in Exhibit F.
12 Adjustments to the amount paid in any year of the D-MRO Schedule shall not amend or
13 modify the maximum total amount of D-MRO, estimated at \$4,057,961. This Section 4(b) of
14 the Agreement evidences the obligation of West Allis to make the D-MRO payments to the
15 Developer in accordance with the final D-MRO Estimated Schedule. The sole source of the
16 repayment for the D-MRO will be Tax Increments from the Project. Installments of the D-
17 MRO shall commence on October 1 in the first year that project generates Tax Increment and
18 will be due and payable on each October 1 thereafter, through October 1, 2052. At the
19 closing on the sale of the Property to the Developer (the “Closing”), at the Developer’s
20 request, West Allis will issue an estimated payment schedule to evidence the D-MRO (the D-
21 MRO Estimated Schedule”), as attached and incorporated herein as **Exhibit F - TID #20-6400**

¹ West Allis and Developer acknowledge and agree that the net present value of the D-MRO calculated in Exhibit IIII (\$1,592,420) is less than the originally agreed-upon D-MRO (\$1,665,533), resulting in a shortfall of \$73,133 (the “D-MRO Shortfall”). As a result, West Allis agrees to first contribute any Net Savings allocable to West Allis pursuant to Section 8 of this Agreement toward the D-MRO Shortfall for the benefit of Developer before depositing any such Net Savings into the TID Fund Balance.

1 **Block Cash Flow Projection**, to effect a total of disbursement in the estimated amount of
2 \$4,057,961 over the 27 years following the Closing based on the final D-MRO Schedule.

3 c. Environmental Assistance. West Allis will utilize funds from an EPA
4 Assessment grant to assist with additional environmental costs on City owned land. Other
5 environmental costs beyond the Phase II following closing, shall be the responsibility of the
6 Developer.

7
8 **5. Takeout Refinancing**. The Developer anticipates a Takeout Refinancing (as hereinafter
9 defined) of Debt Financing within twelve (12) months following Project Stabilization (as hereinafter
10 defined). If sufficient Takeout Proceeds (as hereinafter defined) are available, Developer shall
11 make a payment to the Authority out of the Takeout Proceeds within fifteen (15) months following
12 Project Stabilization.

13
14 a. the Takeout Payment shall not cause the projected cash-on on-cash return on the
15 Investor Equity (as hereinafter defined) for the year immediately following the date of the Takeout
16 Refinancing to be less than 7% based on the NOI (as hereinafter defined); and,

17 b. the Debt Service Coverage Ratio (“DSCR”) in the year immediately following the closing
18 of the Takeout Refinancing must be at least 1.20 based upon the action terms of the Takeout
19 Refinancing and the NOI.

20 As used herein, “NOI” shall mean the net operating income from the Project that is equal to
21 the actual in-place net operating income from the 12-month period immediately preceding the
22 closing of the Takeout Refinancing.

1 c. Definition of Takeout Refinancing. As used herein, "Takeout Proceeds" shall mean
2 proceeds available to Developer from the Takeout Refinancing less: (i) payment of all closing costs
3 in connection with the Takeout Refinancing, (ii) payment of all sums required to satisfy existing
4 mortgages on the Property, (iv) establishment of reasonable reserves, including, without limitation,
5 any reserves required by the Takeout Lender (as defined below); and (vi) payment of all sums
6 required to pay the current year and any and all accrued preferred returns to investors in the
7 Project, under the Project's limited liability company agreement.

8 d. Underwriting Criteria for Takeout Refinancing. The Parties acknowledge and agree that
9 the total loan amount for the Takeout Refinancing will be subject to Developer's sole discretion and
10 subject to Developer's then-current underwriting criteria.

11 **6. Application of Tax Increments.** The West Allis annual budget, as prepared by staff
12 and as submitted to City's Common Council for approval, will include payments on the D-MRO to
13 be made in such budget year, and that its staff will request the necessary appropriation from the
14 Common Council for the portion amount of the Tax Increments of the Property minus
15 administrative fees, to be generated that year, will advise the Common Council of any effect on
16 City's credit rating of any failure to appropriate sufficient funds toward payment of D-MRO, and will
17 exhaust all available administrative reviews and appeals in the event that that portion of the budget
18 is not approved.

19 Increments shall be applied as follows:

20 a. Payment of any outstanding City administration fees for certain expenses in
21 connection with the administration of the TIF #20 and administration of the D-MRO as outlined in
22 the **Exhibit F**.

1 b. Payment of annual payment of the D-MRO as set forth in **Exhibit G** attached hereto.

2 c. The Tax Increments shall be calculated based on the tax incremental base value
3 and the actual value increment for the Property, as determined annually by City.

4 Any amounts due in any year for the City TID Administration Fee and the D-MRO shall carry
5 over until paid or waived upon closure of TID #20. The City TID Administration Fee and D-MRO
6 shall carry over without interest.

7 **7. Developer Completion Guaranty.** Developer shall provide West Allis with a Guaranty of
8 Completion for the Project. "Completion" shall be defined as the issuance of the Certificate of
9 Completion (as defined in the Development Agreement). Upon Completion, the Guaranty of
10 Completion shall be released in its entirety. The form of the Guaranty of Completion is attached
11 hereto as **Exhibit - H Completion Guaranty.**

12 **8. Savings Agreement.** West Allis and the Developer have agreed on a final Project Budget
13 for the Project substantially in the form attached as **Exhibit C** (the "Project Budget"). West Allis will
14 be engaging, at its expense, a construction cost consultant to review the Project Budget and to
15 monitor final costs. West Allis agrees in good faith to consider using the same construction cost
16 consultant as is being used by the Developer's Lender in connection with the Project. The
17 Developer agrees to cooperate with the consultant and provide such information as the consultant
18 may request to satisfy this section.

19 a. Cost Savings Definition. "Cost Savings" shall mean the difference, if any,
20 between (i) total disbursements by or on behalf of the Developer, its affiliates, or their
21 assignees in connection with the Project and (ii) the Project Budget. Amounts remaining
22 unspent in any category within the Project Budget may be used to offset cost overruns in

1 any other category of the Project Budget. West Allis acknowledges that in order to maximize
2 the success of the Project, is critical for the Developer to maintain discretion over the
3 application of the Cost Savings to toward various items in the Project Budget. West Allis
4 agrees that the Developer need not obtain the prior approval of West Allis as it relates to the
5 application of Cost Savings, provided, the Developer agrees to apply Costs Savings in good
6 faith based on commercially reasonable business judgment.

7 b. Application of Cost Savings. Upon Project Stabilization (defined below),
8 Cost Savings shall be applied in the following priority:

9 i. The Developer shall fund into an account (the "Capital Reserve Account")
10 an amount equal to \$40,769.00 to pay for replacement costs, capital improvements
11 and non-routine operating expenses associated with the Project, including without
12 limitation, construction defects and failures to the extent not covered by applicable
13 warranties, and deductibles on insurance claims without the prior consent of the
14 West Allis; then

15 ii. Any remaining Costs Savings after item (i) above ("Net Savings") shall be
16 paid 50% to the West Allis and 50% to the Developer. West Allis shall deposit any
17 Net Savings it receives (1) first to satisfy any current D-MRO Shortfall between the
18 \$1,592,420 Net Present Value outlined in Exhibit F and the \$1,665,533 Total D-MRO
19 as outlined in Section 4.b above, then (2) into the TID Fund Balance. This calculation
20 and distribution of Net Savings negates the need for any other current or future
21 Project Budget-related reductions of the Total D-MRO of D-MRO payment streams.

