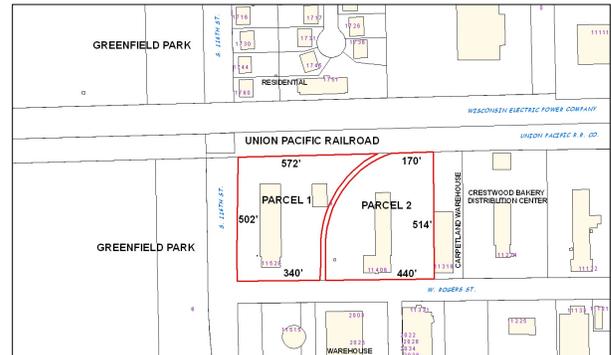




**PROJECT PLAN FOR THE CREATION OF
TAX INCREMENTAL DISTRICT NUMBER TEN,
CITY OF WEST ALLIS, WISCONSIN**

**FORMER TRUCK TERMINAL
116th and Rogers**



- | | |
|---|----------------|
| • Plan Commission -Review | June 25, 2008 |
| • Joint Review Board - Organizational Meeting | June 26, 2008 |
| • CDA – Public Hearing | July 8, 2008 |
| • CDA – Plan Approval | July 8, 2008 |
| • City Council - Adoption | August 5, 2008 |
| • Joint Review Board | August 6, 2008 |

**Prepared by:
Department of Development
City of West Allis**

June 23, 2008

Tax Incremental District No. 10 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. Michael Czaplewski
Ald. Thomas Lajsic
Ald. James Sengstock
Ald. Martin Weigel

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City Admin. Officer, Clerk/Treasurer
City Attorney
City Assessor
Comptroller/Finance Manager
Senior Planner
Planner II
Intern

Community Development Authority

Ald. Gary Barczak
Wayne Clark
Jason Metz

Ald. Michael Czaplewski
Karin Gale
Gerald Matter

Joint Review Board

Mayor Dan Devine
Scott Walker
Dr. Darnell Cole
Kurt Wachholz
Wayne Clark

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

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1. EXECUTIVE SUMMARY

DESCRIPTION OF DISTRICT

This document is the Project Plan (“Project Plan”) for Tax Incremental District Number Ten, 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 9.6 acres of land that is split by a privately-owned railroad spur easement. The site was formerly occupied by a trucking terminal located at S. 116 St. and Rogers St. The site is bounded by S. 116 Street on west, W. Rogers St. on the south, the Union Pacific Railroad on the north, and a private industrial property on the east. A map of the proposed District boundaries is located under Section 2. The legal description for the District is attached within the appendix **Exhibit A - Legal Description.**

Expenditures. The estimated total cost for project expenditures is \$3,235,000 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 \$5.6 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 5 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 Section 10 of the Plan, the District would be expected to generate sufficient tax increments to recover all associated costs by the year 2033; which is 25 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, 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, and the current use as a trucking terminal and storage would remain.

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 10 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 120 jobs.

Benefits Outweigh Anticipated Tax Increments to be Paid. If approved, the District would be created as of January 1, 2008. 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, 2008 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 6 – 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 preceding adoption of the District must not comprise more than 25% of the area in compliance with 66.11.05(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 7 – City Assessor Letter.**

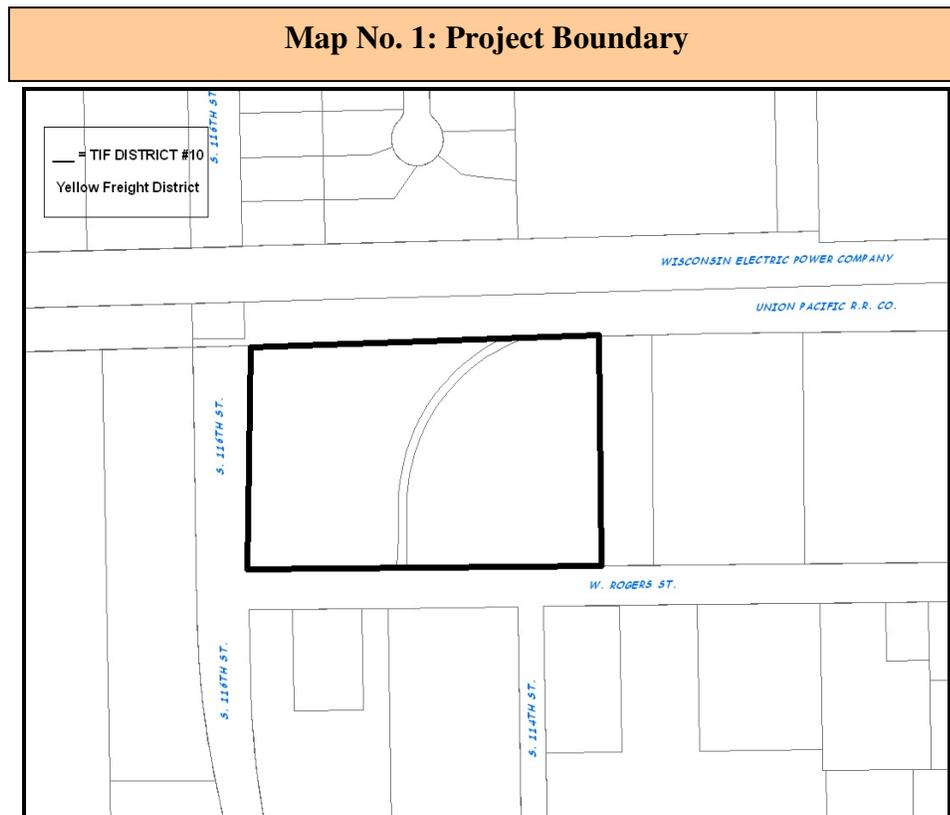
RETAIL. The City estimates that approximately 10% of the District territory will be utilized for retail operations at the end of the District’s maximum expenditure period, pursuant to Section 66.1105(5)(b) and 66.1105(6)(am)1 of Wis. Stats.

