DocId:8485148
Tx:4171697

1820677
LACROSSE COUNTY
REGISTER OF DEEDS
ROBIN L. KADRMAS

RECORDED ON
05/30/2024 02:26 PM
PAGE COUNT: 32
EXEMPT #:
RECORDING FEE 30.00

THIS SPACE RESERVED FOR RECORDING DATA

#112

RETURN TO:
Stephen F. Matty
City Attorney, City of La Crosse
400 La Crosse Street
La Crosse, Wisconsin 54601

PIN
17-10355-20

AGREEMENT CONCERNING PAYMENT FOR MUNICIPAL SERVICES

(2622 Rose Street)

This Agreement is entered into as of the 21st day of December, 2023, (the "Agreement"), by and between the **City of La Crosse**, a Wisconsin municipal corporation (the **"City")**, and **Kwik Trip, Inc.** (the **"Owner"**).

RECITALS

A. Owner currently owns real property (the "Property") in the City and pays property taxes to the City on the Property, more particularly described as:

See Attached Exhibit B.

B. Owner intends to repurpose the property from its current use of vacant hotel building, demolish the existing building and build a new Kwik Trip convenience store/fueling station and car wash.

C. Owner is seeking a Conditional Use Permit in order to facilitate the Property's new use.

D. Owner obtained a Conditional Use Permit while representing to the Common Council and agreeing that, *inter alia*, (1) the Owner shall enter into an agreement concerning the payment for municipal services to the City; and (2) the Owner shall perform in accordance with the terms of said agreement.

NOW, THEREFORE, in consideration of the recitals and the mutual promises, obligations and benefits provided under this Agreement, the receipt and adequacy of which are hereby acknowledged, Owner and the City agree as follows:

1. **Representations and Warranties of Owner.** The recitals stated above are incorporated into this Agreement by reference as representations and warranties of Owner to the City. In addition, Owner represents and warrants to the City that Owner: (1) has taken all action necessary to enter into this Agreement and (2) will be the sole Owner of the Property, in fee simple.

2. **Municipal Services.** Based on Owner's use of the Property provided herein, the City shall provide public health, safety, fire and police protection, streets and street maintenance, snow removal, and other governmental services ("Municipal Services") with respect to the Property that are funded by property taxes.

3. **Tax Status of Property.** Except as otherwise provided by law, the Property shall be subject to property taxation and shall not be exempt from property taxation, in full or in part. Owner shall timely

provide, at no cost to the City, all information and access to books, records, documents, and other evidence reasonably requested by the City's assessor to determine whether the Property is exempt from property taxes and shall permit the City's assessor to have reasonable access to the Property for that purpose.

4. **Payment for Municipal Services.** If, after obtaining the Conditional Use Permit, the Owner of the Property fails to cause the improvement of the Property through any new or additional structure or improvements equal to or greater than the base year improvement or structure valuation, adjusted for inflation or increases in the annual property tax assessment, for any Valuation Year, the City shall send Owner, by United States mail, postage prepaid, an invoice for the amount due as a payment for municipal services provided by the City with respect to the Property ("Payment for Municipal Services"), calculated according to this section of the Agreement. The amount due shall be calculated by the City for each Valuation Year by the following method.

a. The City shall determine the assessed value of improvements on the Property (the Base Year Valuation") by referencing the Property's tax bill corresponding to the calendar year during which the Conditional Use Permit was granted (the "Base Year"). If the Property, or portion thereof, is already tax exempt for the Base Year, then the City's assessor, or an appraiser chosen in the sole discretion of the City, shall determine the assessed value of improvements as if the Property, or portion thereof, was not tax exempt, which value shall be used to calculate the Base Year Valuation, or portion thereof.

b. The City shall calculate the Adjusted Base Year Valuation of the Property by multiplying the Base Year Valuation by any factor of inflation or increase in the annual property tax assessment during and subsequent to the Base Year as determined by the City's assessor.

c. For each Valuation Year, the City shall determine the Property's current assessed value of improvements (the "Assessed Value Improvements"), but excluding land, by referencing the Property's tax bill corresponding to the Valuation Year. If the Property, or portion thereof, is determined to be tax exempt, then the Assessed Value Improvements related to the Property, or portion thereof, shall be deemed to be zero (0). "Valuation Year" means each year subsequent to the Base Year, excluding the year immediately following the Base Year.

d. For each Valuation Year, the City shall compare the Assessed Value Improvements to the Adjusted Base Year Valuation. If the Assessed Value Improvements as determined in sub. (c) is greater than or equal to the Adjusted Base Year Valuation, the Owner is not required to make any Payment for Municipal Services for that Valuation Year. If the Assessed Value Improvements determination in sub. (c) is less than the Adjusted Base Year Valuation, the Owner shall make a Payment for Municipal

Services to the City based upon the differential amount, if any, invoiced by the City to the Owner.

e. The amount to be paid as the Payment for Municipal Services shall be calculated by taking the differential amount, if any, and multiplying it by the full property tax mill rate for all taxing jurisdictions as shown in the tax bills issued by the City on or about December of the Valuation Year.

Attached to this Agreement as **Exhibit A** are illustrative calculations by the method provided in this Agreement, using illustrative values of land and improvements some of which may be provided by Owner and other figures provided by the City. These values and figures are used solely for illustrating the method of calculation provided in this section and are not intended to indicate in any way what the actual calculation for any Valuation Year shall be. The amount of the Payment for Municipal Services for any Valuation Year, calculated as provided in this section, shall be binding on the parties.

5. **Terms of Payment.** The City shall send Owner an invoice for the Payment for Municipal Services due for each Valuation Year by the end of the Valuation Year or as soon thereafter as practical. The full amount of the Payment for Municipal Services shall be due on or before March 31 of the year after the Valuation Year. Each payment shall be deemed made when actually received by the City. Any payment made by check shall not be deemed made until the check has cleared all banks. Any amount due that is not paid on time shall bear interest and penalty in the same manner and at the same rate as provided by law for unpaid property taxes. The Payment for Municipal Services shall constitute payment for all Municipal Services provided with respect to the Property during the Valuation Year, except Municipal Services requested by Owner that would not ordinarily be provided by the City. The City and Owner acknowledges and agree that the Payment for Municipal Services under this Agreement would constitute a reasonable and appropriate means of carrying out the intent of the parties and would fairly and reasonably compensate the City for the Municipal Services provided during the Valuation Year, except Municipal Services requested by Owner that would not ordinarily be provided by the City.

6. **Special Assessments and/or Special Charges.** Any Payment for Municipal Services that is not made when due shall entitle the City to levy a special assessment and/or special charge against the Property for the amount due, plus interest and penalty. Owner hereby consents to the levy of any such special assessment and/or special charge, and, pursuant to Wis. Stat. § 66.0703(7)(b) and/or Wis. Stat. § 66.0627, waives any right to notice of or any hearing on any such special assessment and/or special charge.

