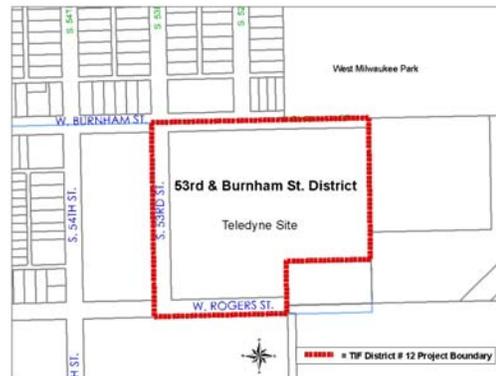




**PROJECT PLAN FOR THE CREATION OF
TAX INCREMENTAL DISTRICT NUMBER TWELVE,
CITY OF WEST ALLIS, WISCONSIN**

**TELEDYNE SITE
53rd and Burnham**



- Plan Commission -Review
- Joint Review Board - Organizational Meeting
- CDA - Public Hearing
- CDA - Plan Approval
- City Council - Adoption
- Joint Review Board

March 23, 2011
April 5, 2011
April 12, 2011
April 12, 2011
April 19, 2011
April 26, 2011

Prepared by:
Department of Development
City of West Allis

April 19, 2011

**Tax Incremental District No. 12 Creation
Project Plan**

City of West Allis Officials

City Council

Dan Devine, Mayor

Ald. Gary Barczak
Ald. Kurt Kopplin
Ald. Richard Narlock
Ald. Vincent Vitale
Ald. Dan Roadt

Ald. Michael Czaplewski
Ald. Thomas Lajsic
Ald. James Sengstock
Ald. Martin Weigel
Ald. Rosalie Reinke

Community Development Authority

Ald. Gary Barczak
Wayne Clark
Jason Metz
Christopher Ahrens

Ald. Michael Czaplewski
Karin Gale
Gerald Matter

Joint Review Board

Mayor Dan Devine
Marvin Pratt
Dr. James Williams
Kurt Wachholz
Wayne Clark

City Representative
Milwaukee County
Milwaukee Area Technical College
West Allis/West Milw. School District
Public Member

Technical Advisory Staff

John Stibal
Patrick Schloss
Steven Schaer
Paul M. Ziehler
Scott Post
Charles Ruud
Gary Schmid
Shaun Mueller
Kristi Johnson
Bart Griepentrog
Nicholaus Czaplewski

Development Director
Community Development Manager
Planning Manager
City Admin. Officer, Clerk/Treasurer
City Attorney
City Assessor
Comptroller/Finance Manager
Senior Planner
Planner II
Planner I
Intern

TABLE OF CONTENTS

1.	INTRODUCTION.....	1.
2.	EXECUTIVE SUMMARY.....	1.
3.	TYPE & GENERAL DESCRIPTION OF DISTRICT.....	3.
4.	EXISTING LAND USES AND CONDITIONS.....	4.
5.	PROJECT PLAN GOALS AND OBJECTIVES.....	6.
6.	PARCEL LIST AND ANALYSIS.....	8.
7.	EQUALIZED VALUE TEST.....	9.
8.	STATEMENTS OF PROPOSED IMPROVEMENTS.....	9.
9.	ESTIMATED PROJECT COSTS.....	10.
10.	NON-PROJECT COSTS.....	11.
11.	PROJECT FINANCING AND TIMETABLE FOR EXPENDITURES.....	11.
12.	TAX INCREMENT PROJECTION & ECONOMIC FEASIBILITY ANALYSIS.....	12.
13.	STATEMENT OF FEASIBLE METHOD PROPOSED FOR RELOCATION.....	12.
14.	ZONING.....	12.
15.	ANNEXED PROPERTY.....	12.
16.	RETAIL.....	13.
17.	MASTER PLAN.....	13.
18.	ORDERLY REDEVELOPMENT.....	13.
19.	APPENDIX OF EXHIBITS.....	14.
	1. Legal Description	14.
	2. Statement of Land Values	14.
	3. Financial Condition Analysis	15.
	4. Economic Feasibility Analysis.....	16.
	5. Increment Absorption.....	17.

6. Cash Flow Analysis.....	18.
7. Calculation of Project Share by Taxing Jurisdiction.....	19.
8. Assessor's Letter.....	21.
9. Legal Opinion.....	22.

1. INTRODUCTION

Some background: With a TIF district, a community typically borrows money to pay for expenses tied to a specific development project. The property taxes from that project pay off that debt over several years. Once the debt is repaid, the property taxes flow to the community, its school district and other local governments.

2. EXECUTIVE SUMMARY

THE PROBLEM

The former Teledyne property is the eastern gateway to the City of West Allis. It is located on the southeast corner of W. Burnham St. and S. 53 St., 1910 S. 53 St. The site is approximately 8.96 acres of land developed with an estimated 301,333-square foot industrial building, currently owned by 5209 Burnham, LLC.



A. BUILDING DEMOLITION

The Building Inspection & Neighborhood Services Department has completed thorough inspections of the site over the past five (5) years and has discovered that the complex of buildings was in disrepair and unsafe for occupancy. Raze or repair orders were issued for the property. The owner did not follow through with the order, and a court order has been issued to demolish the property. The City is preparing plans and specs to move forward with the demolition, as per the court order.