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

2. TYPE & GENERAL DESCRIPTION OF DISTRICT

District

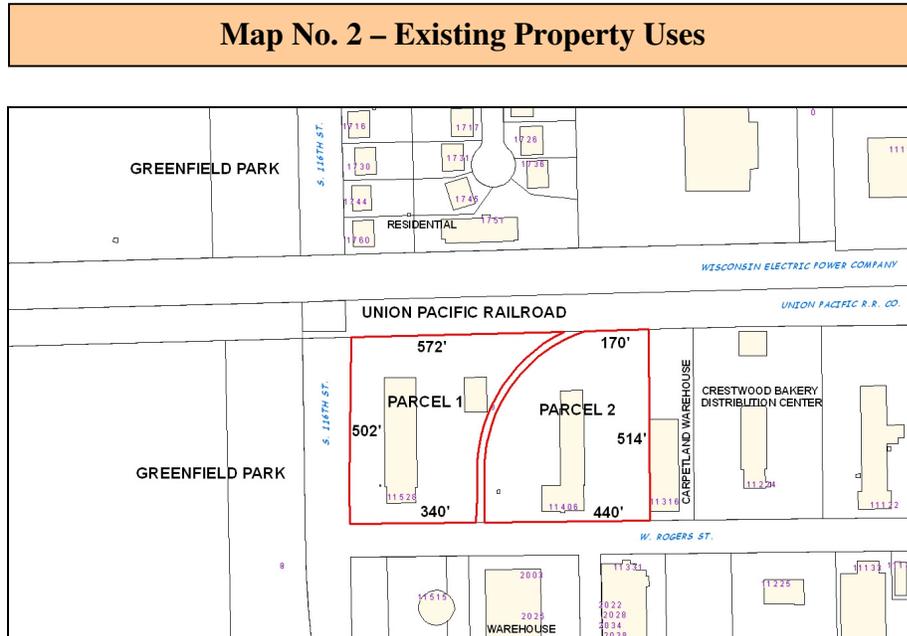
The District is being created by the City of West Allis under the authority provided in 66.1105 of Wis. Stats. Below, Map No. 1 - Project Boundary more clearly the precise limits of the District.



The District is bounded on the **north** by the Union Pacific Railroad, on the **east** by an industrial property occupied by Carpet Land, on the **south** by the Rogers Avenue, and on the **west** by S. 116 Street. A legal description is provided in **Exhibit No. 1 – Legal Description**.

3. 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.



Type of District

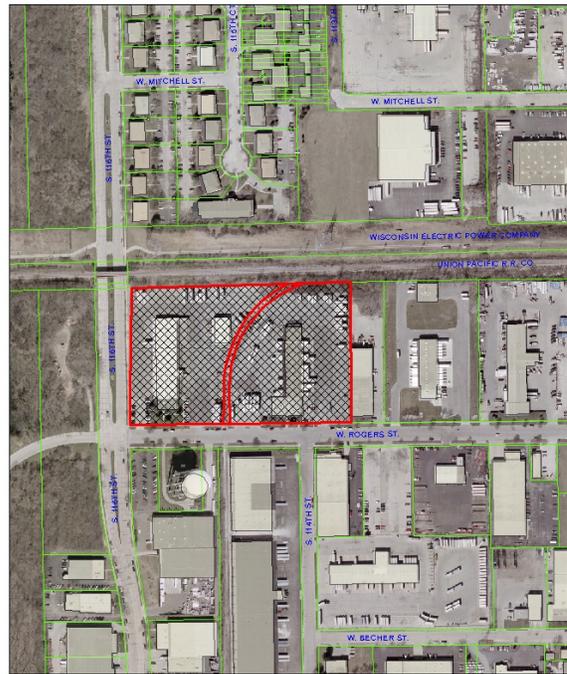
The District is created as a “Rehabilitation or Conservation District” based upon a finding that at least 50%, by area, of the real property within the District is in need of rehabilitation or conservation work, as defined in Section 66.1337 (2m) (a). Refer to **Map No. 3- Rehabilitation Conditions**