7. **Indemnification**. The non-prevailing party shall indemnify the prevailing party for all amounts of attorneys' fees and expenses and expert fees and expenses incurred in enforcing this Agreement.

8. **Remedies**. The City shall have all remedies provided by this Agreement, and provided at law or in equity, necessary to cure any default or remedy any damages under this Agreement. Remedies shall include, but are not limited to, special assessments under section 6 of this Agreement, indemnification under section 7 of this Agreement, and all remedies available at law or in equity. The Owner shall have all remedies available at law or in equity.

9. **Successors and Assigns.** This Agreement is binding on the successors and assigns of the parties, including, but not limited to, any subsequent Owners of the Property, any part of the Property, or any real property interest in the Property or any part of the Property. Owner shall provide not less than forty-five (45) days advance written notice of any intended transfer of Ownership, assignment, lease, or sublease. If at any time the Property has two (2) or more Owners, the Owners shall be jointly and severally liable for any Payment for Municipal Services due under this Agreement for any Valuation Year. For purposes of invoicing only, the City may, in its sole discretion, allocate the amount of the Payment for Municipal Services due among the Owners in proportion to the Assessed Value Improvements of their respective property interests as of January 1 of the Valuation Year, as determined by the City's assessor using the method of calculation described in section 4 of this Agreement. If the City makes such an allocation for purposes of invoicing only, then if any part of the Payment for Municipal Services is not timely paid, the City may, in its sole discretion, at any time or from time to time, send additional invoices to all the Owners for all or part of the amount due until the amount due is fully paid.

10. **Notices**. Any notice required to be given under this Agreement shall be deemed given when deposited in the United States mail, postage prepaid, certified mail return receipt requested to the party at the address stated below or when actually received by the party, whichever is first. The addresses are:

To City:	City Clerk City of La Crosse 400 La Crosse Street La Crosse, WI 54601
With a copy to:	City Planner City of La Crosse 400 La Crosse Street La Crosse, WI 54601
To Owners:	Kwik Trip, Inc. Attn: Legal Department 1626 Oak Street La Crosse WI 54601

Either party may change its address for notices by giving a notice as provided in this section.

11. **Term of Agreement.** The term of this Agreement shall begin on the date the Conditional Use Permit became effective (December 15, 2023) and shall continue for not less than twenty (20) Valuation Years unless otherwise terminated by mutual written agreement. The term of this Agreement shall be tolled for one (1) Valuation Year in the event a party is unable to perform due to an impossibility to perform, including, without limitation, fire, flood, storms, or other "act of God."

12. **Entire Agreement; Amendments**. This Agreement encompasses the entire agreement of the parties. Any amendment to this Agreement shall be made in writing, signed by both parties.

13. **Severability**. If any part of this Agreement is determined to be invalid or unenforceable, the rest of the Agreement shall remain in effect.

14. **Waiver**. No waiver of any breach of this Agreement shall be deemed a continuing waiver of that breach or a waiver of any other breach of this Agreement.

15. **Governing Law**. This Agreement has been negotiated and signed in the State of Wisconsin and shall be governed, interpreted, and enforced in accordance with the laws of and the State of Wisconsin.

16. **Interpretation of Agreement; Venue.** The parties acknowledge that this Agreement is the product of joint negotiations. The parties acknowledge that If any dispute arises concerning the interpretation of this Agreement, neither party shall be deemed the drafter of this Agreement for purposes of its interpretation. Venue for any action arising out of or in any way related to this Agreement shall be exclusively in the Circuit Court for La Crosse County, Wisconsin. Each party waives its right to challenge venue in La Crosse County.

17. **Dispute Resolution.** If there is any dispute between the parties arising out of, related to, or connected with this Agreement:

a. The parties shall attempt in good faith to resolve the dispute.

b. If the parties cannot resolve the dispute after reasonable efforts, the dispute shall be submitted to mediation, at the request of either party. The mediator shall be agreed on by the parties or, if they are unable to agree, selected by the Circuit Court of La Crosse County, on application of either party. If the dispute, in whole or part, concerns the Assessed Value Improvements of the Property or the amount due of any payment for Municipal Services, the mediator shall be an assessor or appraiser licensed by the State of Wisconsin with at least ten (10) years experience in the valuation of commercial property, unless the parties agree otherwise in writing. If the dispute is wholly on some other issue or issues, the mediator shall be an attorney in La Crosse County, Wisconsin with at least ten (10) years experience.

c. If the parties cannot resolve the dispute by mediation, after reasonable efforts, either party may demand arbitration conducted in accordance with chapter 788, Wisconsin Statutes, or any successor statute, by a single arbitrator, chosen by mutual agreement of the parties or, if they do not agree, by the Circuit Court for La Crosse County, on application of either party. If the dispute, in whole or part, concerns the Assessed Value

Improvements of the Property or the amount of any payment for Municipal Services due under this Agreement, the arbitrator shall be an assessor or appraiser licensed by the State of Wisconsin with at least ten (10) years experience in the valuation of commercial property, unless the parties agree otherwise in writing, and any demand for arbitration shall be made within sixty (60) days after mediation was deemed unsuccessful by the mediator. If a demand for arbitration is not made within that time, the parties shall be deemed to have waived arbitration with respect to the Assessed Value Improvements of the Property and the amount of any payment for Municipal Services due under this Agreement. If the dispute is wholly on some other issue or issues, the arbitrator shall be an attorney in La Crosse County, Wisconsin with at least ten (10) years experience. Chapter 788, Wisconsin Statutes, or any successor statute, shall govern the arbitration proceeding, except that Owners and the City each waive any right to trial by jury if a dispute concerning the arbitration proceeding is resolved by a court. Each party is hereby authorized to file a copy of this section in any proceeding as conclusive evidence of this waiver of jury trial by the other party.

18. **Representations.** Each party acknowledges and agrees that no representation or promise not expressly contained in this Agreement has been made by the other party or any of its employees, attorneys, agents, or representatives. Each party acknowledges that it is not entering into this Agreement on the basis of any such representation or promise, express or implied.

19. **Reading of Agreement.** Each person signing this Agreement on behalf of any Party acknowledges that the person has read this Agreement, that the person understands the terms and conditions of the agreement, that the person (if other than an attorney for the party) has been advised by legal counsel concerning this Agreement, and that the person freely and voluntarily signs this Agreement.

20. **Authorization to Sign Agreement.** Each person signing this Agreement on behalf of any Party represents and warrants that the person holds the position indicated beneath the person's signature and that the person has the requisite corporate or other authority to sign this Agreement on behalf of the Party. Each Party represents that entry into this Agreement is not in contravention of any agreement or undertaking to which the Party is bound.

21. **Recording.** The City may record this Agreement with the Register of Deeds for La Crosse County and may record this document again, from time to time, in the City's sole discretion.