B. ENVIRONMENTAL CLEANUP

In order to help facilitate the ultimate redevelopment of the site by the current owner an environmental investigation funded by an EPA Grant was completed on the site by one of the City’s environmental consultants. Based on the history of uses on the site, as an engine manufacturer and preliminary environmental investigations, there is reason to believe environmental cleanup costs on the site will be significant. Known environmental contaminants include petroleum, some chlorinated solvents, and some lead. The consultant has indicated that about \$100,000 of additional environmental investigation will be needed (to define the limits of contamination) and between \$250-350,000 of actual clean-up expenses would be incurred.



With the court order the city anticipates that the cost of the demolition will likely be over \$1 million, which will be added to the property tax bill. Worst-case scenario is that the current property owner doesn’t pay the tax bill and the County forecloses on the property. There would be no source of private funds to make the site marketable, as it is highly unlikely that a private developer would purchase the land and front the environmental investigation and clean-up costs (near \$500,000) on his/her own.

The County could come near even as the cost of demo will be likely be offset by the sale price of the land to a private developer once the site is clean (near \$1 million). The City will attempt to use all funding sources available to cleanup the site; however, the City does not anticipate that EPA and DNR cleanup grants will be enough to fully cover environmental expenses. Therefore, the City has given the Department of Development staff direction to take action with the creation of TIF District #12. The TIF District would allow for future redevelopment to take place on the site by assisting with the remainder of clean-up costs and thus creating conditions suitable for redevelopment. The entire clean up and sale of land to a future developer would not happen but for the involvement of the City.

DESCRIPTION OF DISTRICT

This document is the Project Plan ("Project Plan") for Tax Incremental District Number Twelve, City of West Allis (the "District"). The Project Plan has been prepared in conformance with the provisions of Wisconsin Statutes Section 66.1105 (the "Tax Increment Law").



The District. The District's size and location consists of 11 acres of land. The site is bounded by the midpoint of W. Burnham St. to the north, which also acts as the border between the City of West Allis and the Village of West Milwaukee, the western edge of S. 53 St. to the west, the southern edge of W. Rogers St. to the south as well as a city-owned waste transfer station to the south, a private salvage yard to east which is actually located in the Village of West Milwaukee defines the east lot line of the site and also acts the border between West Allis and West Milwaukee. A map of the proposed District boundaries is located under Section 3. The legal description for the District is attached within the appendix Exhibit 1 - Legal Description.

Expenditures. The estimated total cost for project expenditures is \$1,314,000 for projects outlined in Project Plan. The projects to be undertaken pursuant to this Project Plan are expected to be financed by G.O. Bonds. A summary of the Estimated Redevelopment Costs for the Plan are located within Section 9.



Economic Development. As result of the creation of the district, the City projects that the redevelopment of the site will produce additional value of \$6.582 million. The additional value will be a result of the improvements made privately within the District. A table detailing project assumptions and values is located under Section 6 of this Plan. In addition, the District will provide other economic benefits as jobs creation, personal property tax, and an improved industrial corridor.

Termination of District. Based on the Economic Feasibility Study located in Exhibit Number 4 of the Plan, the District would be expected to generate sufficient tax increments to recover all associated costs by the year 2025; which is 15 years.

The Project Plan will be implemented by the Community Development Authority (the "Authority") of the City of West Allis.

SUMMARY OF FINDINGS

As required by s. 66.1105 Wis. Stats., and as documented in the Plan and the attachments contained and referenced herein, the following findings are made:

But For Test. The creation of the District would allow redevelopment to occur as detailed in this Plan by providing conditions suitable for redevelopment. The conditions would include addressing environmental concerns, remediation, demolition, site preparation, development incentive payments, and other associated costs. Based on market conditions, current conditions and use of the District, the City had determined that redevelopment of the area will not occur as a result of private investment. Without the use of TIF, redevelopment of the area is unlikely.

Economic Benefits. The District's benefits can be measured by increased taxable value to the City and taxing jurisdictions. The improvements are sufficient to compensate for the cost of improvements. The following was considered is supporting the economic benefits:

- The Economic Feasibility is outlined under Section 12 of the Plan. The tax increments projected to be collected are more than sufficient to pay for the proposed project costs.
- The development will add an estimated 150 jobs.

Benefits Outweigh Anticipated Tax Increments to be Paid. If approved, the District would be created as of January 1, 2011. As of this date, the values of all existing development would be frozen and the property taxes collected on the base value would continue to be distributed to the various taxing jurisdictions as they currently are now. The incremental value created by new development created after January 1, 2011 will underwrite the repayment of TIF-eligible project costs. Based on the Economic Benefits stated above, the City concludes the overall benefits of the District outweigh the anticipated tax increments to be paid by owners of the property in the overlying taxing jurisdictions. As required by Section 66.1105(4)(i)4., a calculation of the share of projected tax increments estimated to be paid by the owners of the property in the overlying taxing jurisdictions has been made and can be found as **Exhibit 7 – Taxing Jurisdictions.**

No Less than 50% In Need of Rehabilitation. The district must have more than 50% of the real property within the District in need of rehabilitation or conservation work within the meaning of Section 66.1337(2m)(b) of Wis. Stats. Also, any property within the District vacant for seven years immediately proceeding adoption of the District must not comprise more than 25% of the area in compliance with 66.1105(4)(gm)1 of Wis. Stats. Based on the environmental conditions and concerns and underutilization of the property within the District, the City reasonably finds these conditions to be present and the District in need of rehabilitation and conservation work based on identification and classification of the property within the District.