The Yellow Freight 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 Yellow Freight site is known to have (1) soil and groundwater impacts associated with a recently closed leaking underground storage tank (LUST) case, (2) probable asbestos containing materials within the existing building materials and (3) other potential contamination due to historic uses by the trucking facility. Soil and groundwater investigation was conducted at the site in response to the LUST release from 1992 through 1997. Both soil and groundwater were reported to contain petroleum constituents above the NR 700 Residual Contaminant Levels and NR 140 Groundwater Quality Standards. Conditional site closure was granted December 19, 2007 with a GIS registry because of soil and groundwater contamination, which was left in place. The

residual soil and groundwater contamination left on site will need to be evaluated relative to any new proposed redevelopment.

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



Legend

- Conditions of Blight
- Tax Key Parcel
- Structures

4. PROJECT PLAN GOALS AND OBJECTIVES

The City of West Allis intends that the District will be used to ensure that private development occurs within the District consistent with the City's development 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/public development

2. To broaden the property tax base of the community.
3. To reposition this industrial area to be a viable job creator
4. To promote a sustainable development that will reduce impact on the infrastructure and environment
5. To directly serve to rehabilitate or conserve the area.
6. To eliminate blight and prevent the development and spread of blighted areas.
7. 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 redevelopers 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 former trucking terminal. The following activities are essential to removing the current barriers to private redevelopment.

The project includes the acquisition of two, 4.6-acre parcels. The redevelopment will include the demolition of the current trucking terminals and removal of the excessive asphalt that covers over 83 % of the site.

The concept for redevelopment is the conversion of the site into contemporary office and/or light industrial uses. Optimal redevelopment of the site would have two, 80,000 sq. ft. office or light industrial uses.

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

The new development will be selected on the incorporation of sustainable design on the environment and workers. Design refers largely to the physical layout of the facility itself. It includes both interior and exterior design elements that include energy efficiency and green technologies such as green roof to absorb and clean water, landscaping, stormwater retention, etc. The City will encourage the developer to utilize the Leadership in Energy and Environmental Design (LEED) Green Building Rating System, which is a priority program of the US Green Building Council.

5. PARCEL LIST AND ANALYSIS

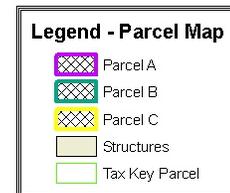
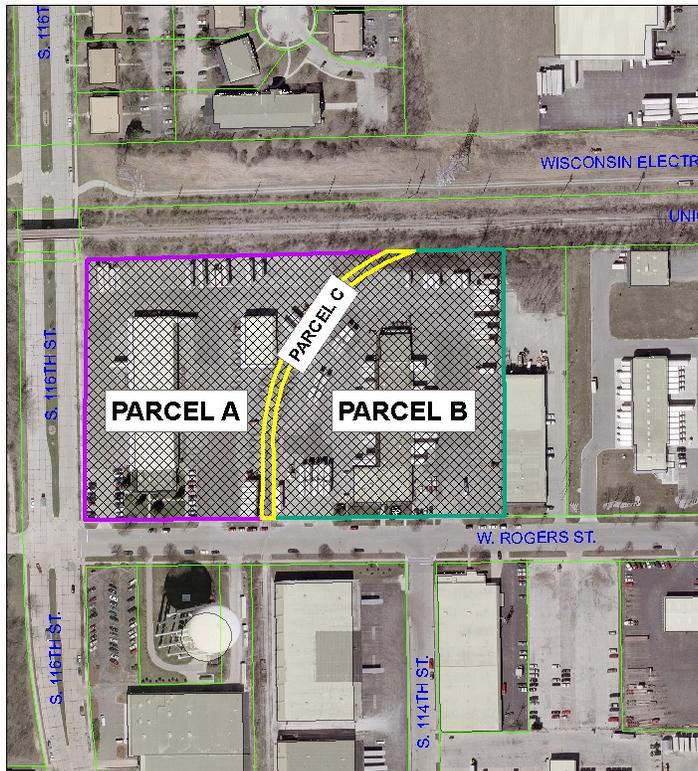
In 2008, the property's Fair Market Value as determined by the City Assessor was \$1.05 million for the land and \$1.75 million for the improvements for a total of \$2.8 million. The properties paid \$66,000 in property taxes. If the site were redeveloped as a light industrial park the total taxable value generated by the property could exceed \$8,409,000 and provide an additional (incremental) property tax relief in the area of \$132,845 per year.