IN WITNESS WHEREOF, the parties have executed this Agreement by their duly authorized representatives as of the date first set forth above.

ALICIA SMITHBURG
NOTARY PUBLIC
STATE OF WISCONSIN

Subscribed and sworn to before me this
21 day of December 2023.

____
Notary Public, State of WI
My Commission: 08/23/27

NOTARY PUBLIC
MARANDA OLIVER
STATE OF WISCONSIN

Subscribed and sworn to before me this
21st day of December, 2023.

Maranda Oliver
Notary Public, State of WISCONSIN
My Commission: 6-3-2026

CITY OF LA CROSSE

BY: ______________________
Mitch Reynolds, Mayor

BY: ______________________
Nikki Elsen, City Clerk

KWIK TRIP, INC.

BY: ______________________
Jeffrey J. Wrobel,
CFO & Treasurer

Exhibit A attached: Illustrative Calculations
Exhibit B attached: Legal Description

This instrument drafted by:
Legal Department
City of La Crosse
400 La Crosse Street
La Crosse, WI 54601

Exhibit A
ILLUSTRATIVE CALCULATION

Illustration A-1

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $10,000 for land and $44,600 for improvements on January 1, 2015 and the same is reflected in tax bills issued on December 4, 2015. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner demolished the original improvements in July 2015 and constructed new improvements in October 2015. These improvements were assessed at $50,000 by the City Assessor on January 1, 2016 and are reflected as the same on the December 4, 2016 tax bills.

Results:

- The Assessed Value Improvements are greater than or equal to the Adjusted Base Year Valuation for Valuation Years 2017-2026; accordingly, no Payment for Municipal Services is due.
- Land is still taxed and not used to calculate any Payment for Municipal Services.
- See Exhibit A-1 for further illustration.

Exhibit A-1 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015											
Date CUP became effective		5/19/2015											
Base Year Valuation Date		1/1/2015											
Inflation Factor		2%											
		Base Year	Grace Year	Valuation Years									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
Base Year Valuations and Adjusted Base Year Valuations													
	Land	**10,000.00**	10,200.00	10,404.00	10,612.08	10,824.32	11,040.81	11,261.62	11,486.86	11,716.59	11,950.93	12,189.94	12,433.74
	Improvements	**44,600.00**	45,492.00	46,401.84	47,329.88	48,276.47	49,242.00	50,226.84	51,231.38	52,256.01	53,301.13	54,367.15	55,454.49
	Total	*54,600.00*	*55,692.00*	56,805.84	57,941.96	59,100.80	60,282.81	61,488.47	62,718.24	63,972.60	65,252.05	66,557.10	67,888.24
Assessed Value Improvements													
	Land	10,000.00	10,200.00	10,404.00	10,612.08	10,824.32	11,040.81	11,261.62	11,486.86	11,716.59	11,950.93	12,189.94	12,433.74
	New Improvements	44,600.00	50,000.00	51,000.00	52,020.00	53,060.40	54,121.61	55,204.04	56,308.12	57,434.28	58,582.97	59,754.63	60,949.72
	Total	*54,600.00*	*60,200.00*	*61,404.00*	*62,632.08*	*63,884.72*	*65,162.42*	*66,465.66*	*67,794.98*	*69,150.88*	*70,533.89*	*71,944.57*	*73,383.46*
Improvement Differential (if any)		*0.00*	*0.00*	*(4,598.16)*	*(4,690.12)*	*(4,783.93)*	*(4,879.60)*	*(4,977.20)*	*(5,076.74)*	*(5,178.27)*	*(5,281.84)*	*(5,387.48)*	*(5,495.23)*
Tax Rate		*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Due Date			N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.

Illustration A-2

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $29,000 for land and $113,500 for improvements on January 1, 2015 and the same is reflected on the December 4, 2015 tax bill. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner demolished the original improvements in July 2015 and constructed new improvements in October 2021. These improvements were assessed at $150,000 by the City Assessor on January 1, 2022 and are reflected as the same on the December 4, 2022 tax bill.

Results:

- The Assessed Value Improvements are less than the Adjusted Base Year Valuation for Valuation Years 2017-2021; accordingly a Payment for Municipal Services is invoiced at the end of each year and due on March 31 of the following year.

- The Assessed Value Improvements are greater than or equal to the Adjusted Base Year Valuation for Valuation Years 2022-2026; accordingly, no Payment for Municipal Services is due.

- Land is still taxed and not used to calculate any Payment for Municipal Services.

- See Exhibit A-2 for further illustration.

Exhibit A-2 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval			5/13/2015											
Date CUP became effective			5/19/2015											
Base Year Valuation Date			1/1/2015											
Inflation Factor			2%											
			Base Year	Grace Year	Valuation Years									
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.														
Base Year Valuations and Adjusted Base Year Valuations														
	Land		**29,000.00**	29,580.00	30,171.60	30,775.03	31,390.53	32,018.34	32,658.71	33,311.88	33,978.12	34,657.68	35,350.84	36,057.85
	Improvements		**113,500.00**	115,770.00	118,085.40	120,447.11	122,856.05	125,313.17	127,819.43	130,375.82	132,983.34	135,643.01	138,355.87	141,122.98
	Total		*142,500.00*	*142,500.00*	*148,257.00*	*151,222.14*	*154,246.58*	*157,331.51*	*160,478.14*	*163,687.71*	*166,961.46*	*170,300.69*	*173,706.70*	*177,180.84*
Assessed Value Improvements														
	Land		29,000.00	29,580.00	30,171.60	30,775.03	31,390.53	32,018.34	32,658.71	33,311.88	33,978.12	34,657.68	35,350.84	36,057.85
	New Improvements		113,500.00	0.00	**0.00**	0.00	0.00	0.00	0.00	**150,000.00**	153,000.00	156,060.00	159,181.20	162,364.82
	Total		*142,500.00*	*29,580.00*	*30,171.60*	*30,775.03*	*31,390.53*	*32,018.34*	*32,658.71*	*183,311.88*	*186,978.12*	*190,717.68*	*194,532.04*	*198,422.68*
Improvement Differential (if any)			*0.00*	*115,770.00*	*118,085.40*	*120,447.11*	*122,856.05*	*125,313.17*	*127,819.43*	*(19,624.18)*	*(20,016.66)*	*(20,416.99)*	*(20,825.33)*	*(21,241.84)*
Tax Rate			*0.028*	*0.280*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services			**N/A**	**N/A**	**3,306.39**	**3,372.52**	**3,439.97**	**3,508.77**	**3,578.94**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Tax bill			12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date				N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	N/A	N/A	N/A	N/A	N/A
Due Date				N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	N/A	N/A	N/A	N/A	N/A
NOTES:														
1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.														
2. Payment for Municipal Services extends for not less than 20 valuation years.														
3. No payment due for Grace Year.														