Promotion Rehabilitation. The City finds that the creation of the District will promote the rehabilitation and conservation of the area.

Enhance Value. The City finds that the creation of the District will significantly enhance the value of real property within the District.

Value of TIF Districts, Not Exceed 12%. The City Assessor has found that not more than 12% of the total equalized value of the taxable property within the City. Refer to **Exhibit 8 – City Assessor Letter.**

Retail. The City estimates that approximately 0% of the District territory will be utilized for retail operations at the end of the District's maximum expenditure period, pursuant to Section 66.1105(5)(b) and 66.1105(6)(am)1 of Wis. Stats.

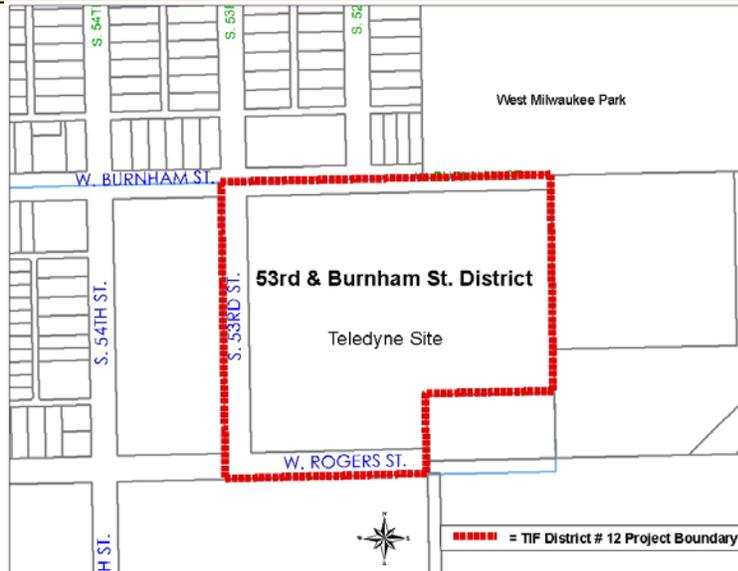
Master Plan. The Plan for the District in the City is feasible and is in conformity with the Comprehensive Plan of the City.

3. TYPE & GENERAL DESCRIPTION OF DISTRICT

District

The District is being created by the City of West Allis under the authority provided in 66.1105 of Wis. Stats. Below, Map No. 1 - Project Boundary more clearly the precise limits of the District.

Map No. 1: Project Boundary



The district is bounded by W. Burnham St. to the north, which also acts as the border between the City of West Allis and the Village of West Milwaukee, S. 53 St. to the west, W. Rogers St. to the south as well as a city-owned waste transfer station to the south, a private salvage yard to east which is actually located in the Village of West Milwaukee defines the east lot line of the site and also acts the border between West Allis and West Milwaukee. The legal description for the District is attached within the appendix Exhibit 1 - Legal Description.

4. EXISTING LAND USES AND CONDITIONS:

The creation of the District is necessary to eliminate and to prevent the spread of blight and foster sustainable development with less impact on the local infrastructure and environment. Map No. 2 - Existing Property Uses details current land uses abutting the proposed district.

Map No. 2 – Existing Property Uses



Type of District

The District is created as a "Rehabilitation or Conservation District" based upon a finding that at least 50%, by area, of the real property within the District is in need of rehabilitation or conservation work, as defined in Section 66.1337(2m)(a). Refer to Map. No. 3- Rehabilitation Conditions

The Teledyne Site is perceived by potential buyers as a brownfield which is a property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant. The Teledyne site is known to have (1) probable asbestos containing materials within the existing building materials and (2) other potential contamination due to historic uses as an engine manufacturing facility. Phase 1 and Phase 2 environmental investigations have been completed for the site and the following was found;

In general, the detection of the petroleum VOCs, PAHs, and metals above Generic RCLs and VOCs detected in groundwater above the NR 140 criteria, along with the presence of LNAPL, appears to be a reportable release.

The accidents of the WAC soil and groundwater criteria around the six USTs will likely require additional investigation, probable remediation and closure under the NR 700 process;

Based on observations of fill and/or vent pipes and historical records, it appears that there may be six USTs that remain on the subject property. These six UST areas should be excavated during future demolition or construction activities to verify the presence of USTs, and be removed if present;

Petroleum impacted soils excavated near the historical UST areas during future construction activities will require proper handling and disposal off-site in accordance with solid and/or hazardous waste regulations;

Based on the presence of foundry sand fill on the subject property an exemption to construct under NR 500 will be likely required prior to excavating any waste/cover materials or constructing on the historic fill site;

Fill materials that are generated as waste during the construction process will require either handling on-site, under the NR 500 exemption, or disposal off-site in accordance with solid and hazardous waste regulations; and

Construction and maintenance of a cap/barrier will be required for the subject property to prevent direct contact with VOC, PAH, and metals impacted soil and/or groundwater that exceed the WAC direct contact criteria.

Active remediation may be required to address petroleum and/or VOC impacted soil and/or groundwater, in order to achieve case closure and ultimate redevelopment of this site.

In conclusion, the environmental hazards and the distressed state and disrepair of the property substantially impair and arrest the sound growth of the community, constitute an economic and social liability and is a menace to the public's health, safety, and welfare in its present condition and use. Redevelopment of the property will provide future property tax relief to the families and businesses of West Allis.