Table 1

PROJECTED PROPERTY TAX INCREMENT

Parcel	Size Acres	Assessed			Taxes	Fair Market Value		Total
		Land Value	Improvements	Total	0.02357	90%	10%	
Current								
A	4.694	\$ 516,300	\$ 902,400	\$ 1,418,700	\$ 33,439	\$ 567,930	\$ 992,640	\$ 1,560,570
B	4.609	\$ 506,900	\$ 847,200	\$ 1,354,100	\$ 31,916	\$ 557,590	\$ 931,920	\$ 1,489,510
C	0.284	\$ 24,800	\$ -	\$ 24,800	\$ 585	\$ 27,280	\$ -	\$ 27,280
	9.303	\$ 1,048,000	\$ 1,749,600	\$ 2,797,600	\$ 65,939	\$ 1,125,520	\$ 1,924,560	\$ 3,077,360
Potential Project Value		Total						
		\$ 1,209,000	\$ 7,200,000	\$ 8,409,000	\$ 198,200			
Potential Project Increment		Total						
		\$ 161,000	\$ 5,450,400	\$ 5,611,400	\$ 132,261			

Map No. 4 – Parcel Map



6. 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 7** is a City Assessor Letter supporting the finding of this test.

The total 2007 equalized value (TIF in) is \$4,459,614,900. The equalized value of the increment of existing Tax Increment Districts within the City, plus the base value of the proposed District, totals \$178,145,700. This value is less than the maximum of \$535,153,788 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.

7. STATEMENTS OF PROPOSED IMPROVEMENTS

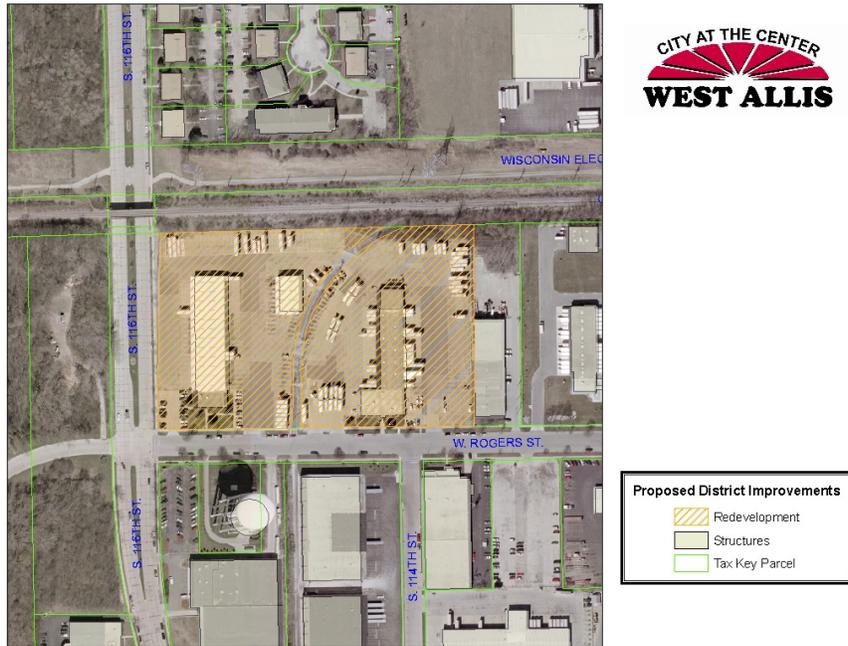
The following is a list of proposed improvements and other projects that the City expects to implement in the District. Any costs necessary for the creation of the District or related to the proposed improvements are considered “project costs” and eligible to be paid with tax increment revenues.

- Property Acquisition for Redevelopment. To foster and facilitate redevelopment within the District the City may acquire property within the District. Costs associated and related to the acquisition of real estate are eligible costs. Any revenue received by the City from the sale of

property for redevelopment will be used to reduce the project costs for the District. If total Project Costs incurred by the City to acquire property and make it suitable for redevelopment exceed the revenues or other consideration received from the sale or lease of that property, the net amount shall be considered “real property assembly costs” as defined in Wis. Stats. Section 66.1105(2)(f)1.c., and subject to recovery as an eligible Project Costs.

- Site Preparation. Environmental audits and remediation are necessary activities to prepare the site for redevelopment. Based on WDNR records, 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.
- Contribution to the Community Development Authority. As provided for in Wis. Stats. 66.1105(2)(f)1.h and 66.1333(13), the City may provide funds to its Redevelopment Authority to be used for administration, planning, and operations related to the purposes for which it was established in relationship of any redevelopment or urban renewal project. These are eligible project costs.
- Residential Rehabilitation Program. The City may provide residential incentives such as loans and grants for exterior home improvements such as roofs, painting, and/or siding.
- 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.
- 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.
- 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.
- 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.