1 c. Capital Reserve Account. Developer and West Allis hereby acknowledge
2 and agree that Developer shall have the right to withdraw funds from the Capital
3 Reserve Account during the two-year period commencing at Project Stabilization
4 (the "Reserve Period") to pay for replacement costs, and non-routine operating
5 expenses, including without limitation, construction defects and failures to the
6 extent not covered by applicable warranties, and deductibles on insurance claims
7 without the prior consent of West Allis. Upon the expiration of the Reserve Period,
8 any funds remaining in the Capital Reserve Account shall be distributed 40% to
9 West Allis and 60% to the Developer. West Allis shall deposit any such distribution
10 it receives (1) first, to satisfy any D-MRO Shortfall, and then (2) into the TID Fund
11 Balance.

12 d. Calculation of Net Savings. Final determination of Net Savings shall be
13 made by West Allis's construction cost consultant, in good faith and acting
14 reasonably, subject to the reasonable review and approval of Developer. The
15 calculation of the actual cost of the Project and therefore the determination of Net
16 Savings will conform to the disbursement records of the Developer's construction
17 lender and a qualified Title Insurance Company. Within 60 days following Project
18 Stabilization, Developer shall provide West Allis and its construction cost
19 consultant with a detailed description of the actual costs of the Project in a manner
20 and format consistent with the original Project Budget. West Allis or its consultant
21 may request any additional support or verification as may be reasonably needed,
22 including invoices and other proof of payments to compare the final cost to the
23 original Project Budget.

1 **9. Project Stabilization Definition.** “Project Stabilization” shall mean the earlier of

2 (a) the date upon which the Project has achieved and maintained 95% physical occupancy of
3 apartments available for rent (i.e., excluding from total apartment count, models and units
4 occupied for marketing and management purposes) continuously over any ninety (90) day period or
5 (b) the fifth (5th) anniversary of the date of Closing. Notwithstanding the foregoing, Developer may
6 make a distribution of all or any percentage of Net Savings payable to West Allis prior to achieving
7 95% physical occupancy if necessary or desirable to comply with any applicable loan covenants
8 and obligations in effect in connection with any Debt Financing.

9 **10. Profit Participation.**

10 a. Profit Participation Triggers. In further consideration of the participation by
11 West Allis in this Agreement, and as more particularly provided below, upon the occurrence
12 (during the time in which TID #20 remains open) of: 1) a sale by Developer or its affiliate of
13 the Project or the conveyance of greater than a majority and controlling interest in
14 Developer or its affiliate then owning the Project to any third-party unrelated to Developer (a
15 “Sale”); or 2) a Cash Out Refinancing (as defined below) of the Project (each a “Trigger
16 Event”), West Allis shall be entitled to a one-time Profit Participation for each Trigger Event
17 as hereinafter provided.

18 b. Contingent Payment and Definition.

19 If Net Proceeds (as hereinafter defined) resulting from a Sale or Cash Out
20 Refinancing, and provided further that the conditions outlined below are satisfied, in
21 sufficient amounts to result in the total Investor Equity (as hereinafter defined) realizing a
22 Levered Before-Tax Internal Rate of Return, to be determined based on the methodology

1 reflected in the example calculation attached hereto as **Exhibit I – Calculation of Rate of**
2 **Return** and in accordance with standard industry practice (“IRR”) (i) in excess of 15%, then,
3 then 20% of the remaining proceeds shall be paid to the Authority, or (ii) in excess of 18%,
4 then, 50% of the remaining proceeds shall be paid to the Authority (each, the “Contingent
5 Payment”). There shall be no Contingent Payment if the IRR realized is below 15%. The
6 Authority shall deposit any Profit Participation it receives into (1) first, to satisfy any D-MRO
7 Shortfall, and then (2) into the TID Fund Balance.

8 c. Definition of Investor Equity. As used herein, “Investor Equity” shall mean
9 the cash invested into the Project by investor members including the Developer.

10 d. Definition of Cash Out Refinancing. “Cash Out Refinancing” mean
11 refinancing of the Project that generates sufficient cash to directly result in a cash
12 distribution to the Developer that results in the members receiving a return of all their
13 capital and the preferred returns and distributions earned through the date of such event,
14 and the Developer receiving a return of all its capital and preferred returns. As necessary,
15 the amount of Net Proceeds for purposes of calculating the IRR from partial cash out
16 financings, where cash is distributed to the members but in insufficient amounts to return
17 all of such capital and returns, and partial Sale events after which Developer retains a
18 continued ownership interest in the Project, will be accumulated for purposes of
19 establishing the total amount of Net Proceeds for purposes of calculating the IRR and will
20 not be paid until the total amount of the Net Proceeds can be calculated. Unless otherwise
21 agreed to by the Developer and West Allis, the Profit Participation shall be paid in one lump
22 sum pursuant to the terms and provisions herein and as more particularly set forth below.

1 e. Definition of Net Proceeds. “Net Proceeds” is herein defined to mean the
2 gross sale or refinancing proceeds, less:

3 i. Costs of the sale and customary costs of closing or the costs of
4 refinancing, such as title insurance, closing fees, brokers’ fees, lenders’ fees and
5 points, taxes, recording fees, transfer fees, expense prorations, accounting
6 expenses and attorneys’ fees;

7 ii. Amounts due lender(s) under the notes and financing agreements
8 for the Project (including any working capital loans or other advances of funds made
9 by Developer or any of its members or affiliates for the Project); and

10 iii. Investor Equity, including any accrued and unpaid preferred return
11 thereon.

12 f. Timing of Payment. Upon the occurrence of a Trigger Event that requires the
13 Developer to pay the Profit Participation, the Developer shall have up to ninety (90) days after
14 the determination of the amount of the Profit Participation to make such payments. Any
15 determination shall be made utilizing a final closing statement from such Trigger Event.

16 g. West Allis Ongoing Obligations. If a Sale occurs before closure of TID #20,
17 West Allis agrees to (i) continue to make the scheduled payments of the D-MRO (to the
18 extent not already fully disbursed), to disburse payments either to the Developer, or at
19 Developer’s option, to the purchaser of the Project or to the purchaser of the controlling
20 interest in Developer or to the then owner of the Project (to the extent not already fully
21 disbursed), and (ii) to continue administering and operating TID #20 in accordance with this
22 Agreement.

1 **11. Conditions to the Parties' Obligations.** The parties' obligations to complete their
2 respective obligations are conditioned on the following being satisfied:

3 a. Zoning & Design Review. The City shall have approved any and all licenses,
4 permits and approvals required for the construction of the Project.

5 b. Evidence of Financing. Evidence that the Developer has secured sufficient
6 financing commitments to enable the Project to proceed.

7 c. Legal Agreements. The Purchase and Sale Agreement, the Development
8 Agreement and this Agreement have been executed and delivered by the applicable parties
9 thereto and all of the conditions to the closing on the Property and the development of the
10 Project have been satisfied or waived by the party benefiting therefrom (collectively, the
11 "Legal Agreements").

12 d. City Financing Approvals. The City shall have approved and shall have taken
13 all actions necessary on the part of the municipality, to properly authorize the above-
14 contemplated actions, investments, contracts and findings, including issuance of the D-
15 MRO and the Legal Agreements.

16 **12. Prevailing Wage Not Required.** City is not aware of any obligations on the part of
17 the Developer arising out of any obligation of or to West Allis that would require Developer
18 to enforce, impose or apply any prevailing wage requirements or any other wage or labor
19 affiliation restrictions on its contractors in connection with any aspect of the Project. City
20 is not aware of any requirement that municipal bidding procedures be utilized to select a
21 contractor for any of the contemplated work.