Map No. 3 – Rehabilitation Conditions



5. PROJECT PLAN GOALS AND OBJECTIVES

The City of West Allis and the Authority will ensure that private development occurs within the District consistent with the City's redevelopment objectives. The goal is to increase the tax base and to provide and preserve employment opportunities within the City. The project costs included in this Plan relate directly to the rehabilitation or conservation areas in the District consistent with the purpose for which the District is created. The creation of the District promotes the orderly development of the City as follows:

Goals:

1. To reverse the underutilized property and by encouraging new private development.
2. Coordination with the Village of West Milwaukee regarding plans for any improvements.
3. To broaden the property tax base of the community.
4. To reposition this industrial area to be a viable job creator.
5. To promote a sustainable development that will reduce impact on the infrastructure and environment.
6. To directly serve to rehabilitate or conserve the area.
7. To eliminate blight and prevent the development and spread of blighted areas.
8. To remediate environmental contamination to a level necessary for development and for a clean and livable neighborhood.

Objectives:

1. Redevelop the property into contemporary office or light industrial uses
2. Eliminate underutilized land and environmentally hazardous conditions.
3. Divide land into parcels functionally adaptable with respect to shape and size for disposition and redevelopment in accordance with development needs and standards.
4. Improve the site with buildings that offer high quality architectural design standards
5. Provide for the orderly physical and economic growth of this parcel through planned and controlled redevelopment.
6. Foster redevelopment activities included in this project, which are consistent with uses permitted in this Plan, the sound needs and growth of the surrounding area, and the community as a whole.
7. Assure redevelopment incorporating architectural design, site planning, landscaping, signage, public art and amenity lighting, which are aesthetically pleasing and compatible with existing development in the area.
8. Foster economic development by providing facilities, which generate employment opportunities and/or new housing for city residents.
9. Provide economic development loans and/or grants to qualified developers consistent with the goals and objectives of this Plan.
10. Provide project and site improvements, including the installation or relocation of the storm sewer that proceeds from east to west within the middle of the site, pedestrian ways, utilities, and other related improvements necessary for carrying out the objectives of this Plan.
11. Achieve private redevelopment, which will add to the tax base of the City of West Allis and stimulate business activity in this part of the city.
12. Provide off-site improvements to infrastructure or other private improvements within one ½ mile of the district.

Project Description

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

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

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

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

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

6. PARCEL LIST AND ANALYSIS

In 2010, the property's Fair Market Value as determined by the City Assessor was \$393,400 for the land and \$355,700 for the improvements for a total of \$749,100. The property paid \$19,600 in property taxes.

If the site were redeveloped as a light industrial park the total taxable value generated by the property could exceed \$7,325,000 and provide an additional (incremental) property tax relief in the area of \$171,785 per year.

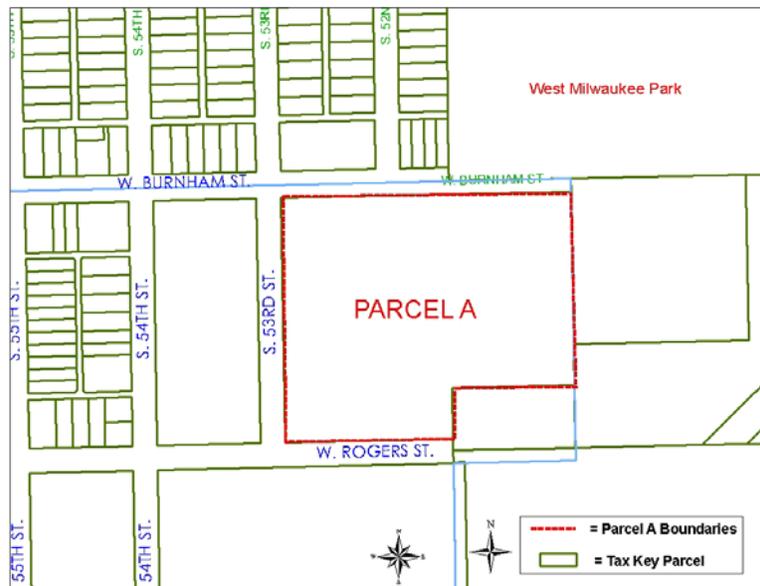
Table 1

PROJECTED PROPERTY TAX INCREMENT

Parcel	Size Acres	Assessed			Taxes	Fair Market Value		Total
		Land Value	Improvements	Total	0.0261	Land Value	Improvements	Total
A	8.96	\$ 390,300	\$ 352,900	\$ 743,200	\$ 19,600	\$ 393,407	\$ 355,710	\$ 749,117
Potential Project Value				Total				
		\$ 1,000,000	\$ 6,325,000	\$ 7,325,000	191,200			
Potential Project Increment				Total				
		\$ 609,700	\$ 5,972,100	\$ 6,581,800	\$ 171,600			

*Estimated Potential Land Price @ \$111,607 per acre

Map No. 4 – Parcel Map



7. EQUALIZED VALUE TEST

The following calculation demonstrate the City's compliance with Wis. Stat. 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property in the proposed District, plus the value increment of all existing Tax Incremental Districts, does not exceed 12% of the total equalized value of the taxable property within the City. Attached, as Exhibit 8 is a City Assessor Letter supporting the finding of this test.

