

## **PILOT AGREEMENT**

This Agreement made and entered into by and between the City of West Allis, a municipal corporation organized and existing under and by virtue of the laws of the State of Wisconsin, with principal offices at 7525 West Greenfield Avenue, West Allis, Wisconsin 53214 (“City”) and [Wiscraft, Inc., a Wisconsin nonstock, nonprofit corporation (d/b/a Beyond Vision)] with principal offices currently located at 5316 W. State Street, Milwaukee, Wisconsin 53208 (“Beyond Vision”).

### **WITNESSETH**

WHEREAS, Beyond Vision is under contract to purchase the existing building improvements and land located at 1540 South 108th Street, in the City of West Allis, Milwaukee County, Wisconsin (the “Project”) and described in Exhibit A attached hereto; and

WHEREAS, under the Statutes of the State of Wisconsin, Beyond Vision intends to operate in a manner that exempts the Project from the imposition of general property taxes but Beyond Vision will enjoy the same level of municipal services as provided for non-exempt commercial properties in the City; and

WHEREAS, Beyond Vision and the City have each determined that it is in their best interests to enter into this Agreement prior to Beyond Vision closing the purchase of the Project, with this Agreement being subject to Beyond Vision becoming the holder of legal title to the Project, and that this Agreement will only become effective if and when Beyond Vision becomes the holder of legal title to the Project; and

WHEREAS, Beyond Vision is willing to make a payment in lieu of taxes (“PILOT”) for the Project in recognition of the municipal services from which the Project will receive and benefit.

NOW, THEREFORE, in consideration of mutual benefits, the parties agree as follows:

**1. Incorporation of Whereas Clauses.**

The parties hereby acknowledge that the above whereas clauses are part of this Agreement.

**2. City Services.**

The City will furnish governmental services and benefits to Beyond Vision and the Project of the same type and to the same extent as are furnished to other commercial properties in the City without cost or charge (except by means of property tax).

**3. PILOT Assessment.**

For calendar year 2019, the Project will be assessed and property taxes levied against it consistent with applicable Wisconsin Statutes. This is done without regard to the Project's taxability status, including Beyond Vision's eligibility for a property tax exemption.

Commencing with the 2020 tax year and each year thereafter, if the Project or any portion thereof is found to be tax-exempt, Beyond Vision will make a payment in lieu of taxes ("PILOT payment") in an amount described herein. Using the same techniques for assessing taxable property in the City of West Allis, the assessor shall assign a value (as of January 1) to any tax-exempt real property that is subject to this Agreement. Annually in December, the City will compute the PILOT payment by applying the combined mill rates of all taxing jurisdictions in the City of West Allis for that year to the value assigned by the assessor to any tax-exempt portion of the Project for that year. Prior to the end of that year, the City will send Beyond Vision a statement for the PILOT payment due in accordance with Section 4.

To the extent that all or any portion of the Project becomes subject to (and not exempt from) property taxes, that taxable property shall be excluded from the value assigned by the assessor under this paragraph and shall be assessed and taxed under all applicable laws.

**4. Payment Due Dates.**

Beyond Vision will pay to the City the PILOT Payment amount specified in Section 3 above (i) in full on or before January 31st of the subsequent year or (ii) if Beyond Vision elects to pay in installments, according to the following schedule: one-half of the PILOT Payment by March 31, and the remaining one-half by June 30, where the March and June are in the year following the year for which the PILOT Payment was calculated. Beyond Vision shall be deemed to have elected to pay the PILOT Payment in installments by making payments according to the installment schedule hereunder.

**5. Exempt Status.**

The City may review the Project's exempt status under Wisconsin Statutes section 70.11 from time to time with the respective January 1 dates being the reference dates for those exemption reviews. If the City determines that the use or ownership of the Project has changed such that the entire Project no longer qualifies for exemption or exclusion from property tax for the year in which the determination is made, the City will provide notice of such determination to Beyond Vision no later than May 15 of that year. If Beyond Vision disagrees with the City's determination that the Project no longer qualifies for property tax exemption, Beyond Vision may challenge such determination by any procedure provided under Wisconsin law. If Beyond Vision does not challenge such determination, this Agreement shall be temporarily suspended with respect to that and any subsequent years for which property tax exemption no longer applies, and if any PILOT Payments have been made for that year, the City shall promptly refund such PILOT Payments or apply them to any delinquent property tax balance owed by Beyond Vision. In the event that the Project regains its status as exempted or excluded from property taxes as a result of a challenge by Beyond Vision or any other reason and the Agreement was

temporarily suspended, the suspension of this PILOT agreement shall be lifted and this Agreement shall be reinstated.

**6. Successors and Assigns.**

All of the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.

**7. Term.**

This Agreement shall terminate effective on the December 31 of the year immediately prior to the year during which any of the following events occurs:

- a. Fifty (50) years have elapsed from the effective date of this Agreement;
- b. Enactment by the State of Wisconsin of a mandatory payment for municipal services by owners of property exempt from the general property tax or similarly situated owners of exempt property;
- c. Repeal by the State of Wisconsin of the property tax exemption for the Project and other similarly situated property;
- d. Termination by the City after Twenty-five (25) years have elapsed from the effective date of this Agreement.

**8. Agreement Subject to Beyond Vision Obtaining Legal Title and Subdividing.**

This Agreement shall be subject to and shall become effective on the date on which all of the following has occurred:

- a. Beyond Vision becomes the holder of legal title to the Project.
- b. The parcel is subdivided into at least two parcels, of which one parcel is the eastern existing building and area near that building and the other western parcel(s) are intended to be sold to one or more third parties.

In the event that these conditions are not satisfied by December 31, 2019, this Agreement shall be considered void ab initio.

**9. Amendment.**

The City and Beyond Vision expressly reserve the right to modify and amend this Agreement from time to time as they shall mutually agree in writing executed by the parties.

**10. Governing Law.**

The parties intend that the laws of the State of Wisconsin shall be the governing law with respect to this Agreement.

**11. Authority.**

Beyond Vision represents and warrants to the City that its officers executing this Agreement have been duly authorized to execute and to cause Beyond Vision to enter this Agreement. The City represents and warrants to Beyond Vision that the undersigned City officials are duly authorized to execute and to enter into this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of this \_\_\_\_ day of \_\_\_\_\_, 2019.

[WISCRAFT, INC.]

CITY OF WEST ALLIS

By: \_\_\_\_\_  
Its: \_\_\_\_\_  
Name: \_\_\_\_\_

By: \_\_\_\_\_  
**Daniel Devine, Mayor**

Attest:

\_\_\_\_\_  
**Steven A. Braatz, Jr., City Clerk/Treasurer**

**Exhibit A**

[TO BE INSERTED]