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.



8. 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 3 - Estimated Redevelopment Costs**.

Some or all of these costs may be contributions made under Section 66.333 (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.

9. NON-PROJECT COSTS:

The City does not anticipate any non-project costs.

**Table 3
Estimated Redevelopment Costs.**

Budget	TIF Plan Budget	2008 Projected	2009 Projected	Total
A	B	C	D	E
1. Acquisition				
Purchase	\$ 2,700,000	\$ 2,700,000	\$ -	\$ 2,700,000
Subtotal	\$ 2,700,000	\$ 2,700,000	\$ -	\$ 2,700,000
2. Relocation				
	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -
3. Environmental Clean-up				
Environmental Phase I	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Environmental Phase II	\$ 60,000	\$ 60,000	\$ -	\$ 60,000
Environmental Clean-up	\$ -	\$ -	\$ -	\$ -
Geotechnical	\$ -	\$ -	\$ -	\$ -
Landfill	\$ -	\$ -	\$ -	\$ -
Environmental Consulting	\$ 75,000	\$ 75,000	\$ -	\$ 75,000
Subtotal	\$ 145,000	\$ 145,000	\$ -	\$ 145,000
4. Demolition				
Demolition	\$ -	\$ -	\$ -	\$ -
Decommissioning	\$ -	\$ -	\$ -	\$ -
Asphalt Removal	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -
5. Public Infrastructure				
Sewer Project	\$ -	\$ -	\$ -	\$ -
Street Work	\$ -	\$ -	\$ -	\$ -
Storm Water Retention (MMSD)	\$ -	\$ -	\$ -	\$ -
Private Utilities Termination	\$ -	\$ -	\$ -	\$ -
Water	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -
6. Administration				
General Admin.-5%	\$ 135,000	\$ 67,500	\$ 67,500	\$ 135,000
Legal-2%	\$ 54,000	\$ 27,000	\$ 27,000	\$ 54,000
Sales Commission	\$ -	\$ -	\$ -	\$ -
Taxes	\$ 66,000	\$ 66,000	\$ -	\$ 66,000
Subtotal	\$ 255,000	\$ 160,500	\$ 94,500	\$ 255,000
Subtotal	\$ 3,100,000	\$ 3,005,500	\$ 94,500	\$ 3,100,000
7. Intrest Expense				
Capitalized Interest	\$ -	\$ -	\$ -	\$ -
Interest Expense	\$ -	\$ -	\$ -	\$ -
Subtotal	\$ -	\$ -	\$ -	\$ -
8. Contingency				
Contingency - 10%	\$ 135,000	\$ 67,500	\$ 67,500	\$ 135,000
Subtotal	\$ 135,000	\$ 67,500	\$ 67,500	\$ 135,000
Total	\$ 3,235,000	\$ 3,073,000	\$ 162,000	\$ 3,235,000

10. 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 such as Community Development Block Grant (CDBG) funds, Wisconsin Department of Commerce Brownfield Grants, Wisconsin Department of Natural Resources Site Assessment Grants.

Due to the substantially lower interest rate on G.O. bonds, 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 Exhibit No. 4 Estimated Redevelopment Costs**

The bulk of the Project Plan cost will be incurred in 2008 with the balance expended by the year 2009.

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.

11. 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 cash flows set forth in **Exhibit No. 3 Financial Condition Analysis and Exhibit No. 4 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 will necessitate that the District continue **for 25 years (maximum 27-year period allowed by state statutes).**

12. 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.

13. 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.

14. ANNEXED PROPERTY

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

15. 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.

16. MASTER PLAN

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

17. 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 Eight, City of West Allis, Wisconsin, and by reference made a part thereof pursuant to Section 66.1105 of the Wisconsin Statutes.

APPENDIX OF EXHIBITS

Exhibits

- Exhibit No. 1 – Legal Description
- Exhibit No. 2 – Statement of Lands and Interest to be Acquired
- Exhibit No. 3 – Financial Conditional Analysis
- Exhibit No. 4 – Economic Feasibility Analysis
- Exhibit No. 5 – Cash Flow
- Exhibit No. 6 – Taxing Jurisdictions
- Exhibit No. 7 – Assessor’s Letter
- Exhibit No. 8 - Legal Opinion

Exhibit No. 1 – Legal Description

Lm for Leo on 6.24.08

Exhibit No. 2 – Statement of Lands and Interest to be Acquired

Parcel	Address	Owner	Use	Zoning
481-9993-010	11528 W. Rogers St.	Yellow Frieght System, Inc.	Truck Terminal	M-1
481-9993-013	11406 W. Rogers St.	Yellow Equipmentand Terminal, Inc.	Truck Terminal	M-1