Illustration A-3

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $26,800 for land and $75,900 for improvements on January 1, 2015 and the same is reflected on the December 4, 2015 tax bill. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner demolished the original improvements in July 2015 and never constructed any new improvements. Moreover, the owner filed a tax exemption request with the City Assessor, which was approved commencing on January 1, 2024.

Results:

- The Assessed Value Improvements are less than the Adjusted Base Year Valuation for Valuation Years 2017-2026; accordingly a Payment for Municipal Services is invoiced at the end of each tax year and due on March 31 of the following year.
- Land is still taxed for Valuation Years 2017-2023 and not used to calculate any Payment for Municipal Services.
- Land obtains a tax exemption commencing in 2024; accordingly, a tax bill on the land no longer occurs, but the Payment for Municipal Services still occurs.
- See Exhibit A-3 for further illustration.

Exhibit A-3 -- Illustrative Calculations														
Payment for Municipal Services														
Date of CUP approval			5/13/2015											
Date CUP became effective			5/19/2015											
Base Year Valuation Date			1/1/2015											
Inflation Factor			2%											
			Base Year	Grace Year	Valuation Years									
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.														
Base Year Valuations and Adjusted Base Year Valuations														
	Land		**26,800.00**	27,336.00	27,882.72	28,440.37	29,009.18	29,589.37	30,181.15	30,784.78	31,400.47	32,028.48	32,669.05	33,322.43
	Improvements		**75,900.00**	77,418.00	78,966.36	80,545.69	82,156.60	83,799.73	85,475.73	87,185.24	88,928.95	90,707.53	92,521.68	94,372.11
	Total		*102,700.00*	*104,754.00*	*106,849.08*	*108,986.06*	*111,165.78*	*113,389.10*	*115,656.88*	*117,970.02*	*120,329.42*	*122,736.01*	*125,190.73*	*127,694.54*
Assessed Value Improvements														
	Land		26,800.00	27,336.00	27,882.72	28,440.37	29,009.18	29,589.37	30,181.15	30,784.78	31,400.47	**0.00**	0.00	0.00
	New Improvements		75,900.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total		*102,700.00*	*27,336.00*	*27,882.72*	*28,440.37*	*29,009.18*	*29,589.37*	*30,181.15*	*30,784.78*	*31,400.47*	*0.00*	*0.00*	*0.00*
Improvement Differential (if any)			*0.00*	*77,418.00*	*78,966.36*	*80,545.69*	*82,156.60*	*83,799.73*	*85,475.73*	*87,185.24*	*88,928.95*	*90,707.53*	*92,521.68*	*94,372.11*
Tax Rate			0.028	0.280	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services			**N/A**	**N/A**	**2,211.06**	**2,255.28**	**2,300.38**	**2,346.39**	**2,393.32**	**2,441.19**	**2,490.01**	**2,539.81**	**2,590.61**	**2,642.42**
Tax bill			12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date				N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date				N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027
NOTES:														
1. Inflation factors in 2010 and subsequent years are used to determine the Adjusted Base Year Valuations.														
2. Payment for Municipal Services extends for not less than 20 valuation years.														
3. No payment due for Grace Year.														

Illustration A-4

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $15,000 for land and $110,000 for improvements on January 1, 2015 and the same is reflected on the December 4, 2015 tax bill. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner of the property demolished the original improvements in July 2015 and constructed some partial improvements in August 2017. These improvements were assessed at $70,000 by the City Assessor on January 1, 2018 and are reflected as the same on the December 4, 2018 tax bill. Later the owner completed the partial improvements in October 2019, which were subsequently assessed at an additional $55,000 on January 1, 2020 beyond the previous partial assessment already provided by the City Assessor and are reflected as the same on the December 4, 2020 tax bill.

Results:

- The Assessed Value Improvements are less than the Adjusted Base Year Valuations for Valuation Years 2017-2019; a Payment for Municipal Services is owed.
- No Payment for Municipal Services would occur after final construction has been completed commencing in Valuation Year 2020 since the Assessed Value Improvements are greater than the Adjusted Base Year Valuations.
- Land is still taxed and not used to calculate any Payment for Municipal Services.
- See Exhibit A-4 for further illustration.

Exhibit A-4 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015											
Date CUP became effective		5/19/2015											
Base Year Valuation Date		1/1/2015											
Inflation Factor		2%											
		Base Year	Grace Year	Valuation Years									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
	Land	**15,000.00**	15,300.00	15,606.00	15,918.12	16,236.48	16,561.21	16,892.44	17,230.29	17,574.89	17,926.39	18,284.92	18,650.61
	Improvements	**110,000.00**	112,200.00	114,444.00	116,732.88	119,067.54	121,448.89	123,877.87	126,355.42	128,882.53	131,460.18	134,089.39	136,771.17
	Total	*125,000.00*	*127,500.00*	*130,050.00*	*132,651.00*	*135,304.02*	*138,010.10*	*140,770.30*	*143,585.71*	*146,457.42*	*149,386.57*	*152,374.30*	*155,421.79*
Assessed Value Improvements													
	Land	15,000.00	15,300.00	15,606.00	15,918.12	16,236.48	16,561.21	16,892.44	17,230.29	17,574.89	17,926.39	18,284.92	18,650.61
	New Improvements	110,000.00	0.00	**0.00**	**70,000.00**	71,400.00	**126,400.00**	128,928.00	131,506.56	134,136.69	136,819.43	139,555.81	142,346.93
	Total	*125,000.00*	*15,300.00*	*15,606.00*	*85,918.12*	*87,636.48*	*142,961.21*	*145,820.44*	*148,736.85*	*151,711.58*	*154,745.81*	*157,840.73*	*160,997.54*
Improvement Differential (if any)		*0.00*	*112,200.00*	*114,444.00*	*46,732.88*	*47,667.54*	*(4,951.11)*	*(5,050.13)*	*(5,151.14)*	*(5,254.16)*	*(5,359.24)*	*(5,466.43)*	*(5,575.76)*
Tax Rate		0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**3,204.43**	**1,308.52**	**1,334.69**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	12/31/2017	12/31/2018	12/31/2019	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Due Date			N/A	3/31/2018	3/31/2019	3/31/2020	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.
3. No payment due for Grace Year.

Illustration A-5

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $20,000 for land and $65,000 for improvements on January 1, 2015 and the same is reflected on the December 4, 2015 tax bill. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner of the property demolished the original improvements in October 2016 and constructed improvements in June 2017. These improvements were assessed at $75,000 by the City Assessor on January 1, 2018 and are reflected as the same on the December 4, 2018 tax bill. Later, the owner files a tax exemption request for the property, which is granted by the City Assessor effective January 1, 2021.