22 **13. PILOT and Shortfall Agreement.**

1 a. PILOT. Ownership and/or use of the Property, or any part thereof, by any
2 person, partnership, corporation, or entity, which in any manner renders any part of the
3 Property exempt from property taxation during the life of TID #20 shall result in a payment in
4 lieu of taxes from the owner of that portion of the Property that is so exempt to the City each
5 year in an amount equal to the amount of taxes that would be due and owing on that portion
6 of the Property if that portion was not tax exempt (the “PILOT Payment”). The PILOT
7 Payment shall be calculated based on the value of the Property for the applicable tax year
8 determined by the City’s Assessor’s office multiplied by the City’s property tax rate for the
9 applicable tax year. Such payment shall be due, payable and collected in the same manner
10 as property taxes, to the extent permitted by law. The Developer, its successors, and
11 assigns as the owners or occupants of the Property waive the right to contest the validity of
12 this provision. This Section shall automatically terminate upon the termination of TID #20.

13 b. Tax Contest. In consideration of West Allis providing the financial
14 assistance outlined in Section 4 of this Agreement, Developer, its successors, assigns, or
15 affiliates, agree to not challenge any property tax assessment levied against the Project
16 prior to the termination of TID #20 except that any or all of them may contest any such
17 property tax assessment but only in good faith and only if and to the extent any such
18 property tax assessment is in excess of the anticipated minimum assessed value of the
19 Property in the same particular tax year as set forth in Exhibit F.

20 c. Change in Method of Taxation. To the extent in compliance with applicable
21 law, if any tax, assessment or like charge is imposed on or assessed against the Project or
22 the use and operations thereof or income therefrom, as an alternative to, a replacement of,
23 or as supplemental to, any or all of the property taxes that are intended by the parties
24 hereto to constitute the Tax Increments, or increment or like revenues under the tax

1 increment law or any equivalent, then such taxes, assessments, and charges shall be
2 deemed to be Tax Increments hereunder and shall be disbursed as set forth in this
3 Agreement. Notwithstanding the foregoing, special assessments and special charges
4 levied by the City for permitted purposes, such as to pay for improvements and services,
5 shall not be included as Tax Increments.

6 **14. Assignment of Agreement.** This Agreement and all rights and obligations therein,
7 including but not limited to the indemnification's provisions thereunder, may be assigned in whole
8 or in part by the Developer to an affiliated entity upon notice to West Allis. However, upon notice
9 to West Allis, Developers may assign this Agreement to an affiliated entity or to its lender in
10 connection with a mortgage on the Property, subject to all terms and conditions of this Agreement.
11 This Agreement may also be collaterally assigned in whole or in part by the Developer to any lender
12 or lenders holding a mortgage on all or any part of the Property. No such lender shall have any
13 liability hereunder unless said lender elects to effectuate such assignment and exercise the
14 Developer's rights hereunder. Upon any such assignment, references to Developer contained in
15 this Agreement shall refer to the assignee, unless the assignment expressly provides otherwise, it
16 being understood, for example, that Developer or any assignee of Developer may elect to retain the
17 benefits of the D-MRO and is not required to assign the D-MRO to the owner of the Property;
18 provided, however, that the obligations of Section 11 and 13 shall be binding on Developer and its
19 successors and assigns. For avoidance of doubt, this Agreement, and all rights, benefits and
20 obligations thereunder, shall run with the land and may be transferred with the Property, without
21 additional approval or consent of any party, upon any sale or conveyance by Developer as
22 contemplated by Section 15 of the Development Agreement.

1 **15. No Partnership or Venture.** The Developer and its contractors or subcontractors shall
2 be solely responsible for the completion of the Project. Nothing contained in this Agreement shall
3 create or effect any partnership, venture or relationship between West Allis and the Developer or
4 any contractor or subcontractor employed by the Developer in the construction of the Project. No
5 elected official, member, officer, or employee of West Allis during his/her tenure or for one year
6 thereafter, will have or shall have had any interest, direct or indirect, in this Agreement or any
7 proceeds thereof.

8 **16. Notices.** All notices permitted or required by this Agreement shall be given in
9 writing and shall be considered given upon receipt if hand delivered to the party or person
10 intended, or one calendar day after deposit with a nationally recognized overnight commercial
11 courier service, or two (2) business days after deposit in the United States mail, postage prepaid,
12 by certified mail, return receipt requested, addressed by name and address to the party or person
13 intended as follows:

14 To Authority: Community Development Authority of the City
15 of West Allis
16 Executive Director
17 West Allis City Hall
18 7525 W. Greenfield Avenue
19 West Allis, WI 53214
20

21 To the City: City of West Allis
22 Office of the City Attorney
23 7525 W. Greenfield Avenue
24 West Allis, WI 53214
25 Attention: City Attorney
26

27 To Developer: Six Points Square LLC
28 2921 North 70th Street
29 Milwaukee, WI 53210
30 Attn. Jeffrey J. Hook
31 Email: jhook@JH3group.com
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With a copy to: Peter J. Faust, Attorney at Law
O’Neil, Cannon, Hollman, DeJong and Laing S.C.
111 E. Wisconsin Avenue, Suite 1400
Milwaukee, WI 53202
Attn: Peter J. Faust

9 **17. Representations and Warranties.**

10 The provisions of Section 13 of the Purchase and Sale Agreement are incorporated herein.

11 **18. Term and Termination.** The term of this Agreement shall begin on the date of this
12 Agreement first set forth above and shall continue until, unless sooner terminated in accordance
13 with this Agreement, until the termination by the City of Tax Incremental District Number 20 in
14 accordance with this Agreement and pursuant to § 66.1105(7), Wis. Stats., as amended.

15 **19. Default.** The provisions of Section 34 of the Purchase and Sale Agreement are
16 incorporated herein.

17 **20. Successors and Assigns.** This Agreement shall be binding upon and inure to the
18 benefit of the successors and assigns of Developers; however, this provision shall not constitute
19 an authorization for Developers to assign or transfer its rights and obligations under this Agreement
20 except as provided in this Agreement.

21 **21. Further Assurances.** Following the Closing, each of the Parties will take such
22 further actions and execute and deliver such additional documents and instruments as may be

1 reasonably requested by any other Party in order to perfect and complete the financing of the
2 Project as described herein as well as any other transactions specifically contemplated herein.

3 **22. Waiver of Terms.** Except as otherwise provided herein, any of the terms or
4 conditions of this Agreement may be waived at any time by the Party or Parties entitled to benefit
5 thereof, but only by a written notice signed by the Party or Parties waiving such terms or conditions.
6 The waiver of any term or condition shall not be construed as a waiver of any other term or
7 condition of this Agreement.

8 **23. Amendment of Agreement.** This Agreement may be amended, supplemented, or
9 modified at any time, but only by a written instrument duly executed by West Allis and the
10 Developer.

11 **24. Governing Law and Venue.** This Agreement shall, in all respects whether as to
12 validity, construction, capacity, performance, or otherwise, be governed by the laws of the
13 State of Wisconsin. Any suit or proceeding arising out of or related to this Agreement shall be
14 commenced and maintained only in a court of competent jurisdiction in the state or federal courts

1 located in Milwaukee County, Wisconsin. Each party irrevocably consents to submit to the
2 exclusive jurisdiction of such courts.

3 **25. Execution in Counterparts.** This Agreement may be executed simultaneously in
4 one or more counterparts, each of which shall be deemed an original Agreement, but all of which
5 together shall constitute one and the same instrument.

6 **26. Titles and Headings.** Titles and headings to sections or subsections are for
7 purposes of references only and shall in no way limit, define, or otherwise affect the provisions
8 herein.

9 **27. Entire Agreement.** This Agreement, including the schedules and Exhibits annexed
10 hereto, constitute the entire agreement and supersede all other prior agreements and
11 understandings, both written and oral, by the Parties or any of them, with respect to the subject
12 matter hereof.