Exhibit No. 3 – Financial Condition Analysis

I. CURRENT Property Values

I. A. - Assessed Value	
Land Value	\$1,048,000
Improvements	\$1,749,600
Personal Property	\$0
Total Value	\$2,797,600

Property Tax on Assessed Value	\$65,939
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I. B. - Fair Market Value	
Land Value	\$1,152,800
Improvements	\$1,924,560
Personal Property	\$0
Existing Total - Fair Market Values	\$3,077,360
	90.00%
Tax Rate of Fair Market Value	2.36%

Property Tax on Fair Market Value	\$72,500
-----------------------------------	----------

II. PROJECTED Property Values

Total Sellable Site Acreage	9.300
	<u>43,560</u>
Total Site Square Feet	405,108

Proposed Development	
Two buildings	2
Size/sq. ft.	<u>80,000</u>
Total	160,000

	Industrial
Land Coverage Ratio	<u>39%</u>
Projected Building Sq. Ft.	160,000
Cost Per Sq. Ft.	<u>\$45.00</u>
Projected Improvement Cost	<u>\$7,200,000</u>
Personal Property	
Land Sale Price	<u>\$1,209,000</u>
Projected Total Property Values	\$8,409,000

2.36%
\$198,200

*Sale Price per Acre	\$130,000
----------------------	------------------

Exhibit No. 4 – Economic Feasibility Analysis

A. Total Property Redevelopment Costs

	Industrial
Projected Total Property Values	\$8,409,000
Existing Total - Fair Market Values	<u>(\$2,797,600)</u>
INCREMENTAL Property Values	\$5,611,400
	<u>2.36%</u>
Property Tax Increment	\$132,400

Exhibit 5 – Cash Flow

- i. Revenue**
- ii. Increment**
- iii. Debt Service**

Base Value	\$ 2,700,000	Inflation Factor	1.00%
Senior/Mixed Use Development		Tax Rate Adjustment F	-0.50%

\$ 2,700,000

75000' each building
2 buildings
150000
50' cost per sq. ft.
\$ 7,500,000.00 over two years
50% yr 1
50% yr 2

#VALUE!

\$	774,542.07	\$	20.00	2028
\$	659,481.48	\$	21.00	2029
\$	536,896.00	\$	22.00	2030
\$	406,341.51	\$	23.00	2031
\$	267,347.86	\$	24.00	2032
\$	119,417.40	\$	25.00	2033
\$	(37,976.67)	\$	26.00	2034
\$	(205,391.97)	\$	27.00	2035
\$	(217,407.40)	\$	-	0
\$		\$	-	0

Construction Year	Valuation Year	Revenue Year	Inflation Increment	New Development	Valuation Increment	TIF Tax Rate	Tax Increment
1	2008	2010	\$		\$2,220,000	23.57	#VALUE!
2	2009	2011	\$	\$ 4,920,000	\$5,970,000	23.45	\$52,064
3	2010	2012	\$	\$ 3,750,000	\$6,029,700	23.33	\$139,309
4	2011	2013	\$		\$6,089,997	23.22	\$139,999
5	2012	2014	\$	\$0,297	\$6,150,897	23.10	\$140,692
6	2013	2015	\$	\$61,509	\$6,212,406	22.99	\$141,388
7	2014	2016	\$	\$62,124	\$6,274,530	22.87	\$142,088
8	2015	2017	\$	\$62,745	\$6,337,275	22.76	\$142,791
9	2016	2018	\$	\$63,373	\$6,400,648	22.64	\$143,498
10	2017	2019	\$	\$63,373	\$6,464,855	22.53	\$144,209
11	2018	2020	\$	\$64,647	\$6,529,301	22.42	\$144,922
12	2019	2021	\$	\$65,293	\$6,594,594	22.31	\$145,640
13	2020	2022	\$	\$65,946	\$6,660,540	22.19	\$146,361
14	2021	2023	\$	\$66,605	\$6,727,145	22.08	\$147,085
15	2022	2024	\$	\$67,271	\$6,794,417	21.97	\$147,813
16	2023	2025	\$	\$67,944	\$6,862,361	21.86	\$148,545
17	2024	2026	\$	\$68,624	\$6,930,985	21.75	\$149,280
18	2025	2027	\$	\$69,310	\$7,000,295	21.64	\$150,019
19	2026	2028	\$	\$70,003	\$7,070,287	21.54	\$150,762
20	2027	2029	\$	\$70,703	\$7,141,000	21.43	\$151,508
21	2028	2030	\$	\$71,410	\$7,212,410	21.32	\$152,258
22	2029	2031	\$	\$72,124	\$7,284,535	21.22	\$153,012
23	2030	2032	\$	\$72,845	\$7,357,360	21.11	\$153,769
24	2031	2033	\$	\$73,574	\$7,430,954	21.00	\$154,530
25	2032	2034	\$	\$74,310	\$7,505,263	20.90	\$155,295
26	2033	2035	\$	\$75,053	\$7,580,316	20.79	\$156,064
27	2034	2036	\$	\$75,803	\$7,656,119	20.69	\$156,836
28	2035	2037	\$	\$76,561	\$7,732,680	20.59	\$157,613
29	2036	2038	\$	\$77,327	\$7,810,007	20.48	\$158,393
30	2037	2039	\$	\$78,100	\$7,888,107	20.38	\$159,177
31	2038	2040	\$	\$78,881	\$7,966,968	20.28	\$159,965
32	2039	2041	\$	\$79,670	\$8,046,658	20.18	\$160,757
33	2040	2042	\$	\$79,670	\$8,046,658	20.08	\$161,553
		Totals		\$ 8,670,000			\$ 3,907,352
							\$2,052,919

