

**COOPERATION AGREEMENT FOR TAX INCREMENTAL DISTRICT  
NUMBER FIFTEEN (THE MARKET), CITY OF WEST ALLIS, WISCONSIN.**

This Cooperation Agreement (hereinafter referred to as "Agreement") is entered into this 5<sup>th</sup> day of July, 2016, by and between the CITY OF WEST ALLIS, a municipal corporation (the "City") and the COMMUNITY DEVELOPMENT AUTHORITY OF THE CITY OF WEST ALLIS, a public body, corporate and politic, created and existing under the laws of the State of Wisconsin (the "Authority");

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

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

WHEREAS, the Authority hereby authorizes the execution of said Cooperation Agreement for Tax Incremental District Number Fifteen by Resolution No. 1194, adopted June 21, 2016, and the City authorizes execution hereof by Resolution No. R-2016-0191, adopted July 5, 2016; and,

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

WHEREAS, the Project cost required for funding the Project’s activities and necessary administrative costs, including staff and legal costs, are estimated at \$17,481,000; and,

WHEREAS, the Project outlined in the attached Tax Increment Financing Project Plan is anticipated to generate sufficient tax increment funds to support the debt service and interest payments to the City.

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

1. Project Definition. The Authority agrees to participate in the redevelopment of the Project Area and eliminate its status as in need of rehabilitation through the attraction of private investment and redevelopment.
2. Approvals. The City will retain the right to approve all development agreements and Purchase and Sale agreements for the sale and redevelopment of the Project Area.
3. Transfer of Funds. Tax Increment District #15 anticipates that the developer of the Project Area (referred to as “The Market”) will fund 100% of the direct project costs associated with the site acquisition, preparation and buildout of the new residential and commercial structures, creating approximately \$33,000,000 of net incremental property value. In order to reimburse the developer for gaps in the financing of said improvements, the Authority will issue a series of limited Municipal Revenue Obligations (“MROs”) to the Developer in the approximate principal amount of up to \$15,200,000. In addition, these MROs will bear interest at a negotiated amount with the developer. There are also cash incentives and or capital contributions contemplated in an amount of up to approximately \$1,420,000 and finally there are consulting and ongoing administrative costs in an amount estimated at \$861,000. The total estimated principal amount (without interest) is \$17,481,000. In order to pay all of the annual costs associated with the principal and interest on the MROs and enumerated expenses above, the City will provide to the Authority, from Tax Increment District #15, the annual revenues needed to fund the annual costs and payments as estimated and set forth on pages 26, 29 and 32 of the Project Plan for Tax Incremental District Number Fifteen which is attached hereto as “Appendix 2.” Each MRO shall be subject to the review of the Executive Director of the

Authority and approval of the Authority and the Common Council. Upon said approval, a procedure mutually agreed upon between the City Comptroller and the Executive Director shall be established for transfer and payment. All TID #15 Funds received from the City and Funds held by the Authority shall be placed in a separate fund by the Authority and shall not be commingled with other funds of the Authority. The expenditures and income related to the TID will be accounted for in said fund or other funds as may be recommended by the City's auditors and approved by the City Council. The Authority shall draw from said deposited funds as necessary to pay for the obligations incurred under the Project. If funds in excess of the aggregate amount stated above become necessary to complete the Project, the Authority shall apply to the Common Council for additional funding subject to usual budgetary procedures and statutory requirements for tax increment financing.

4. Repayment Terms. The City shall receive the increment under the provisions of sec. 66.1105, Wis. Stat., as described in the Common Council approval Resolution No. R-2016-0190. Both the City and Authority shall take all actions necessary to ensure that the costs incurred under the TID #15 project plan as referenced under Section 3 are recovered by the City during the life of the TID.

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

6. Verification by Comptroller. The City Comptroller shall from time to time, as his/her judgment is appropriate, review the receipts and expenditures of the Authority in connection with the Project, and the City Comptroller shall have full power to make such audit as is necessary to provide for a full accounting to the City. The City Comptroller shall conduct an audit and report

to the Common Council with respect to the results of such audit. Upon completion of the Project, the Authority shall make a full accounting to the City of income received and amounts expended and shall return to the City all unused and unneeded funds.

7. Construction of Improvements. The Developer or the City will construct or cause to be constructed within the Project Area at a time mutually agreeable to the Department of Development, the City Engineer and the Authority such improvements as are necessary to the Project or as shall be determined by resolution of the Common Council. Said improvements will be fully paid for from the Project funds provided to the Authority in accordance with Paragraph 3 above.

8. Supplemental Redevelopment Activity by City.

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

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

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

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

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

12. Potential Conflict. The City and Authority acknowledge that the City Attorney is

representing the interests of both parties and that such representation constitutes a potential conflict of interest for the City Attorney. The City and Authority recognize that their interests in this matter are similar and hereby waive any such conflict of interest and agree to have the City Attorney represent both parties.