13 **28. Interpretation.** Unless the context requires otherwise, all words used in this
14 Agreement in the singular number shall extend to and include the plural, all words in the plural
15 number shall extend to and include the singular, and all words in any gender shall extend to and
16 include all genders, and the Exhibits annexed hereto shall be interpreted in harmony with the terms
17 and provisions of this Agreement.

18 **29. Construction.** The West Allis and the Developer acknowledge that each party and
19 its counsel have reviewed and revised this Agreement and that the normal rule of construction to

1 the effect that any ambiguities are to be resolved against the drafting party shall not be employed in
2 the interpretation of this Agreement or any amendments or exhibits hereto.

3 **30. Severability.** If any term or provision of this Agreement is determined to be invalid,
4 illegal or incapable of being enforced by any rule or law, or public policy, all other conditions and
5 provisions of this Agreement shall nevertheless remain in full force and effect.

6 **31. Survive the Closing.** The agreements, covenants, warranties and representations
7 contained herein shall survive the Closing of the transaction contemplated herein.

8 **32. Binding Effect.** The terms and conditions of this Agreement shall be binding upon
9 and benefit the Parties and their respective successors and assigns.

10 **33. Good Faith.** The Parties covenant and agree to act in good faith in the performance
11 and enforcement of the provisions of this Agreement.

12 **34. Miscellaneous.**

13 a. **Mutual Assistance.** West Allis and Developer shall do all things reasonably
14 necessary or appropriate to carry out the terms, provisions and obligations of this
15 Agreement and to aid and assist each other in carrying out this Agreement, including,
16 without limitation, the giving of notices, the holding of public hearings, the enactment by
17 City of resolutions and ordinances, and the execution and delivery of documents,
18 instruments, petitions and certifications. West Allis and Developer shall cooperate fully
19 with each other in seeking from any or all appropriate governmental bodies (whether
20 federal, state, county or local) any approvals and permits that are reasonably necessary or
21 desirable.

1 b. Captions. The captions in this Agreement are inserted only as matters of
2 convenience and for reference and in no way define or limit the scope or intent of the
3 various provisions, terms or conditions hereof.

4 c. Third-Party Beneficiaries. This Agreement creates rights and obligations only
5 for the Parties hereto and their permitted successors and assigns, except as stipulated in
6 this Agreement.

[SIGNATURES CONTINUE ON FOLLOWING PAGE]

AGREED TO BY AND BETWEEN the Developer, the Authority, and the City on the date first set forth above.

**Community Development Authority of the City of
West Allis**

By: _____

Patrick M. Schloss, Executive Director

Dated: _____

CITY OF WEST ALLIS

By: _____

Dan Devine, Mayor

Dated: _____

By: _____

Rebecca Grill, City Administrator and City Clerk

Dated: _____

Six Points Square LLC

By: _____

Jeffrey J. Hook, Manager

Dated: _____

Exhibit A - Legal Description to the Developer Finance Agreement.

CERTIFIED SURVEY MAP NO. _____

BEING A REDIVISION OF LOTS 1 THRU 9, BLOCK 1, IN THE FIRST CONTINUATION OF THE SOLDIERS' HOME HEIGHTS SUBDIVISION AND THE SOUTH 15 FEET OF LOT 12, BLOCK 11 IN SECOND CONTINUATION OF SOLDIERS' HOME HEIGHTS SUBDIVISION, BEING PART OF THE SOUTHEAST 1/4 AND SOUTHWEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 34, TOWNSHIP 7 NORTH, RANGE 21 EAST, IN THE CITY OF WEST ALLIS, MILWAUKEE COUNTY, WISCONSIN.

ALL BEARINGS REFERENCED TO THE WISCONSIN COUNTY COORDINATE SYSTEM, MILWAUKEE COUNTY. THE SOUTH LINE OF THE SOUTHEAST 1/4 OF SECTION 34 HAVING A BEARING OF N 89°32'23"

+ SET CROSS

○ INDICATES 1 INCH DIA. IRON PIPE, 18 INCHES IN LENGTH, WEIGHING 1.68 LBS PER LINEAL FOOT, SET.

● INDICATES 1 INCH DIA. IRON PIPE FOUND.

(N89°36'E 214.52') DENOTES RECORDED AS BEARINGS AND DISTANCES



civil design and consulting

9205 W. Center Street
Suite 214
Milwaukee, WI 53222
PH. (414) 443-1312
www.cj-engineering.com

PREPARED FOR:

CITY OF WEST ALLIS
WEST ALLIS COMMUNITY
DEVELOPMENT AUTHORITY
7252 W GREENFIELD AVE.
WEST ALLIS, WI 53214

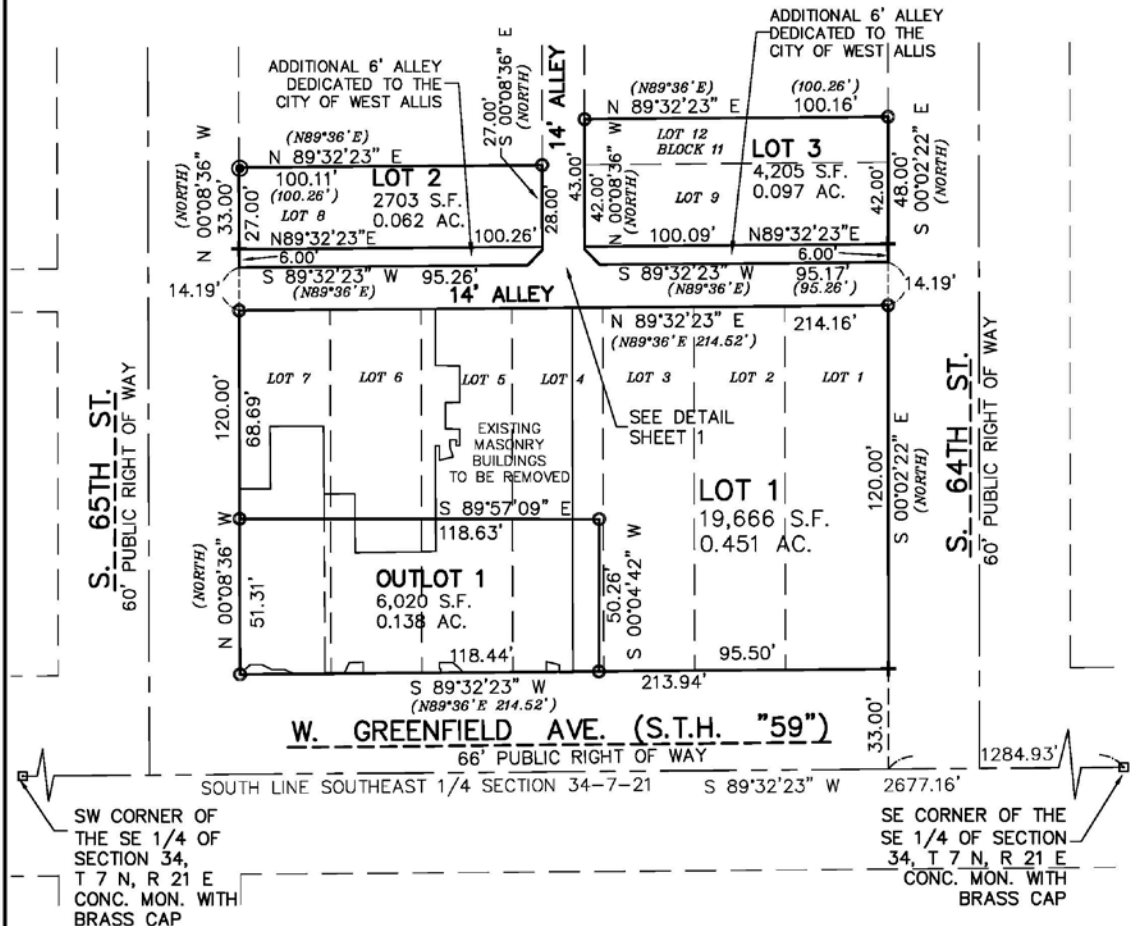


Exhibit B – Project Plans – Development Finance Agreement

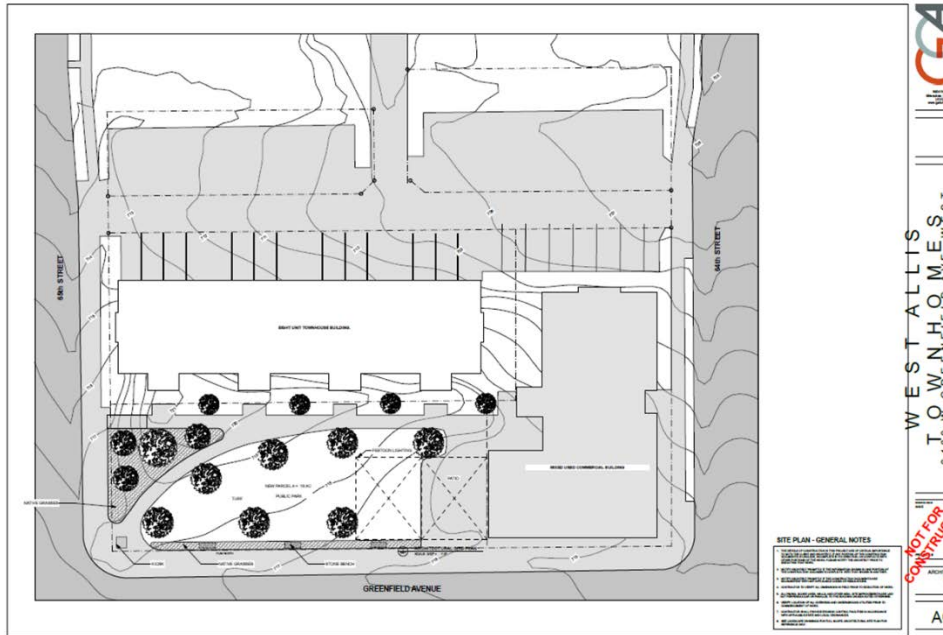


Exhibit C – Project Costs - Development Finance Agreement -

Land Acquisition		\$	1.00
Site Prep Costs/Off Sites		\$	235,550.00
Park Design and Construction		\$	171,000.00
Construction Hard Costs		\$	5,673,609.00
Construction Contingency		\$	111,840.00
Architectural		\$	400,000.00
GCs / Proj Mgmt / Dev Fees		\$	385,149.00
Testing and Surveying		\$	32,950.00
Insurance and Taxes		\$	40,000.00
Title / Appraisal / Financing Cost		\$	191,400.00
Interest / Operating Reserve		\$	253,830.00
Development Contingency		\$	146,093.00
Total		\$	7,641,422.00

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EXHIBIT D
TO
DEVELOPMENT FINANCING AGREEMENT

Project Plan

The Project Plan for Tax Incremental District Number 20 is on file in the office of the City Clerk and is incorporated herein by reference.

EXHIBIT -E

Development Finance Agreement TIF #20 Cash Flow

<p align="center">City of West Allis, Wisconsin Tax Increment District No. 20 Tax Increment Projection Worksheet</p>								
Type of District	Blighted Area		Base Value			0		
District Creation Date	January 1, 2024		Economic Change Factor			1.00%		
Valuation Date	Jan 1,	2024	Apply to Base Value					
Max Life (Years)	27		Base Tax Rate			\$ 20.10		
Expenditure Period/Termination	22	1/1/2046	Rate Adjustment Factor			0.00%		
Revenue Periods/Final Year	27	2052						
Extension Eligibility/Years	Yes	3						
Eligible Recipient District	Yes							
Construction Year	Value Added	Valuation Year	Economic Change	Total Increment	Revenue Year	Tax Rate ¹	Tax Increment	
1 2024	0	2025	0	0	2026	\$20.10	0	
2 2025	7,454,200	2026	0	7,454,200	2027	\$20.10	149,801	
3 2026	0	2027	74,542	7,528,742	2028	\$20.10	151,299	
4 2027	0	2028	75,287	7,604,029	2029	\$20.10	152,812	
5 2028	0	2029	76,040	7,680,070	2030	\$20.10	154,340	
6 2029	0	2030	76,801	7,756,870	2031	\$20.10	155,883	
7 2030	0	2031	77,569	7,834,439	2032	\$20.10	157,442	
8 2031	0	2032	78,344	7,912,784	2033	\$20.10	159,016	
9 2032	0	2033	79,128	7,991,911	2034	\$20.10	160,607	
10 2033	0	2034	79,919	8,071,830	2035	\$20.10	162,213	
11 2034	0	2035	80,718	8,152,549	2036	\$20.10	163,835	
12 2035	0	2036	81,525	8,234,074	2037	\$20.10	165,473	
13 2036	0	2037	82,341	8,316,415	2038	\$20.10	167,128	
14 2037	0	2038	83,164	8,399,579	2039	\$20.10	168,799	
15 2038	0	2039	83,996	8,483,575	2040	\$20.10	170,487	
16 2039	0	2040	84,836	8,568,411	2041	\$20.10	172,192	
17 2040	0	2041	85,684	8,654,095	2042	\$20.10	173,914	
18 2041	0	2042	86,541	8,740,636	2043	\$20.10	175,653	
19 2042	0	2043	87,406	8,828,042	2044	\$20.10	177,410	
20 2043	0	2044	88,280	8,916,323	2045	\$20.10	179,184	
21 2044	0	2045	89,163	9,005,486	2046	\$20.10	180,976	
22 2045	0	2046	90,055	9,095,541	2047	\$20.10	182,785	
23 2046	0	2047	90,955	9,186,496	2048	\$20.10	184,613	
24 2047	0	2048	91,865	9,278,361	2049	\$20.10	186,459	
25 2048	0	2049	92,784	9,371,145	2050	\$20.10	188,324	
26 2049	0	2050	93,711	9,464,856	2051	\$20.10	190,207	
27 2050	0	2051	94,649	9,559,505	2052	\$20.10	192,109	
Totals	7,454,200		2,105,305		Future Value of Increment		4,422,961	
Notes:								
¹ Tax rate shown is actual 2023/2024 rate per DOR Form PC-202 (Tax Increment Collection Worksheet).								