The total 2010 equalized value of this (TIF) is \$749,117. The equalized value of the increment of existing Tax Increment Districts within the City, plus the base value of the proposed District, totals \$160,990,617. This value is less than the maximum of \$489,605,796 in equalized value that is permitted for the City of West Allis. In conclusion, the City is in compliance with statutory provisions and may proceed with the creation of this District.

8. STATEMENTS OF PROPOSED IMPROVEMENTS

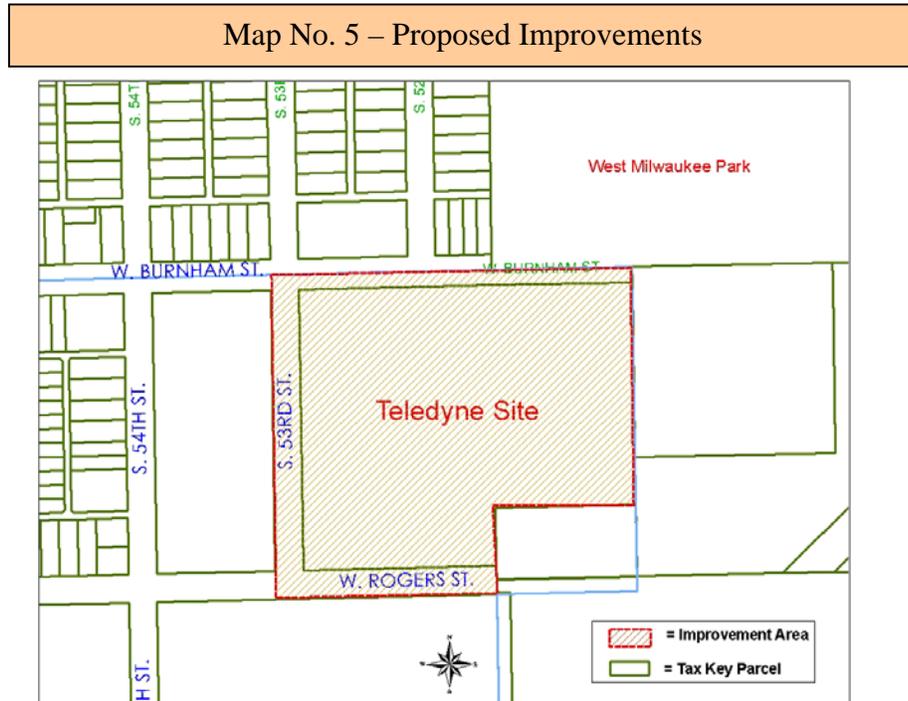
The following is a list of proposed improvements and other projects that the City expects to implement in the District. Any costs necessary for the creation of the District or related to the proposed improvements are considered "project costs" and eligible to be paid with tax increment revenues.

Eligibility for the expenditure of project costs will be prioritized in the following order:

1. Administrative Costs. The City may charge to the District as eligible Project Costs reasonable allocations of administrative costs, including, but not limited to, employee salaries. Costs allocated will bear a direct connection to the time spent by City employees in connection with the implementation of the Plan.
2. Professional Service and Organizational Costs. The costs of professional services rendered, and other costs incurred, in relation to the creation, administration and termination of the District, and the undertaking of the projects contained within this Plan, are eligible Project Costs. Professional services include, but are not limited to: architectural; environmental; planning; engineering; legal, audit; financial; and the costs of informing the public with respect to the creation of the District and the implementation of the Plan.
3. Environmental Investigation and Cleanup Costs. Environmental audits and remediation are necessary activities to prepare the site for redevelopment. Based on a recent environmental investigation there are environmental concerns that require further testing and research. Any costs incurred by the City related to environmental audits, testing, and remediation are eligible Project Costs.
4. Developer Incentives. The City will negotiate and execute developer agreements that provide for the optimal redevelopment. The Project may include the City entering into agreements with property owners, lessees, or developers of land located within the District for the purpose of attracting development and obtaining sufficient tax base to recover project costs.
5. Financing Costs. Interest expense, debt issuance expenses, redemption premiums, and any other fees and costs incurred in conjunction with obtaining financing are eligible Project Costs.
6. Building Demolition and Site Preparation Costs. The Building Inspection & Neighborhood Services Department has completed thorough inspections of the site over the past five (5) years and has discovered that the complex of buildings were in disrepair and unsafe for occupancy. Raze or repair orders were issued for the property the owner did not follow through with the order and a

court order has been issued to demolish the property. The City is preparing plans and specs to move forward with the demolition, as per the court order.

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



9. ESTIMATED PROJECT COST

The project costs are directly related to eliminating blight and directly serve to rehabilitate or conserve the area, consistent with the purpose for which the District was created.

The costs included in this section are without limitation, eligible project costs as defined under Section 66.1105(2)(f) of the Wisconsin Statutes.

The City's policy for the use of these funds is to assist major redevelopment projects, which will generate additional property taxes (increment). The maximum amount of City participation in any private redevelopment project will be based upon the expected property tax increment to be generated by the redevelopment projects for a period no longer than 27 years pursuant to the Tax Increment Law.

Proposed project costs include property acquisition, demolition, geotechnical improvements (potential soil compaction), environmental remediation, utility & access improvements, to financing and administration costs. The total project costs are more fully described in Table 2 - Estimated Redevelopment Costs.

Some or all of these costs may be contributions made under Section 66.1333 (13) of the Wisconsin Statutes to the Community Development Authority in connection with its implementation of the Project

Plan. The Common Council may make those contributions pursuant to a Cooperation Agreement entered into with the Authority.

This Plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects. All costs included in the Plan are estimates based on best information available. The City retains the right to delete projects or change the scope and/or timing of projects implemented as they are individually authorized by the City Council, without amending the Plan.

**Table 2
Estimated Redevelopment Costs**

Budget	TIF Plan Budget	Projected 2011	Projected 2012	Projected 2013	Projected 2014	Total
A	B	C	D	F	G	G
1. Acquisition		\$ -	\$ -	\$ -	\$ -	\$ -
2. Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3. Environmental Clean-up	\$ 500,000	\$ 100,000	\$ 400,000	\$ -	\$ -	\$ 500,000
4. Demolition	\$ 1,000,000	\$ 1,000,000	\$ -	\$ -	\$ -	\$ 1,000,000
5. Public Infrastructure	\$ 240,000	\$ -	\$ -	\$ 210,000	\$ 30,000	\$ 240,000
6. Administration	\$ 363,800	\$ 32,500	\$ 93,750	\$ 178,300	\$ 59,250	\$ 363,800
Subtotal	\$ 2,103,800	\$ 1,132,500	\$ 493,750	\$ 488,300	\$ 89,250	\$ 2,103,800
7. Intrest Expense						
8. Contingency - 10%	\$ 210,380	\$ -	\$ -	\$ 105,190	\$ 105,190	\$ 210,380
Total	\$ 2,314,180	\$ 1,132,500	\$ 493,750	\$ 593,490	\$ 194,440	\$ 2,314,180
Total Revenue (See Exhibit 4i.)		\$ 0	\$ 1,000,000	\$ 0	\$ 0	\$ 1,000,000
Tax Increment Financing		\$ 1,132,500	\$ (506,250)	\$ 593,490	\$ 194,440	\$ 1,314,180

10. **NON-PROJECT COSTS:**

The City does not anticipate any non-project costs.

11. **PROJECT FINANCING AND TIMETABLE FOR EXPENDITURES**

The project will be financed primarily through the sale of Taxable General Obligation (G.O.) Bonds, Tax Exempt G.O. Bonds, land sale proceeds, and federal and state grants.

The anticipated tax increment revenue would be more than adequate to cover the total debt service as shown in Exhibit No. 3 Financial Condition Analysis and Table No. 2 Estimated Redevelopment Costs

The bulk of the Project Plan cost will be incurred between 2011-2013 with the balance expended by the year 2014.

It should further be noted that a number of structural engineers and geotechnical consultants would also be evaluating structural and soil bearing capacity site conditions throughout the project area. Due to the past uses of the site, the environmental/building/geotechnical costs may vary considerably.

Depending on the ultimate purchasers of each disposition parcels, there may be a need to install and/or relocate some public or private infrastructure such as sewer, water, roadway, gas, electric, etc., to more readily accommodate development.

12. TAX INCREMENT PROJECTION AND ECONOMIC FEASIBILITY ANALYSIS

The financial feasibility of the Project Plan is based upon the expected property tax increment to be generated.

The tax increment to be generated by the District is based upon the increases in real and/or personal property value and the building improvements/ additions during the life of the District.

The cost of demo will be likely be offset by the sale price of the land to a private developer once the site is clean (near \$1 million). The City will attempt to use all funding sources available to cleanup the site; however, the City does not anticipate that EPA and DNR cleanup grants will be enough to fully cover environmental expenses. Therefore, the City has given the Department of Development staff direction to take action with the creation of TIF District #12. The TIF District would allow for future redevelopment to take place on the site by assisting with the remainder of clean-up costs and thus creating conditions suitable for redevelopment. The entire clean up and sale of land to a future developer would not happen but for the involvement of the City.

The cash flows set forth in Exhibit No. 3 Financial Condition Analysis and Table No. 2 Estimated Redevelopment Costs indicates that the anticipated revenues exceed the projected estimated project cost. The Project Plan, therefore, has been determined to be economically feasible. The City recognizes that a real potential exists that the environmental and site preparation costs may be considerably higher than currently projected. The City intends to recover these costs to the greatest extent possible through revenues generated by the District.

As a result of projected amount of debt to be issued to finance the project costs, the incremental revenue required to service the debt would necessitate that the District continue for 15 years (maximum 27-year period allowed by state statutes).

13. STATEMENT OF FEASIBLE METHOD PROPOSED FOR RELOCATION

The City and the Authority are authorized to make relocation payments to, or with respect to, persons (including families, business concerns and others) being displaced from the project for moving expenses and losses of property for which reimbursement or compensation is not otherwise made. Any persons being displaced during the course of the project relocated from properties within the area during the course of project execution, shall be afforded the opportunity to be relocated in available accommodations which are decent, safe, sanitary, and otherwise habitable and which are within their financial means, all in accordance with a Relocation Plan, prepared pursuant to Sections 32.19 and 32.25 to 32.27 and 66.1333(10) of the Wisconsin Statutes and subsequently approved by the Wisconsin Department of Commerce. Since the property is currently for sale voluntarily, no relocation is anticipated at this time.

14. ZONING

No changes are proposed to the zoning ordinance, master plan, building codes or city ordinances. The District will be redeveloped with light industrial uses, which meets the current zoning.

15. ANNEXED PROPERTY

There are no lands within the District that were annexed by the City on or after January 1, 2004.