Results:

- The Assessed Value Improvements are less than the Adjusted Base Year Valuations for Valuation Year 2017; a Payment for Municipal Services is owed.
- The Assessed Value Improvements are greater than the Adjusted Base Year Valuations for Valuation Years 2018-20; no Payment for Municipal Services is owed.
- Since the tax exemption is granted commencing in 2021, the Assessed Value Improvements are deemed to be zero and therefore they are less than the Adjusted Base Year Valuations; a Payment for Municipal Services is due for Valuation Years 2021-2026.
- Land is still taxed and not used to calculate any Payment for Municipal Services. Here, however land is not taxed after obtaining a tax exemption in 2021.
- See Exhibit A-5 for further illustration.

Exhibit A-5 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015											
Date CUP became effective		5/19/2015											
Base Year Valuation Date		1/1/2015											
Inflation Factor		2%											
		Base Year	Grace Year	Valuation Years									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/2/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
Base Year Valuations and Adjusted Base Year Valuations													
	Land	**20,000.00**	20,400.00	20,808.00	21,224.16	21,648.64	22,081.62	22,523.25	22,973.71	23,433.19	23,901.85	24,379.89	24,867.49
	Improvements	**65,000.00**	66,300.00	67,626.00	68,978.52	70,358.09	71,765.25	73,200.56	74,664.57	76,157.86	77,681.02	79,234.64	80,819.33
	Total	*85,000.00*	*86,700.00*	*88,434.00*	*90,202.68*	*92,006.73*	*93,846.87*	*95,723.81*	*97,638.28*	*99,591.05*	*101,582.87*	*103,614.53*	*105,686.82*
Assessed Value Improvements													
	Land	20,000.00	20,400.00	20,808.00	21,224.16	21,648.64	22,081.62	**0.00**	0.00	0.00	0.00	0.00	0.00
	New Improvements	65,000.00	66,300.00	**0.00**	**75,000.00**	76,500.00	78,030.00	**0.00**	0.00	0.00	0.00	0.00	0.00
	Total	*85,000.00*	*86,700.00*	*20,808.00*	*96,224.16*	*98,148.64*	*100,111.62*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Improvement Differential (if any)		*0.00*	*0.00*	*67,626.00*	*(6,021.48)*	*(6,141.91)*	*(6,264.75)*	*73,200.56*	*74,664.57*	*76,157.86*	*77,681.02*	*79,234.64*	*80,819.33*
Tax Rate		0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**1,893.53**	**N/A**	**N/A**	**N/A**	**2,049.62**	**2,090.61**	**2,132.42**	**2,175.07**	**2,218.57**	**2,262.94**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	12/31/2017	N/A	N/A	N/A	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date			N/A	3/31/2018	N/A	N/A	N/A	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027
NOTES:													
1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.													
2. Payment for Municipal Services extends for not less than 20 valuation years.													

Illustration A-6

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property and improvements thereon have not been assessed because the City Assessor had previously determined the property to be used for a tax exempt purpose commencing January 1, 2005. After the Council approved the Conditional Use Permit, the City Assessor determined that the real property would have been assessed at $15,000 and $35,000 for improvements on January 1, 2015. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner of the property demolished the original improvements in August 2015 and never constructed any new improvements.

Results:

- The Base Year Valuation and Adjusted Base Year Valuations are determined by the City's assessor since the Property was previously tax exempt.

- Since a tax exemption was previously granted commencing in 2005, the Assessed Value Improvements are deemed to be zero; and therefore, they are less than the Adjusted Base Year Valuations. A Payment for Municipal Services is due for Valuation Years 2017 - 2026.

- Generally, land is still taxed and not used to calculate any Payment for Municipal Services. Here, however, the land is not taxed since it was previously determined to be tax exempt commencing in 2005.

- See Exhibit A-6 for further illustration.

Exhibit A-6 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015											
Date CUP became effective		5/19/2015											
Base Year Valuation Date		1/1/2015											
Inflation Factor		2%											
		Base Year	Grace Year	Valuation Years									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
Base Year Valuations and Adjusted Base Year Valuations													
	Land	**15,000.00**	15,300.00	15,606.00	15,918.12	16,236.48	16,561.21	16,892.44	17,230.29	17,574.89	17,926.39	18,284.92	18,650.61
	Improvements	**35,000.00**	35,700.00	36,414.00	37,142.28	37,885.13	38,642.83	39,415.68	40,204.00	41,008.08	41,828.24	42,664.80	43,518.10
	Total	*50,000.00*	*51,000.00*	*52,020.00*	*53,060.40*	*54,121.61*	*55,204.04*	*56,308.12*	*57,434.28*	*58,582.97*	*59,754.63*	*60,949.72*	*62,168.72*
Assessed Value Improvements													
	Land	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	New Improvements	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*	*0.00*
Improvement Differential (if any)		*35,000.00*	*35,700.00*	*36,414.00*	*37,142.28*	*37,885.13*	*38,642.83*	*39,415.68*	*40,204.00*	*41,008.08*	*41,828.24*	*42,664.80*	*43,518.10*
Tax Rate		0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**1,019.59**	**1,039.98**	**1,060.78**	**1,082.00**	**1,103.64**	**1,125.71**	**1,148.23**	**1,171.19**	**1,194.61**	**1,218.51**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date			N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.
3. No payment due for Grace Year.

Illustration A-7

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed $25,000 for land and $45,000 for improvements on January 1, 2015 and the same is reflected on the December 4, 2015 tax bill. It is further assumed that the City Assessor has determined the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner of the property never demolished the improvements, yet allowed them to remain on the property and deteriorate such that the City Assessor had to revalue the improvements on January 1, 2019 and again on January 1, 2023 at $35,000 and $28,500 respectively.

Results:

- The Assessed Value Improvements are equal to the Adjusted Base Year Valuations for Valuation Years 2017-2018. No Payment for Municipal Services is due.
- Commencing on January 1, 2019, the Assessed Value Improvements are less than the Adjusted Base Year Valuations; a Payment for Municipal Services is due.
- Land is still taxed and not used to calculate any Payment for Municipal Services.
- The owner is still responsible for the Payment for Municipal Services even though the demolition of the improvements did not occur. The owner would need to reapply to the Common Council to remove or change the Conditional Use Permit.
- See Exhibit A-7 for further illustration.