Net Present Value of 2008-2027 Increment @ 5.0%

REVENUE PROJECTIONS BY YEAR

SOURCES	PROJECT COST							TOTAL
	2008	2009	2010	2011	2012	2013	2022	
1. LAND SALES - PROPOSED								
A. Land Sales - 9 acres @ 1300.00	\$1,170,000							\$0
Total Land Sales	\$1,170,000							\$1,170,000
2. GRANTS								
A. WI. Dept. of Commerce								\$0
1). Brownfield Grant	\$350,000							\$350,000
Subtotal WI Dept of Commerce Grants	\$350,000							\$350,000
B. WI. Dept. of Natural Resources								\$0
1. SAG								\$0
2. SAG								\$0
Subtotal WI Dept of Natural Resources Grants	\$0							\$0
C. U. S. Dept of HUD / NMTC								\$0
	\$0							\$0
Subtotal CDBG Funds	\$0							\$0
D. U. S. EPA Cleanup Grant	\$145,000							\$145,000
	\$60,000	\$65,000						\$125,000
Subtotal EPA Funds	\$145,000	\$65,000						\$210,000
E. Other Grant Funds - Ready for Reuse								\$0
Subtotal Other Funds	\$0							\$0
3. State & Fed Loans								
A. Land Recycling Loan Program								\$0
B. EPA Revolving Loan Site Specific								\$0
C. EPA Community wide								\$0
Subtotal of Loans	\$0							\$0
4. General Obligation Bonds								
A. Sanitary Sewer Utility - Serviced G. O. Bond Fund								\$0
B. Storm Sewer Utility - Serviced G. O. Bond Fund								\$0
C. Water Utility - Serviced G. O. Bond Fund								\$0
D. Street Improvement - Serviced G. O. Bond Fund								\$0
E. Tax Increment District (TID) financing	\$1,570,000	\$97,000	\$0	\$0	\$0	\$0	\$0	\$1,570,000
TOTAL G. O. Bonds	\$1,570,000	\$97,000	\$0	\$0	\$0	\$0	\$0	\$1,570,000
Grand Total Cost	\$3,235,000	\$3,075,000	\$0	\$0	\$0	\$0	\$0	\$3,235,000