EXHIBIT -F Development Finance Agreement TIF #20 Cash Flow

City of West Allis, Wisconsin										
Tax Increment District No. 20										
Cash Flow Projection										
Year	Projected Revenues			Projected Expenditures			Balances			Year
	Tax Increments	Interest Earnings	Total Revenues	Municipal Revenue Obligation (PAYGO)	Ongoing Planning & Admin.	Total Expenditures	Annual	Cumulative	Liabilities Outstanding	
2024			0		45,000	45,000	(45,000)	(45,000)	0	2024
2025			0	0	25,000	25,000	(25,000)	(70,000)	0	2025
2026	0		0	0	25,000	25,000	(25,000)	(95,000)	4,057,961	2026
2027	149,801		149,801	42,301	12,500	54,801	95,000	0	4,015,660	2027
2028	151,299		151,299	138,799	12,500	151,299	0	0	3,876,862	2028
2029	152,812		152,812	140,312	12,500	152,812	0	0	3,736,550	2029
2030	154,340		154,340	141,840	12,500	154,340	0	0	3,594,710	2030
2031	155,883		155,883	143,383	12,500	155,883	0	0	3,451,327	2031
2032	157,442		157,442	144,942	12,500	157,442	0	0	3,306,385	2032
2033	159,016		159,016	146,516	12,500	159,016	0	0	3,159,868	2033
2034	160,607		160,607	148,107	12,500	160,607	0	0	3,011,762	2034
2035	162,213		162,213	149,713	12,500	162,213	0	0	2,862,049	2035
2036	163,835		163,835	151,335	12,500	163,835	0	0	2,710,714	2036
2037	165,473		165,473	152,973	12,500	165,473	0	0	2,557,741	2037
2038	167,128		167,128	154,628	12,500	167,128	0	0	2,403,113	2038
2039	168,799		168,799	156,299	12,500	168,799	0	0	2,246,814	2039
2040	170,487		170,487	157,987	12,500	170,487	0	0	2,088,826	2040
2041	172,192		172,192	159,692	12,500	172,192	0	0	1,929,134	2041
2042	173,914		173,914	161,414	12,500	173,914	0	0	1,767,720	2042
2043	175,653		175,653	163,153	12,500	175,653	0	0	1,604,567	2043
2044	177,410		177,410	164,910	12,500	177,410	0	0	1,439,658	2044
2045	179,184		179,184	166,684	12,500	179,184	0	0	1,272,974	2045
2046	180,976		180,976	168,476	12,500	180,976	0	0	1,104,498	2046
2047	182,785		182,785	180,285	2,500	182,785	0	0	924,213	2047
2048	184,613		184,613	182,113	2,500	184,613	0	0	742,100	2048
2049	186,459		186,459	183,959	2,500	186,459	0	0	558,140	2049
2050	188,324		188,324	185,824	2,500	188,324	0	0	372,316	2050
2051	190,207		190,207	187,707	2,500	190,207	0	0	184,609	2051
2052	192,109		192,109	184,609	7,500	192,109	0	0	0	2052
Totals	4,422,961	0	4,422,961	4,057,961	365,000	4,422,961				Totals

Net Present Value @ 6.5%	\$1,592,420	PROJECTED CLOSURE YEAR
LEGEND:		
-----		END OF EXP. PERIOD

Exhibit G

TO

DEVELOPMENT FINANCING AGREEMENT

TAX INCREMENT PROJECT REVENUE BOND

UNITED STATES OF AMERICA

STATE OF WISCONSIN

COUNTY OF MILWAUKEE, CITY OF WEST ALLIS

<u>Number</u>	<u>Rate</u>	<u>Date of Original Issue</u>	<u>Amount</u>
R-	[____%]	March 1, 20____	Principal Amount, as defined herein

FOR VALUE RECEIVED, the City of West Allis, Milwaukee County, Wisconsin (the "City"), promises to pay to Six Points Square LLC, or registered assigns, but only in the manner, at the times, from the source of revenue and to the extent hereinafter provided, the Principal Amount (as defined below) together with interest thereon from the date of original issue set forth above, or the

most recent payment date to which interest has been paid, to the stated due dates of the principal installments of this Bond, at the rate per annum set forth above.

The “Principal Amount” of this Bond shall be a principal amount equal to the Project Budget (as such terms are defined in the Development Financing Agreement dated as of _____, 2024, between the City of West Allis, the Community Development Authority of the City of West Allis, and Six Points Square LLC, a Wisconsin Limited Liability Company (the “Development Financing Agreement”)) but not to exceed \$4,057,961 (D-MRO). The Principal Amount shall be determined initially as of the date of issuance of this Bond based on the Project Budget against which Shared Savings are calculated and distributed. A final determination of the total Project Budget and the Principal Amount of the Bond shall be made upon substantial completion of the Project as provided in the Development Financing Agreement.

For each Year (defined below), interest shall accrue on the outstanding Principal Amount of the Bond and the outstanding interest on the Bond determined as of the first day of that Bond Year. The outstanding Principal Amount of the Bond as of any date shall be reduced by the amount of any principal payments previously made on the Bond. For purposes of this Bond, “Bond Year” shall mean the one year period commencing on each January 1 and ending on the following December 31, except that the first Bond Year shall commence on the effective date of original issue of this Bond and end on December 31, 2024.

Assuming that the Principal Amount of the Bond is equal to the maximum Principal Amount \$4,057,961 this Bond shall be payable in installments of principal due on October 1st in each of the years and amounts as follows:

<u>Year</u>	<u>Principal</u>
2027	\$42,301
2028	\$138,799
2029	\$140,312
2030	\$141,840
2031	\$143,383
2032	\$144,942
2033	\$146,516
2034	\$148,107
2035	\$149,713
2036	\$151,335
2037	\$152,973
2038	\$154,628
2039	\$156,299
2040	\$157,987
2041	\$159,692
2042	\$161,414
2043	\$163,153
2044	\$164,910
2045	\$166,684
2046	\$168,476

2047	\$180,285
2048	\$182,113
2049	\$183,959
2050	\$185,824
2051	\$187,707
2052	\$184,609

In the event that the total Project Budget is less than projected, and therefore the final Principal Amount of the Bond is less than \$4,057,961, there shall be a reduction in the principal installments of the Bond beginning with the final maturity and then proceeding to the next preceding maturity until the total reduction of the principal installments on the Bond is equal to the amount of the reduction in Project Budget.

Interest shall be payable on October 1 in each year, commencing on October 1, 2026__ (the “Bond Payment Dates”).

This Bond has been issued to finance a project which is a part of City’s blight elimination utility, pursuant to Article XI, Section 3 of the Wisconsin Constitution and Section 66.0621, Wisconsin Statutes and acts supplementary thereto, and is payable only from the income and revenues herein described, which income and revenues have been set aside as a special fund for that purpose and identified as the “Special Redemption Fund.” This Bond is issued pursuant to a resolution adopted on _____, _____, by City’s Common Council (the “Resolution”) and the Development Financing Agreement, and is subject to the terms and conditions of said

Resolution and Development Financing Agreement. This Bond does not constitute an indebtedness of City within the meaning of any constitutional or statutory limitation or provision. The principal of and interest on this Bond shall be payable solely in amounts that do not exceed available Tax Increments (as defined in the Development Financing Agreement) received by City with respect to its Tax Incremental District Number 20 (the "Revenues"). Reference is hereby made to the Development Financing Agreement for a more complete statement of the revenues from which and conditions under which this Bond is payable, and the general covenants and provisions pursuant to which this Bond has been issued.

Revenues shall be applied first by City for the payment of Administrative Fees for the District, as set forth in the Development Financing Agreement, followed then by the payment of any principal due D-MRO).

If on any Bond Payment Date there shall be insufficient Revenues to pay the principal or interest due on this Bond, the amount due but not paid shall accumulate and be payable on the next Bond Payment Date until the final Bond Payment Date. Interest at the rate of [6.55%] per annum shall be paid on such unpaid amounts of principal and interest. The City shall have no obligation to pay any amount of principal or interest on this Bond which remains unpaid after October 1, 2052 and the owner of this Bond shall have no right to receive payment of such amounts.

This Bond (a) shall be prepaid on each Bond Payment Date in an amount equal to the amount by which the available Tax Increments collected by City in that Bond Year exceed the

amount of principal and interest due on the Bond Payment Date and (b) is subject to prepayment in whole or from time to time in part at any time, at the option of City.

Notwithstanding any payment schedule included in this Bond, or any other provision of the Development Financing Agreement or this Bond to the contrary, the amount to be paid by City each year shall be the full amount of the available Tax Increments generated that year; and in each case, the amount (if any) by which the available Tax Increments collected that year exceed the interest due and the principal installment (as stated herein) to be paid that year, shall be regarded as a mandatory prepayment of the principal hereof.