Exhibit A-7 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015										
Date CUP became effective		5/19/2015										
Base Year Valuation Date		1/1/2015										
Inflation Factor		2%										
		Base Year	Grace Year	Valuation Years								
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
Base Year Valuations and Adjusted Base Year Valuations													
	Land	**25,000.00**	25,500.00	26,010.00	26,530.20	27,060.80	27,602.02	28,154.06	28,717.14	29,291.48	29,877.31	30,474.86	31,084.36
	Improvements	**45,000.00**	45,900.00	46,818.00	47,754.36	48,709.45	49,683.64	50,677.31	51,690.86	52,724.67	53,779.17	54,854.75	55,951.84
	Total	*70,000.00*	*71,400.00*	*72,828.00*	*74,284.56*	*75,770.25*	*77,285.66*	*78,831.37*	*80,408.00*	*82,016.16*	*83,656.48*	*85,329.61*	*87,036.20*
Assessed Value Improvements													
	Land	25,000.00	25,500.00	26,010.00	26,530.20	27,060.80	27,602.02	28,154.06	28,717.14	29,291.48	29,877.31	30,474.86	31,084.36
	New Improvements	45,000.00	45,900.00	46,818.00	47,754.36	**35,000.00**	35,700.00	36,414.00	37,142.28	**28,500.00**	29,070.00	29,651.40	30,244.43
	Total	*70,000.00*	*71,400.00*	*72,828.00*	*74,284.56*	*62,060.80*	*63,302.02*	*64,568.06*	*65,859.42*	*57,791.48*	*58,947.31*	*60,126.26*	*61,328.79*
Improvement Differential (if any)		*0.00*	*0.00*	*0.00*	*0.00*	*13,709.45*	*13,983.64*	*14,263.31*	*14,548.58*	*24,224.67*	*24,709.17*	*25,203.35*	*25,707.42*
Tax Rate		0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**N/A**	**N/A**	**383.86**	**391.54**	**399.37**	**407.36**	**678.29**	**691.86**	**705.69**	**719.81**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	N/A	N/A	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date			N/A	N/A	N/A	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.

Illustration A-8

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $10,000 for land and $44,600 for improvements on January 1, 2015 and the same is reflected in tax bills issued on December 4, 2015. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner demolished the original improvements in July 2016 and constructed new improvements in October 2016. These improvements were assessed at $58,000 by the City Assessor on January 1, 2017 and are reflected as the same on the December 4, 2017 tax bills. In April 2020, a tornado passes through the City demolishing the improvements on the property. The owner is unable to replace the improvements until October 2021. On January 1, 2022, the improvements were assessed at $65,000 by the City Assessor and are reflected as the same on the December 4, 2022 tax bill.

Results:

- The Assessed Value Improvements are greater than or equal to the Adjusted Base Year Valuation for Valuation Years 2017-2020; accordingly, no Payment for Municipal Services is due.

- Since the tornado demolished the improvements in 2020 and the improvements were not replaced until 2021, the Assessed Value Improvements are less than the Adjusted Base Year Valuation in Valuation Year 2015. Normally, a Payment for Municipal Services would be due. Given the demolition was a result of an "act of God", the requirement for the Payment for Municipal Services would be tolled for one (1) Valuation Year. Likewise, the Agreement Concerning the Payment for Municipal Services would be extended for an additional Valuation Year. If the owner seeks a further change or removal of the Conditional Use Permit, the owner must reapply to the Common Council.

- The Assessed Value Improvements are greater than the Adjusted Base Year Valuations for Valuation Years 2022-2025. No Payment for Municipal Services is due.

- Land is still taxed and not used to calculate any Payment for Municipal Services. The payment of taxes for land is not tolled under this Agreement.

- See Exhibit A-8 for further illustration.

Exhibit A-8 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval	5/13/2015											
Date CUP became effective	5/19/2015											
Base Year Valuation Date	1/1/2015											
Inflation Factor	2%											
	Base Year	Grace Year	Valuation Years									
			Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
	1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.												
Base Year Valuations and Adjusted Base Year Valuations												
Land	**10,000.00**	10,200.00	10,404.00	10,612.08	10,824.32	11,040.81	11,261.62	11,486.86	11,716.59	11,950.93	12,189.94	12,433.74
Improvements	**44,600.00**	45,492.00	55,692.00	56,805.84	57,941.96	59,100.80	60,282.81	61,488.47	62,718.24	63,972.60	65,252.05	66,557.10
Total	*54,600.00*	*55,692.00*	66,096.00	67,417.92	68,766.28	70,141.60	71,544.44	72,975.32	74,434.83	75,923.53	77,442.00	78,990.84
Assessed Value Improvements												
Land	10,000.00	10,200.00	10,200.00	10,404.00	10,612.08	10,824.32	11,040.81	11,261.62	11,486.86	11,716.59	11,950.93	12,189.94
New Improvements	44,600.00	45,492.00	**58,000.00**	59,160.00	60,343.20	61,550.06	**0.00**	**65,000.00**	66,300.00	67,626.00	68,978.52	70,358.09
Total	*54,600.00*	*55,692.00*	*68,200.00*	*69,564.00*	*70,955.28*	*72,374.39*	*11,040.81*	*76,261.62*	*77,786.86*	*79,342.59*	*80,929.45*	*82,548.03*
Improvement Differential (if any)	*0.00*	*0.00*	*(2,308.00)*	*(2,354.16)*	*(2,401.24)*	*(2,449.27)*	*60,282.81*	*(3,511.53)*	*(3,581.76)*	*(3,653.40)*	*(3,726.47)*	*(3,801.00)*
Tax Rate	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**	**1,687.92**	**N/A**	**N/A**	**N/A**	**N/A**	**N/A**
Tax bill	12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Due Date		N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
NOTES:												
1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.												
2. Payment for Municipal Services extends for not less than 20 valuation years.												
3. Since the Payment for Municipal Services is tolled for one Valuation Year, the agreement would likewise extend 21 rather than 20 Valuation Years.												

Illustration A-9

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $8,000 for land and $45,000 for improvements on January 1, 2015 and the same is reflected in tax bills issued on December 4, 2015. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. The owner demolished the improvements in August 2016 and did not create any new improvements. Subsequently in July 2019, owner sells the land to a neighbor who combines the lot with the neighbor's property. Prior to combining the lots, the neighbor's real estate was valued at $10,000 for land and $50,000 for improvements. The new owner (i.e. neighbor) builds an addition to his improvements on the newly combined lot in August 2022. On January 1, 2023, the improvements from the addition are assessed at an additional $18,000 by the City Assessor and are reflected as the same on the December 4, 2023 tax bill.

Results:

- The Assessed Value Improvements are less than the Adjusted Base Year Valuations for Valuation Years 2017-2019; accordingly, a Payment for Municipal Services is due.
- Commencing in Valuation Year 2020, the lots are combined requiring the Adjusted Base Year Valuation to be updated to reflect the values from the adjoining lot.
- For Valuation Years 2020-26, a Payment for Municipal Services is due because previously existing improvements from the adjoining lot cannot be used to comply with the requirements of this Agreement.
- Land is still taxed and not used to calculate any Payment for Municipal Services.
- See Exhibit A-9 for further illustration.