16. RETAIL

The City estimates that approximately 10% of the District territory will be utilized for retail operations at the end of the District's maximum expenditure period, pursuant to Section 66.1105(5)(b) and 66.1105(6)(am)1 of Wis. Stats.

17. MASTER PLAN

There are no proposed changes to the City's master plan.

18. ORDERLY REDEVELOPMENT

The District will provide orderly redevelopment of the City by fostering the opportunity for continued growth in the tax base and job opportunities.

The Exhibits and Attachments are incorporated into the Project Plan for Tax Incremental District Number Twelve, City of West Allis, Wisconsin, and by reference made a part thereof pursuant to Section 66.1105 of the Wisconsin Statutes.

19. APPENDIX OF EXHIBITS

Exhibits

- Exhibit No. 1 – Legal Description
- Exhibit No. 2 – Statement of Land Values
- Exhibit No. 3 – Financial Condition Analysis
- Exhibit No. 4 – Economic Feasibility Analysis
- Exhibit No. 5 – Increment Absorption
- Exhibit No. 6 – Cash Flow Analysis
- Exhibit No. 7 – Taxing Jurisdictions
- Exhibit No. 8 – Assessor’s Letter
- Exhibit No. 9 – Legal Opinion

Exhibit No. 1 – Legal Description

A tract of land located in the Southeast ¼ and Southwest ¼ of Section 2, Township 6 North, Range 21 East, more particularly described as follows:

Beginning at the Northwest corner of the Southeast ¼ of said Section 2; thence Easterly, 300.00 feet, along the North line of the City of West Allis limits, said line being centerline of West Burnham Street, to the East line of the City of West Allis limits; thence Southerly, 508.00 feet, along said East line; thence Westerly, 300.00 feet; thence Southerly, 185.00 feet, to the South right-of-way line of West Rogers Street; thence Westerly, 473.54 feet, along said South line to the West right-of-way line of the South 53rd Street extended; thence Northerly, 663.00 feet, along said West line to the North line of the City of West Allis limits and centerline of the West Burnham Street; thence Easterly, 473.98 feet, along said North line, to the Point of Beginning.

Said land contains 11.02 Acres, more or less.

Exhibit No. 2 – Statement of Land Values

Project ID Number	Tax Key #	Property Address	Owner's Name	Land Use Code	2011 Estimated Market Value	2011 Fair Market Land	2011 Fair Market Improvements	2011 Total Assessed Value
1	474-0002-001	1910 S. 53 St & 5017 W. Burnham St.	5209 Burnham LLC	700	\$749,117	\$393,407	\$355,710	\$743,200

Exhibit No. 3 – Financial Condition Analysis

I. CURRENT Property Values

I. A. - Assessed Value	
Land Value	\$390,300
Improvements	\$352,900
Personal Property	\$0
Total Value	\$743,200

Property Tax on Assessed Value	\$19,398
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I. B. - Fair Market Value	
Land Value	\$393,407
Improvements	\$355,710
Personal Property	\$0
Existing Total - Fair Market Values	\$749,117
	90.00%
Tax Rate of Fair Market Value	2.61%

Property Tax on Fair Market Value	\$19,600
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II. PROJECTED Property Values	
Total Sellable Site Acreage	8.960
at \$111,607/Acre	\$ 111,607
Total Land Value	\$ 1,000,000
Proposed Development	
Two buildings	2
Size/sq. ft.	57,500
Total	115,000

Industrial	
Land Coverage Ratio	12%
Projected Building Sq. Ft.	115,000
Cost Per Sq. Ft.	\$55.00
Projected Improvement Cost	\$6,325,000
Personal Property	
Land Sale Price	\$1,000,000
Projected Total Property Values	\$7,325,000
	2.61%
	\$191,200

*Price per Acre	\$111,607
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Exhibit No. 4 – Economic Feasibility Analysis

A. Total Property Redevelopment Costs

	Industrial
Projected Total Property Values	\$7,325,000
Existing Total - Fair Market Values	(\$749,117)
INCREMENTAL Property Values	\$6,575,883
	<u>2.61%</u>
Property Tax Increment	\$171,600

B. Total Property Redevelopment Costs

Redevelopment Costs

Demolition	\$1,000,000
Additional Environmental Investigation	\$100,000
Additional Environmental Clean-Up	\$400,000
Relocation	\$0
Legal & Administrative	\$213,800
Developer Incentives	\$ 150,000
Public Infrastructure	\$240,000
Contingency	\$210,380
Total Redevelopment Costs & Land Purchase	\$2,314,180
Minus Land Sales	\$1,000,000
Minus State Grants	
Minus Federal Grants	\$0
Incremental Redevelopment Costs	\$1,314,180

Development Type	INDUSTRIAL
Projected Property Tax Increment Per Year	\$171,600
Years required to finance Debt Service	15 Years