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

**CITY OF WEST ALLIS**

By: *Dan Devine* (SEAL)  
Dan Devine, Mayor

Attest:

*Monica Schultz* (SEAL)  
Monica Schultz  
City Clerk

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

By: *John F. Stibal* (SEAL)  
John F. Stibal, Executive Director

COMPTROLLER'S CERTIFICATE

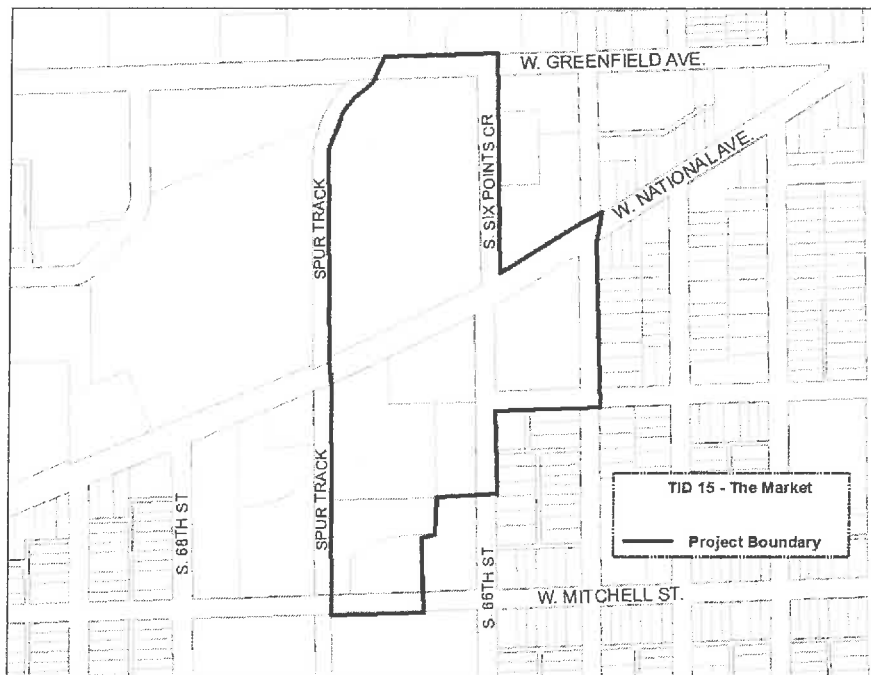
Countersigned this 18 day of July, 2016  
and I certify that the necessary funds have been  
provided to pay the liability that may be incurred,  
by the City of West Allis under this Agreement.

Approved as to form this 15 day of  
July, 2016

*Scott E. Post*  
Scott E. Post  
City Attorney

*Kris Moen*  
Kris Moen  
Acting Director of Finance/Comptroller

## Appendix 1 – Map 1: Project Boundaries



### Legal Description.

A tract of land being in the Northeast  $\frac{1}{4}$  of the Southwest  $\frac{1}{4}$  of Section 3, Township 6 North, Range 21 East, in the City of West Allis, Milwaukee County, State of Wisconsin, described as follows:

Beginning at the Northwest corner of Parcel 1, Certified Survey Map No. 4912; thence Northerly, 699.07 feet, along the East line of the spur track to the Southerly right-of-way line of West National Avenue and Northwest corner of Lot 3, Certified Survey Map No. 8231; thence Northwesterly, 71.71 feet to the Northerly right-of-way line of West National Avenue and Southwest corner of Lot 5 in Block 1 of the Assessor's Plat No. 269; thence Northerly 596.96 feet, along the East line of the spur track, to the point on curve to the right; thence Northeasterly, 294.70 feet, along the said curve and Easterly line of spur track; thence Northeasterly, 16.08 feet to the South right-of-way line of West Greenfield Avenue; thence Northerly, 66.00 feet, at right angle to said right-of-way line, to the North right-of-way line of West Greenfield Avenue; thence Easterly, 375.55 feet, along the said North line to the East right-of-way line of Six Points Crossing, extended; thence Southerly, 676.02 feet, along the said East to the North right-of-way line of West National Avenue; thence Northeasterly, 286.29 feet, along the said North right-of-way line to the East right-of-way line of South 65<sup>th</sup> Street; thence Northeasterly, 64.32 feet to the Southwest corner of Lot 11, Block 1 in the C.A. Maynard & Agnew's Subdivision No. 3; thence Southwesterly, 82.62 feet to the Northwest corner of Lot 4, Block 1 in Central Improvement Company's Subdivision No. 4; thence Southerly, 506.93 feet to the Northwest corner of Lot 1, Block 8 in Central Improvement Company Subdivision No. 7 and South right-of-way line of West Lapham Street; thence Westerly, 316.65 feet along the said South right-of-way line to the East right-of-way line of South 66<sup>th</sup> Street; thence Southerly, 250.30 feet, along the said East right-of-way line to the North line of the Parcel 1, Certified Survey Map No. 6513, extended; thence Westerly, 187.00 feet, along the said line, to the Northwest corner of said Parcel 1; thence Southerly, 120.46 feet; thence Westerly, 47.91 feet, to the Northeast corner of Parcel 2, Certified Survey Map No. 6513; thence Southerly, 235.51 feet, to the South right-of-way line of West Mitchell Street; thence Westerly, 272.41 feet, along the said South line to the Point of Beginning.

**Said land contains 21.32 Acres, more or less.**

**Appendix 2 – Tax Increment District #15 Project Plan**

See a complete Copy of the Project Plan for TID #15 attached hereto particularly pages 26, 29 and 32 for a detailed description of project costs and scheduled increment and payments.

**SEE RESOLUTION # R-2016-0190 FOR THE PROJECT PLAN**