Exhibit A-9 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015											
Date CUP became effective		5/19/2015											
Base Year Valuation Date		1/1/2015											
Inflation Factor		2%											
		Base Year	Grace Year	Valuation Years									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
Base Year Valuations and Adjusted Base Year Valuations													
	Land	**8,000.00**	8,160.00	8,323.20	8,489.66	8,659.46	**18,832.65**	19,209.30	19,593.49	19,985.36	20,385.06	20,792.76	21,208.62
	Improvements	**45,000.00**	45,900.00	46,818.00	47,754.36	48,709.45	**99,683.64**	101,677.31	103,710.86	105,785.07	107,900.77	110,058.79	112,259.96
	Total	*53,000.00*	*54,060.00*	*55,141.20*	*56,244.02*	*57,368.90*	*118,516.28*	*120,886.61*	*123,304.34*	*125,770.43*	*128,285.84*	*130,851.55*	*133,468.58*
Assessed Value Improvements													
	Land	8,000.00	8,160.00	8,323.20	8,489.66	8,659.46	**18,832.65**	19,209.30	19,593.49	19,985.36	20,385.06	20,792.76	21,208.62
	New Improvements	45,000.00	45,900.00	**0.00**	0.00	0.00	**50,000.00**	51,000.00	52,020.00	**70,020.00**	71,420.40	72,848.81	74,305.78
	Total	*53,000.00*	*54,060.00*	*8,323.20*	*8,489.66*	*8,659.46*	*68,832.65*	*70,209.30*	*71,613.49*	*90,005.36*	*91,805.46*	*93,641.57*	*95,514.40*
Improvement Differential (if any)		*0.00*	*0.00*	*46,818.00*	*47,754.36*	*48,709.45*	*49,683.64*	*50,677.31*	*51,690.86*	*35,765.07*	*36,480.37*	*37,209.98*	*37,954.18*
Tax Rate		0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**1,310.90**	**1,337.12**	**1,363.86**	**1,391.14**	**1,418.96**	**1,447.34**	**1,001.42**	**1,021.45**	**1,041.88**	**1,062.72**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date			N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.

Illustration A-10

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $12,000 for land and $22,600 for improvements on January 1, 2015 and the same is reflected in tax bills issued on December 4, 2015. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner demolished the original improvements in July 2015 and never constructed any new improvements. The owner requested a rezoning of the property, which the Council did in April 2022. The rezoning caused the assessed value of the land to increase to $32,000 as assessed by the City Assessor on January 1, 2023 and such change is reflected on the December 4, 2023 tax bills.

Results:

- The Assessed Value Improvements are less than the Adjusted Base Year Valuations for Valuation Years 2017-2026; accordingly, a Payment for Municipal Services is due.
- Land is still taxed and not used to calculate any Payment for Municipal Services notwithstanding the fact that the value of land increased commencing in Valuation Year 2017.
- The owner may reapply to the Common Council to seek removal or modification of the Conditional Use Permit.
- See Exhibit A-10 for further illustration.

Exhibit A-10 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval		5/13/2015											
Date CUP became effective		5/19/2015											
Base Year Valuation Date		1/1/2015											
Inflation Factor		2%											
		Base Year	Grace Year	Valuation Years									
				Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
		1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.													
Base Year Valuations and Adjusted Base Year Valuations													
	Land	**12,000.00**	12,240.00	12,484.80	12,734.50	12,989.19	13,248.97	13,513.95	13,784.23	14,059.91	14,341.11	14,627.93	14,920.49
	Improvements	**22,600.00**	23,052.00	23,513.04	23,983.30	24,462.97	24,952.23	25,451.27	25,960.30	26,479.50	27,009.09	27,549.27	28,100.26
	Total	*34,600.00*	*35,292.00*	*35,997.84*	*36,717.80*	*37,452.15*	*38,201.20*	*38,965.22*	*39,744.52*	*40,539.41*	*41,350.20*	*42,177.21*	*43,020.75*
Assessed Value Improvements													
	Land	12,000.00	12,240.00	12,484.80	12,734.50	12,989.19	13,248.97	13,513.95	13,784.23	**32,000.00**	32,640.00	33,292.80	33,958.66
	New Improvements	22,600.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total	*34,600.00*	*12,240.00*	*12,484.80*	*12,734.50*	*12,989.19*	*13,248.97*	*13,513.95*	*13,784.23*	*32,000.00*	*32,640.00*	*33,292.80*	*33,958.66*
Improvement Differential (if any)		*0.00*	*23,052.00*	*23,513.04*	*23,983.30*	*24,462.97*	*24,952.23*	*25,451.27*	*25,960.30*	*26,479.50*	*27,009.09*	*27,549.27*	*28,100.26*
Tax Rate		0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services		**N/A**	**N/A**	**658.37**	**671.53**	**684.96**	**698.66**	**712.64**	**726.89**	**741.43**	**756.25**	**771.38**	**786.81**
Tax bill		12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date			N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date			N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.
3. No payment due for Grace Year.

Illustration A-11

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $12,000 for land and $94,600 for improvements on January 1, 2015 and the same is reflected in tax bills issued on December 4, 2015. These assessments reflect the use of the property as a lawful nonconforming use. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner demolished the original improvements in July 2016 and constructed new improvements in October 2020. These improvements were assessed at $50,000 by the City Assessor on January 1, 2021 and are reflected as the same on the December 4, 2021 tax bill. It is further assumed that the owner discontinued the lawful nonconforming use status, which limits the value of new improvements.

Results:

- The Assessed Value Improvements is less than the Adjusted Base Year Valuations for Valuation Years 2017 - 2026; accordingly a Payment for Municipal Services is due.

- Even though the owner is unable to timely restore the nonconforming use which may have contributed to an inability to construct improvements on the property equal to or greater than the Adjusted Base Year Valuation, a Payment for Municipal Services is still due. The owner may reapply to the Common Council to seek removal or modification of the Conditional Use Permit.

- Land is still taxed and not used to calculate any Payment for Municipal Services.

- See Exhibit A-11 for further illustration.

Exhibit A-11 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval			5/13/2015											
Date CUP became effective			5/19/2015											
Base Year Valuation Date			1/1/2015											
Inflation Factor			2%											
			Base Year	Grace Year	Valuation Years									
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.														
Base Year Valuations and Adjusted Base Year Valuations														
	Land		**12,000.00**	12,240.00	12,484.80	12,734.50	12,989.19	13,248.97	13,513.95	13,784.23	14,059.91	14,341.11	14,627.93	14,920.49
	Improvements		**94,600.00**	96,492.00	98,421.84	100,390.28	102,398.08	104,446.04	106,534.96	108,665.66	110,838.98	113,055.76	115,316.87	117,623.21
	Total		*106,600.00*	*108,732.00*	*110,906.64*	*113,124.77*	*115,387.27*	*117,695.01*	*120,048.91*	*122,449.89*	*124,898.89*	*127,396.87*	*129,944.81*	*132,543.70*
Assessed Value Improvements														
	Land		12,000.00	12,240.00	12,484.80	12,734.50	12,989.19	13,248.97	13,513.95	13,784.23	14,059.91	14,341.11	14,627.93	14,920.49
	New Improvements		94,600.00	96,492.00	**0.00**	0.00	0.00	0.00	**50,000.00**	51,000.00	52,020.00	53,060.40	54,121.61	55,204.04
	Total		*106,600.00*	*108,732.00*	*12,484.80*	*12,734.50*	*12,989.19*	*13,248.97*	*63,513.95*	*64,784.23*	*66,079.91*	*67,401.51*	*68,749.54*	*70,124.53*
Improvement Differential (if any)			*0.00*	*0.00*	*98,421.84*	*100,390.28*	*102,398.08*	*104,446.04*	*56,534.96*	*57,665.66*	*58,818.98*	*59,995.36*	*61,195.26*	*62,419.17*
Tax Rate			0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services			**N/A**	**N/A**	**2,755.81**	**2,810.93**	**2,867.15**	**2,924.49**	**1,582.98**	**1,614.64**	**1,646.93**	**1,679.87**	**1,713.47**	**1,747.74**
Tax bill			12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date				N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date				N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027
NOTES:														
1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.														
2. Payment for Municipal Services extends for not less than 20 valuation years.														