City makes no representation or covenant, express or implied that the available Tax Increments or the Revenues will be sufficient to pay, in whole or in part, the amounts which are or may become due and payable hereunder.

City's payment obligations hereunder are subject to appropriation by City's Common Council of amounts sufficient to make payments due on this Bond and are conditioned upon Developers not being delinquent in the payment of property taxes with respect to the Property.

This Bond is a special, limited revenue obligation and not a general obligation of City and is payable by City only from the source and subject to the qualifications stated or referenced herein. This Bond is not a general obligation of City, and neither the full faith and credit nor the taxing powers of City are pledged to the payment of the principal of this Bond and no property or other asset of City, except the Revenues, are or shall be a source of payment of City's obligations hereunder.

This Bond is issued by City pursuant to and in full conformity with the Constitution and laws of the State of Wisconsin.

This Bond may be transferred or assigned in whole or in part, only with the consent of City on the terms and conditions set forth in the Resolution and the Development Financing Agreement. In order to transfer or assign the Bond, the transferee or assignee shall surrender the same to City either in exchange for a new fully registered bond or for transfer of this Bond on the registration records for the Bond maintained by City. Each permitted transferee or assignee shall take this Bond subject to the foregoing conditions and subject to all provisions stated or referenced herein.

Notwithstanding the foregoing paragraph, upon the request of the holder of the Bond, the holder may assign its rights to payments on the Bond in accordance with the terms and provisions of the Development Financing Agreement, provided, however in no event shall the aggregate amount of the payments made to the holder or its assigns exceed the amount of the available Tax Increment.

It is hereby certified and recited that all conditions, things and acts required by law to exist or to be done prior to and in connection with the issuance of this Bond have been done, have existed and have been performed in due form and time.

IN WITNESS WHEREOF, the Common Council of the City of West Allis, Milwaukee County, Wisconsin, has caused this Bond to be signed on behalf of said City by its duly qualified and acting Mayor and City Clerk, and its corporate seal to be impressed hereon, all as of the date of original issue specified above.

CITY OF WEST ALLIS

MILWAUKEE COUNTY, WISCONSIN

(SEAL)

By _____

Mayor

By _____

City Clerk

REGISTRATION PROVISIONS

This Bond shall be registered in registration records kept by the City Clerk of the City of West Allis, Wisconsin, Milwaukee County, Wisconsin, such registration to be noted in the registration blank below and upon said registration records, and this Bond may thereafter be transferred only upon presentation of this Bond together with a written instrument of transfer approved by the City and duly executed by the Registered Owner or his attorney, such transfer to be made on such records and endorsed hereon.

<u>Date of Registration</u>	<u>Name of Registered Owner</u>	<u>Signature of City Clerk</u>
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Exhibit H

COMPLETION GUARANTY

This Guaranty by is made by SIX POINTS SQUARE LLC , a Wisconsin Limited Liability Company (“**Guarantor**”) to and for the benefit of the City of West Allis, Wisconsin (the “**City**”) and the Community Development Authority of the City of West Allis (the “**Authority**”). The City and the Authority will be combined parties within this Agreement and hereby called the “West Allis”.

WHEREAS, Pursuant to that certain Development Agreement and Development Finance Agreement dated of even date herewith (as amended, restated, supplemented or otherwise modified from time to time,(the “**Development Agreement**”) and (the “Development Finance Agreement:”) by the SIX POINTS SQUARE LLC (“**Developer**”), the City, and the Authority, pursuant to Section 66.1335 of the Wisconsin Statutes , have agreed to make certain financial accommodations available to Developer, on the terms and subject to the conditions set forth in the Development Agreement and Development Financing Agreement; and,

WHEREAS, pursuant to that certain Development Agreement the Developer agreed to certain terms and conditions with respect to the development and maintenance of a multifamily apartment project more particularly described in the Development Agreement (the “**Project**”); and

WHEREAS, West Allis requires, as a condition of entering into the Development Financing Agreement and the transactions related thereto, that Guarantor guaranty certain obligations of Developer to West Allis pursuant to the terms hereof; and,

WHEREAS, Guarantor will derive substantial benefits from the conduct of the Developer’s business and operations; and, by reason of the relationship with the Developer, has agreed to execute this Guaranty; and,

WHEREAS, it is in the interests of the Developer to obtain the benefits under the Development Financing Agreement.

NOW, THEREFORE, in consideration of the above premises and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Guarantor hereby agrees as follows:

1. Capitalized terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Financing Agreement
2. So long as this Guaranty is outstanding, the Guarantor represents and warrants as follows:

A. This Guaranty is legal, valid, binding upon and enforceable against such Guarantor in accordance with its terms, except as it may be limited by applicable bankruptcy, insolvency or similar laws affecting the enforcement of creditors’ rights and except as may be limited by general principles of equity. The Guarantor agrees to file, when due, all federal and state income and other tax returns, which are required to be filed, and will pay all taxes shown on said returns and on all assessments received by it to the extent that such taxes shall have become due and all extensions have expired. The Guarantor has no knowledge of any liabilities as to it, which

may be asserted against it upon audit of its federal or state tax returns for any period that remains subject to audit.

B. Except as disclosed by the Guarantor to West Allis, in writing, prior to the date hereof, there is no action, suit, proceeding or investigation before any court, public board or body pending or threatened against the Guarantor, or any of its properties, which, if adversely determined, would have a material adverse effect upon the business, properties or financial condition of the Guarantor.

C. The Guarantor acknowledges that West Allis has not made any representations or warranties with respect to, and agrees that West Allis does not assume any responsibility to the Guarantor for and has no duty to provide information to the Guarantor regarding the collectability or enforceability of the Development Financing Agreement or the financial condition of Developer. The Guarantor has independently determined the issues relating to completion of the Project.

3. The Guarantor hereby absolutely and unconditionally guarantees to West Allis (i) the prompt and complete performance of Developer's obligation to complete the construction of the Project as set forth in the Development Agreement ("**Guaranteed Obligations**"). In the event that Developer fails to substantially complete construction of the Project as required under the terms of the Development Agreement and applicable grace and cure periods, if any, then, upon receipt of written notice from West Allis, Guarantor will within thirty (30) days after receipt of such notice undertake to complete construction of the Project pursuant to the provisions of this Section 3 and thereafter pursue such construction through to substantial completion of the Project. If West Allis elects to require Guarantor to complete the Project, then within thirty (30) days after written demand by West Allis, Guarantor will commence such construction of the Project.

4. The Guarantor's Obligations hereunder shall be binding upon the Guarantor, its successors, and permitted assigns; however, the Guarantor shall not transfer or assign its Obligations to an affiliate or another entity without the written consent of the West Allis. This Guaranty shall remain in full force and effect so long as any of the Guaranteed Obligations are outstanding, without any right of offset and irrespective of:

A. The genuineness, validity, regularity or enforceability of the Development Agreement or any of the terms thereof, the continuance of any Guaranteed Obligations on the part of the Developer on the Development Agreement, or the power or authority or lack of power or authority of the Developer or any other party to execute and deliver the Development Financing Agreement, Development Agreement, or to perform any of the Guaranteed Obligations thereunder.

B. Any failure or lack of diligence in connection or protection, failure in presentment or demand, protest, notice of protest, notice of default and of nonpayment, failure of notice of acceptance of this Guaranty, failure to give notice of failure of the Developer to perform any covenant or agreement under the terms of the Development Agreement, or the failure to resort for payment to the Developer or to any other person or entity or to any rights or remedies of any type (the Guarantor hereby expressly waiving all of the foregoing).