\$1,170,000

\$350,000

\$0

\$0

\$145,000

\$1,570,000

\$3,235,000

Cash Flow Analysis

GENERAL OBLIGATION BONDS		DEBT SERVICE SCHEDULE									
T.I.F. G.O. BOND ISSUES	TOTAL G.O. BOND LOANS	T.I.F. CAPACITY									
		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 5.85%	Plus interest on debt at	Equals New balance	T.I.F. YEAR				
\$1,473,000	\$1,473,000	\$ -	\$ 1,473,000.00	\$ 86,171	\$ -	\$ 1,559,170.50	2008				
\$97,000	\$97,000	\$ -	\$ 1,656,170.50	\$ 96,886	\$ -	\$ 1,753,056.47	2009				
\$0	\$0	\$ 52,064	\$ 1,753,056.47	\$ 102,553.80	\$ -	\$ 1,853,610.28	2010				
\$0	\$0	\$ 139,309	\$ 1,803,546.50	\$ 105,507.47	\$ -	\$ 1,909,053.98	2011				
\$0	\$0	\$ 139,999	\$ 1,769,744.69	\$ 103,530.06	\$ -	\$ 1,873,274.75	2012				
\$0	\$0	\$ 140,692	\$ 1,733,275.88	\$ 101,396.64	\$ -	\$ 1,834,672.52	2013				
\$0	\$0	\$ 141,388	\$ 1,693,980.66	\$ 99,097.87	\$ -	\$ 1,793,078.52	2014				
\$0	\$0	\$ 142,088	\$ 1,651,690.24	\$ 96,623.88	\$ -	\$ 1,748,314.11	2015				
\$0	\$0	\$ 142,791	\$ 1,606,225.95	\$ 93,964.22	\$ -	\$ 1,700,190.17	2016				
\$0	\$0	\$ 143,498	\$ 1,557,398.67	\$ 91,107.82	\$ -	\$ 1,648,506.50	2017				
\$0	\$0	\$ 144,209	\$ 1,505,008.18	\$ 88,042.98	\$ -	\$ 1,593,051.16	2018				
\$0	\$0	\$ 144,922	\$ 1,448,842.53	\$ 84,757.29	\$ -	\$ 1,533,599.82	2019				
\$0	\$0	\$ 145,640	\$ 1,388,677.35	\$ 81,237.63	\$ -	\$ 1,469,914.98	2020				
\$0	\$0	\$ 146,361	\$ 1,324,275.15	\$ 77,470.10	\$ -	\$ 1,401,745.24	2021				
\$0	\$0	\$ 147,085	\$ 1,255,384.49	\$ 73,439.99	\$ -	\$ 1,328,824.49	2022				
\$0	\$0	\$ 147,813	\$ 1,181,739.25	\$ 69,131.75	\$ -	\$ 1,250,871.00	2023				
\$0	\$0	\$ 148,545	\$ 1,103,057.69	\$ 64,528.88	\$ -	\$ 1,167,586.57	2024				
\$0	\$0	\$ 149,280	\$ 929,375.24	\$ 54,368.45	\$ -	\$ 983,743.69	2026				
\$0	\$0	\$ 150,019	\$ 833,724.48	\$ 48,772.88	\$ -	\$ 882,497.36	2027				
\$0	\$0	\$ 150,762	\$ 731,735.55	\$ 42,806.53	\$ -	\$ 774,542.07	2028				
\$0	\$0	\$ 151,508	\$ 623,033.99	\$ 36,447.49	\$ -	\$ 659,481.48	2029				
\$0	\$0	\$ 152,258	\$ 507,223.43	\$ 29,672.57	\$ -	\$ 536,896.00	2030				
\$0	\$0	\$ 153,012	\$ 383,884.28	\$ 22,457.23	\$ -	\$ 406,341.51	2031				
\$0	\$0	\$ 153,769	\$ 252,572.38	\$ 14,775.48	\$ -	\$ 267,347.86	2032				
\$0	\$0	\$ 154,530	\$ 112,817.57	\$ 6,599.83	\$ -	\$ 119,417.40	2033				
\$0	\$0	\$ 155,295	\$ (35,877.82)	\$ (2,098.85)	\$ -	\$ (37,976.67)	2034				
\$0	\$0	\$ 156,064	\$ (194,040.60)	\$ (11,351.37)	\$ -	\$ (205,391.97)	2035				
\$0	\$0	\$ -	\$ (205,391.97)	\$ (12,015.43)	\$ -	\$ (217,407.40)					
\$1,570,000	\$1,570,000	\$1,570,000	\$1,570,000	\$1,570,000	\$1,570,000	\$1,570,000					

Q:\Summit P\TIF Yellow 6.12.08 option\
DEBT SERV. SCHEDULE 6

Exhibit 6 – Calculation of the Project Share in Tax Increments by Overlying Taxing Jurisdiction

	2008 HOME
JURISDICTION	8,400,000.00
	0
5.503955%	
*CITY	72,675.12
*COUNTY (6.906%)	34,391.28
*MMSD (6.858541%)	11,331.60
*SCHOOL (86.516201%)	62,420.40
*MATC (5.503955 %)	15,671.04
*STATE	1,501.08
blank	
GROSS	197,990.52
SALES TAX CREDIT	0.00
SCHOOL TAX CREDIT	0.00
	0.00
gross levy	197,990.52

Exhibit No. 7 - Assessor's Letter

DRAFT

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

RE: Project Plan for Tax Increment District Number Ten

Dear Mr. Stibal:

The percentage of taxable property in all the tax incremental districts compared with all taxable property in the City of West Allis for 2007 is:

TOTAL TIF VALUE	\$
TOTAL CITY OF WEST ALLIS	\$

Sincerely,

Charles F. Ruud
City Assessor

Exhibit No. 8 – Legal Opinion

DRAFT

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

RE: Project Plan for Tax Increment District Number Ten

Dear Mr. Stibal:

Pursuant to your request, we have determined the Project Plan for Tax Increment District Number Ten. Based upon that review, we are of the opinion that the Plan complies with all of the statutory requirements of Wis. States §66.1105(4)(f) and rendering this opinion in compliance with that statutory provision.

Yours very truly,

Scott Post
City Attorney