Illustration A-12

Assumptions:

This illustration assumes that the Common Council approved a Conditional Use Permit on May 13, 2015 and the parties have entered into an Agreement Concerning Payment for Municipal Services. It is assumed that the real property has been assessed at $20,000 for land and $86,800 for improvements on January 1, 2015 and the same is reflected in tax bills issued on December 4, 2015. It is further assumed that the City Assessor has determined that the tax valuation and assessments have increased at a rate of two percent (2%) per year. Additionally, the owner removed the improvements from the real property in September 2015 and relocated them to a vacant lot elsewhere within the city limits. The owner did not place any new improvements on the real property.

Results:

- The Assessed Value Improvements is less than the Adjusted Base Year Valuations for Valuation Years 2017-2026; accordingly a Payment for Municipal Services is due.

- Even though the owner moved the improvements to a vacant lot elsewhere within the city limits, no improvements have been undertaken on the real property with the Conditional Use Permit. As such, a Payment for Municipal Services is due. The owner may reapply to the Common Council to seek removal or modification of the Conditional Use Permit.

- Land is still taxed and not used to calculate any Payment for Municipal Services.

- See Exhibit A-12 for further illustration.

Exhibit A-12 -- Illustrative Calculations

Payment for Municipal Services

Date of CUP approval			5/13/2015											
Date CUP became effective			5/19/2015											
Base Year Valuation Date			1/1/2017											
Inflation Factor			2%											
			Base Year	Grace Year	Valuation Years									
					Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
			1/1/2015	1/1/2016	1/1/2017	1/1/2018	1/1/2019	1/1/2020	1/1/2021	1/1/2022	1/1/2023	1/1/2024	1/1/2025	1/1/2026
Tax Parcel ID No.														
Base Year Valuations and Adjusted Base Year Valuations														
	Land		**20,000.00**	20,400.00	20,808.00	21,224.16	21,648.64	22,081.62	22,523.25	22,973.71	23,433.19	23,901.85	24,379.89	24,867.49
	Improvements		**86,600.00**	88,332.00	90,098.64	91,900.61	93,738.63	95,613.40	97,525.67	99,476.18	101,465.70	103,495.02	105,564.92	107,676.22
	Total		*106,600.00*	*108,732.00*	*110,906.64*	*113,124.77*	*115,387.27*	*117,695.01*	*120,048.91*	*122,449.89*	*124,898.89*	*127,396.87*	*129,944.81*	*132,543.70*
Assessed Value Improvements														
	Land		20,000.00	20,400.00	20,808.00	21,224.16	21,648.64	22,081.62	22,523.25	22,973.71	23,433.19	23,901.85	24,379.89	24,867.49
	New Improvements		86,600.00	0.00	**0.00**	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	Total		*106,600.00*	*20,400.00*	*20,808.00*	*21,224.16*	*21,648.64*	*22,081.62*	*22,523.25*	*22,973.71*	*23,433.19*	*23,901.85*	*24,379.89*	*24,867.49*
Improvement Differential (if any)			*0.00*	*88,332.00*	*90,098.64*	*91,900.61*	*93,738.63*	*95,613.40*	*97,525.67*	*99,476.18*	*101,465.70*	*103,495.02*	*105,564.92*	*107,676.22*
Tax Rate			0.028	0.028	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*	*0.028*
Payment for Municipal Services			**N/A**	**N/A**	**2,473.30**	**2,522.76**	**2,573.22**	**2,624.68**	**2,677.18**	**2,730.72**	**2,785.33**	**2,841.04**	**2,897.86**	**2,955.82**
Tax bill			12/4/2015	12/4/2016	12/4/2017	12/4/2018	12/4/2019	12/4/2020	12/4/2021	12/4/2022	12/4/2023	12/4/2024	12/4/2025	12/4/2026
Invoice Date				N/A	12/31/2017	12/31/2018	12/31/2019	12/31/2020	12/31/2021	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026
Due Date				N/A	3/31/2018	3/31/2019	3/31/2020	3/31/2021	3/31/2022	3/31/2023	3/31/2024	3/31/2025	3/31/2026	3/31/2027

NOTES:

1. Inflation factors in 2015 and subsequent years are used to determine the Adjusted Base Year Valuations.
2. Payment for Municipal Services extends for not less than 20 valuation years.
3. No payment due for Grace Year.

Exhibit B
Legal Description

Tax Parcel No. 17-10355-20 — 2622 Rose Street, La Crosse, WI 54603

Part of Certified Survey Map filed February 13, 1969 in Volume 1 of Certified Survey Maps, page 17, Document No. 792760 (being a revision of Certified Survey Map No. 15, in Volume 1 of Certified Survey Maps, page 15, Document No. 789944); being part of Government Lot 2 of Section 17, Township 16 North, Range 7 West, in the City of La Crosse, La Crosse County, Wisconsin, described as follows: Commencing at the Southeast corner of said Government Lot; thence West, along the South line thereof, a distance of 1320.0 feet to the point of beginning of this description: Thence South 89 degrees 34 minutes West, along said South line, 243.15 feet to the Northeasterly right-of-way line of West George Street; thence North 54 degrees 26 minutes West, along said Northeasterly line, 125.4 feet; thence North 35 degrees 34 minutes East 200.0 feet; thence South 54 degrees 26 minutes East 12.0 feet; thence North 35 degrees 34 minutes East 220.0 feet; thence North 54 degrees 26 minutes West 40.0 feet; thence North 35 degrees 34 minutes East 210.43 feet to a point 1320.0 feet West of the East line of said Government Lot 2; thence South 0 degrees 13 minutes East to the point of beginning.

EXCEPT that part described in Award of Damages recorded on October 13, 2016, as Document No. 1683520.

Together with access easements as described in Document No. 1393259 and as corrected by 1404857.