C. The acceptance or release of any security or other guaranty, extension of the Development Financing Agreement and/or Development Agreement or amendments, modifications, consents or waivers with respect to the Development Financing Agreement and/or Development Agreement or any subordination of the Guaranteed Obligations to any other obligations of the Developer (the Guarantor hereby expressly consenting to all of the foregoing).

D. Any defense whatsoever that the Developer might have to the payment or to the performance or observance of any of the Guaranteed Obligations, other than full payment or performance thereof, as applicable.

E. Any legal or equitable principle of marshalling or other rule of law requiring a creditor to proceed against specific property, apply proceeds in a particular manner or otherwise exercise remedies so as to preserve the several estates of joint obligors or common debtors (the Guarantor hereby expressly waiving the benefit of all of the foregoing).

F. Any act or failure to act with regard to any of the Guaranteed Obligations or anything which might vary the risk of the Guarantor; provided that the specific enumeration of the above mentioned acts, failures or omissions shall not be deemed to exclude any other acts, failures or omissions, though not specifically mentioned above, it being the purpose and intent of this Guaranty that the Guaranteed Obligations of the Guarantor shall be absolute and unconditional and shall not be discharged, impaired or varied, except by the full payment or performance of the Guaranteed Obligations, notwithstanding any act, omission or thing which might otherwise operate as a legal or equitable discharge of or defense to the Guarantor. Without limiting any of the other terms or provisions hereof, it is understood and agreed that in order to hold the Guarantor liable hereunder, there shall be no obligation on the part of the City to resort in any manner or form for payment to the Developer or to any other person, firm or corporation, their properties or assets, or to any security, property or other rights or remedies whatsoever, and the City shall have the right to enforce this Guaranty irrespective of whether or not proceedings or steps are pending seeking resort to or realization upon from any of the foregoing. It is further understood that repeated and successive demands may be made and recoveries may be had hereunder as and when, from time to time, the Developer shall default in the performance of the Guaranteed Obligations under the terms of the Development Agreement beyond any applicable grace or cure period and that, notwithstanding recovery hereunder for or in respect of any given default or defaults, this Guaranty shall remain in full force and effect and shall apply to each and every subsequent default until terminated as herein provided.

5. This Guaranty shall be a continuing guaranty so long as any of the Guaranteed Obligations remain unpaid or unperformed, as applicable, and may be enforced by West Allis or any successor in interest under the Development Agreement; provided that West Allis may only transfer this Guaranty, the Development Agreement and the Development Financing Agreement to West Allis, in each case, affiliated with West Allis and to no other party without the consent of Guarantor and provided further that notice is given to the Guarantor within a reasonable time after such assignment.

6. This Guaranty shall terminate and Guarantor shall be released from all further liability hereunder upon the issuance of the Certificate of Completion (as defined in the Development Agreement).

7. Notices hereunder shall be given in accordance with the provisions of the Development Financing Agreement.

8. This Guaranty shall be governed by and construed in accordance with the laws of the State of Wisconsin.

(SIGNATURES CONTINUED ON NEXT PAGE)

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IN WITNESS WHEREOF, the Guarantor has executed this Guaranty, to take effect as of the ___ day of _____, 2024.

SIX POINTS SQUARE LLC

Name: Jeffrey J. Hook
Title: Manager

State of Wisconsin)
) ss.
Milwaukee County)

Personally, came before me this ____ day of _____, 2024 the above-named Jeff J. Hook, the Manager of SIX POINTS SQUARE LLC me known to be the person who executed the foregoing instrument and acknowledged same on behalf of such company.

Witness my hand and official seal.

Notary Public, State of Wisconsin

Print Name: _____
My Commission: _____

1 Acceptance:
2

3 This Guaranty is hereby accepted this ____ day of _____ 2024, by the City of West
4 Allis and the Community Development Authority of the City of West Allis.
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6
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8 CITY OF WEST ALLIS (“City”)
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11 By: _____
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13 _____
14 Dan Devine, Mayor
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16 By: _____
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18 _____
19 Rebecca Grill, City Clerk
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22 By _____
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Patrick Schloss, Executive Director
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Exhibit I

TO

DEVELOPMENT FINANCING AGREEMENT

IRR Calculation

Return Measures											
Unleveraged IRR	Investment	1	2	3	4	5	6	7	8	9	10
Development Cost	\$ (7,641,422)										
For-Sale Revenues [†]	\$ -										
Net Operating Income	\$ 257,987	\$ 401,496	\$ 411,038	\$ 420,787	\$ 430,746	\$ 440,920	\$ 451,313	\$ 461,929	\$ 472,774	\$ 483,852	
Adjusted Sales Price								\$ 8,708,049			
Unleveraged Cash Flow	\$ (7,641,422)	\$ 257,987	\$ 401,496	\$ 411,038	\$ 420,787	\$ 430,746	\$ 440,920	\$ 451,313	\$ 9,169,979	\$ 472,774	\$ 483,852
Unleveraged IRR									6.64%		
Net Present Value [‡]	7.00% rate									\$ (174,098)	

EXAMPLE CALCULATION of BEFORE-TAX LEVERED INTERNAL RATE OF RETURN (IRR):

Before-Tax IRR	Investment	1	2	3	4	5	6	7	8	9	10
Equity	\$ (1,789,691)										
Before-Tax Cash Flow From Condominiums	\$ -										
Before-Tax Operating Cash Flow	\$ (64,367)	\$ 79,141	\$ 88,684	\$ 98,433	\$ 108,392	\$ 118,566	\$ 128,958	\$ 139,575	\$ 150,419	\$ 161,497	
Before-Tax Cash Flow From Sale								\$ 4,940,140			
Total Before-Tax Cash Flow	\$ (1,789,691)	\$ (64,367)	\$ 79,141	\$ 88,684	\$ 98,433	\$ 108,392	\$ 118,566	\$ 128,958	\$ 5,079,715	\$ 150,419	\$ 161,497
Before-Tax IRR									16.17%		
Net Present Value	15.00% rate									\$ 142,966	

After-Tax IRR	Investment	1	2	3	4	5	6	7	8	9	10
Equity	\$ (1,789,691)										
After-Tax Cash Flow From Condominiums	\$ -										
After-Tax Operating Cash Flow	\$ (64,367)	\$ 79,141	\$ 88,684	\$ 98,433	\$ 108,392	\$ 118,566	\$ 128,958	\$ 139,575	\$ 150,419	\$ 161,497	
After-Tax Cash Flow From Sale								\$ 4,369,129			
Total After-Tax Cash Flow	\$ (1,789,691)	\$ (64,367)	\$ 79,141	\$ 88,684	\$ 98,433	\$ 108,392	\$ 118,566	\$ 128,958	\$ 4,508,704	\$ 150,419	\$ 161,497
After-Tax IRR									14.62%		
Net Present Value	12.00% rate									\$ 342,505	

Simple Return Measures	1	2	3	4	5	6	7	8	9	10
NOI / Adjusted Project Cost Excluding For-Sale Condos	3.38%	5.25%	5.38%	5.51%	5.64%	5.77%	5.91%	6.05%	6.19%	6.33%
Before-Tax Cash Flow / Equity	-3.60%	4.42%	4.96%	5.50%	6.06%	6.62%	7.21%	7.80%	8.40%	9.02%
Tax Shelter / Equity	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%

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Calculation of City portion of Profit Participation (ref. Section 10):

9 In the above cash flow series, actual at-sale (Year 8) revenues of \$5,079,715 resulted in a total
10 project Levered Before-Tax IRR of 16.17%. Back-calculating, Year 8 revenues of \$4,642,365 would
11 have yielded a Levered Before-Tax IRR of 15.00%; thus, there are excess Net Proceeds of \$437,350
12 to be shared with the City in accordance with Section 10 (\$437,350 x 20% = \$87,470 to the City).