EXHIBIT 6

Cash Flow Analysis

DEBT SERVICE SCHEDULE							
T.I.F. G.O. BOND ISSUES	TOTAL G.O. BOND LOANS	T.I.F. CAPACITY				T.I.F. YEAR	Calendar Year
		T.I.F. G. O. Bond					
General Obligation Draw	Total Market Rate Obligations	Total Yearly Revenue	Balance beginning of Year	Plus interest on debt at	Equals New balance		
				5.85%			
\$1,132,500	\$1,132,500	\$ -	\$ 1,132,500.00	\$ 66,251	\$ 1,198,751.25	1	2011
(\$506,250)	(\$506,250)		\$ 692,501.25	\$ 40,511	\$ 733,012.57	2	2012
\$493,490	\$493,490	\$ -	\$ 1,226,502.57	\$ 71,750.40	\$ 1,298,252.97	3	2013
\$194,440	\$194,440	\$ 57,512	\$ 1,435,180.79	\$ 83,958.08	\$ 1,519,138.86	4	2014
\$0	\$0	\$ 181,647	\$ 1,337,491.88	\$ 78,243.28	\$ 1,415,735.16	5	2015
\$0	\$0	\$ 183,005	\$ 1,232,730.37	\$ 72,114.73	\$ 1,304,845.10	6	2016
\$0	\$0	\$ 184,373	\$ 1,120,472.35	\$ 65,547.63	\$ 1,186,019.98	7	2017
\$0	\$0	\$ 185,751	\$ 1,000,269.04	\$ 58,515.74	\$ 1,058,784.78	8	2018
\$0	\$0	\$ 187,139	\$ 871,645.36	\$ 50,991.25	\$ 922,636.61	9	2019
\$0	\$0	\$ 188,538	\$ 734,098.32	\$ 42,944.75	\$ 777,043.07	10	2020
\$0	\$0	\$ 189,948	\$ 587,095.45	\$ 34,345.08	\$ 621,440.54	11	2021
\$0	\$0	\$ 191,367	\$ 430,073.06	\$ 25,159.27	\$ 455,232.34	12	2022
\$0	\$0	\$ 192,798	\$ 262,434.39	\$ 15,352.41	\$ 277,786.80	13	2023
\$0	\$0	\$ 194,239	\$ 83,547.69	\$ 4,887.54	\$ 88,435.23	14	2024
\$0	\$0	\$ 195,691	\$ (107,255.82)	\$ (6,274.47)	\$ (113,530.28)	15	2025
\$0	\$0	\$ 197,154	\$ (310,684.12)	\$ (18,175.02)	\$ (328,859.14)	16	2026
\$0	\$0	\$ 198,628	\$ (527,486.70)	\$ (30,857.97)	\$ (558,344.68)	17	2027
\$0	\$0	\$ 200,112	\$ (758,456.98)	\$ (44,369.73)	\$ (802,826.71)	18	2028
\$0	\$0	\$ 201,608	\$ (1,004,434.86)	\$ (58,759.44)	\$ (1,063,194.30)	19	2029
\$0	\$0	\$ 203,115	\$ (1,266,309.46)	\$ (74,079.10)	\$ (1,340,388.56)	20	2030
\$0	\$0	\$ 204,633	\$ (1,545,022.02)	\$ (90,383.79)	\$ (1,635,405.80)	21	2031
\$0	\$0	\$ 206,163	\$ (1,841,568.89)	\$ (107,731.78)	\$ (1,949,300.67)	22	2032

Exhibit 7 – Calculation of the Project Share in Tax Increments by Overlying Taxing Jurisdiction

	Current (2011)	Projected (w current tax rate)
VALUE	\$749,117	\$7,325,000
	\$0	\$0
Tax Share by Jurisdiction		
CITY	\$7,197	\$70,371
COUNTY (6.906%)	\$3,362	\$32,878
MMSD (6.739307%)	\$1,089	\$10,652
SCHOOL (86.027830%)	\$6,335	\$61,948
MATC (5.3840625 %)	\$1,449	\$14,168
STATE	\$128	\$1,253
GROSS	\$19,561	\$191,270
SALES TAX CREDIT	\$0	\$0
SCHOOL TAX CREDIT	\$0	\$0
	\$0	\$0
gross levy	\$19,561	\$191,270

Exhibit No. 8 - Assessor's Letter



CITY ASSESSOR

414/302-8230
414/302-8238 (Fax)

City Hall
7525 West Greenfield Avenue
West Allis, Wisconsin 53214

www.ci.west-allis.wi.us

March 17, 2011

John Stibal
Director
Department of Development
City of West Allis

RE: Project Plan for Tax Incremental District Twelve

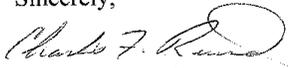
Dear Mr. Stibal:

The percentage of taxable property in all existing incremental districts compared with all taxable property in the City of West Allis for 2010 is:

3.946%

TOTAL TIF VALUE:	\$160,984,700
TOTAL CITY:	\$4,080,048,500

Proposed TIF#12 figures are included in the Total TIF Value.
The total figures include assessed values of both real estate and personal property.

Sincerely,

Charles F. Ruud
City Assessor



OFFICE OF THE CITY ATTORNEY

Scott E. Post
City Attorney

Sheryl L. Kuhary
Jeffrey J. Warchol
Jenna R. Merten
Assistant City Attorneys

EXHIBIT NO. 9

John F. Stibal
Director
Department of Development
City of West Allis

RE: Project Plan for Tax Incremental District Number Twelve

Dear Mr. Stibal:

Pursuant to your request, I have reviewed the Project Plan for Tax Incremental District Number Twelve. Based upon that review, I am of the opinion that the Plan complies with all of the statutory requirements of Wis. Stats. §66.1105(4)(f). This opinion is rendered in compliance with that statutory provision and should be part of the Project Plan.

Yours very truly,

Scott E. Post
City Attorney

SEP:da
L/Scott/Opinion Ltr-TIF 12

Dated: 4-4-1