

VILLAGE OF MENOMONEE FALLS  
WISCONSIN

**Department of Community Development**  
W156 N8480 Pilgrim Road  
Menomonee Falls WI 53051-3140  
Telephone: (262) 532-4270; FAX: (262) 532-4289



# INDUSTRIAL REVENUE BONDS

Policy

Procedures

and Application Form

**INDUSTRIAL REVENUE BOND (IRB)  
POLICY AND PROCEDURES  
FOR THE VILLAGE OF MENOMONEE FALLS, WISCONSIN**

**I. POLICY**

**A. INTRODUCTION**

The Village of Menomonee Falls, Wisconsin is a municipal corporation organized and existing under and pursuant to the laws of the state of Wisconsin and is authorized by §66.1103, Wisconsin Statutes, as amended:

(a) to issue revenue bonds to finance all or any part of the costs of the construction, equipping, re-equipping, building, rehabilitation, improving, supplementing, replacing, maintaining, repairing, enlarging, extending or remodeling of a project which qualifies under the Act and the improvement of the site therefore, and

(b) to enter into a revenue agreement with an eligible participant pursuant to which the eligible participant agrees to cause said project to be constructed and to pay the Municipality "an amount of funds sufficient to provide for the prompt payment when due of the principal of and interest on said revenue bonds.

**B. INTENT**

The intent of this policy is to provide an organized and consistent approach to, and mechanism for, the evaluation and processing of Industrial Revenue Bond requests. This policy statement will provide to potentially interested persons an outline of how an IRB request would be considered by the Village Board. It should be emphasized that the intent of this policy is to assure that each IRB issue is in the best interests of the Village and will assist in the implementation of private projects that will improve and enhance the Village of Menomonee Falls. The Village is not obligated to issue an IRB upon an applicant's request, but will evaluate each application based on the criteria set forth herein.

**C. LEGAL COMPLIANCE**

All procedures leading to the issuance of an IRB, as well as the applicant's utilization of the proceeds from any IRB issue, shall be in compliance with applicable federal, state and local laws, and the policies and requirements as are contained herein. The responsibility for compliance shall in all cases rest with the applicant. The only covenant or warranty which the Village shall be required to make in connection with the proposed IRB issuance, whether to the applicant or to any other interested party, shall be such covenants or warranties which to the satisfaction of the Village Attorney be customary to IRB financing and not create a liability or charge against the Village's general credit or tax power.

**D. APPLICANT'S RESPONSIBILITIES**

1. Except as hereinafter provided, and except as required by law, it shall be the applicant's responsibility to provide all necessary documents, forms and related

materials, and to advise the Village and other parties of all required actions.

2. Annual Reporting. During the outstanding term of the IRB, the Applicant shall submit to the Village Department of Financial Services by January 31 of each year, a report of the balance of their loan as of December 31 of the previous year.
3. The Applicant should note that the Internal Revenue Service (IRS) has special rules for asset depreciation for assets purchased with IRB funds.

**E. POLICIES APPLICABLE TO COMMERCIAL, INDUSTRIAL AND OTHER PROJECTS PERMITTED BY STATE LAW**

1. Consistent with state law, the Village will consider issuance of IRBs for a project in all present and future Tax Incremental Finance Districts, all present and future Redevelopment Project Areas, located in or adjacent to a blighted area as defined in §66.46(2) of the Wisconsin Statutes and whenever the project will promote the goals and objectives of the comprehensive plan.
2. The Village will consider and evaluate applications for IRBs on the basis of the following criteria:
  - a. Projects that create new, or preserve existing, employment opportunities within the community.
  - b. Projects that will increase the Village's tax base compared to the extent to which the proposed project without IRBs will increase the Village's tax base.
  - c. Projects that will enhance and strengthen the downtown as the multi-purpose center for the Village of Menomonee Falls and the surrounding area.
  - d. Projects that will upgrade deteriorated or deteriorating structures, improve site accessibility and usefulness, and otherwise provide for the public health, safety and welfare.
  - e. Projects that will allow for preservation and restoration of buildings of historical or architectural significance.

## **II. PROCEDURES**

The applicant will be required to submit certain information and assume the cost of the Village's review and issuance of the IRBs. Matters of confidentiality for public disclosure, relating to the applicant or the applicant's business, shall be honored to the extent that such information withheld is not required as a matter of law, as determined by the Village's legal counsel.

The Village Board reserves the right to deny any application for financing at any state of the proceedings prior to adopting the final resolution authorizing the issuance of the bonds. All applications and supporting materials and documents shall remain the property of the Village.

### **APPLICATION AND REVIEW PROCEDURES**

The applicant shall adhere to the following procedures in submitting a request and application to the Village for issuance of Industrial Revenue Bonds.

1. A written request accompanied by the application form, the required supplemental information and a nonrefundable application fee of \$500 shall be submitted to the Village Manager or designee. When applying for passage of a Final Resolution, the applicant will pay an additional nonrefundable application fee of \$500. The applicant shall reimburse the Village for all administrative expenses which exceed the application fees and which result from the review and evaluation of the request; and shall reimburse the Village for all other expenses incurred by the Village as a result of the application, including but not limited to legal counsel, consulting costs, printing, publication costs and all other incidental costs or fees.
2. The written request, the application forms, the supplemental information and the fee shall be submitted to the Village Clerk who will notify the Village Board that an application for an IRB was submitted. The Village Manager or designee will refer the application to the Finance, Budget and Personnel Committee for its review and recommendation.
  - a. Prior to Finance, Budget and Personnel Committee action, a review committee composed of at least the Village Manager, Village Attorney, and Directors of Community Development and Financial Services are to review all proposals and provide a written report to the Finance, Budget and Personnel Committee on their findings. Such review shall include sewer, water, fire, streets and health issues, in order to determine whether existing Village services can accommodate the proposed use. If existing services are not adequate, the cost of providing additional services must be adequately provided for by the time the Village Board considers a Final Resolution on the request. The Village, the applicant, or both may be required to finance the provision of these additional services. How much

these additional services will cost and who will pay for them will be determined as completely as possible by the Review Committee prior to the Finance, Budget and Personnel Committee's review of the Initial Resolution. Final determination of costs and responsibility to pay shall be finalized by the Review Committee prior to approval of the Final Resolution by the Village Board.

- b. The Village recognizes that certain financial information about a company may not be appropriate to become part of the public record, therefore, the applicant shall submit the required financial information directly to the Village Auditor. Based on the financial information submitted, the Village Auditor shall prepare a report describing the financial health of the applicant. This report will be included as part of the report to the Finance, Budget and Personnel Committee from the Review Committee. The cost of the report by the Village Auditor will be paid by the Village.
  - c. In those instances when circumstances dictate review that requires expertise beyond that of the Review Committee, the proposal will be submitted to an independent consultant hired by the Village, but paid for by the applicant. Before this expense is incurred, the applicant shall be notified of the estimated cost of the consultant, and given an opportunity to withdraw its application.
3. The Finance, Budget and Personnel Committee shall prepare a recommendation on the advisability of the issuance of IRBs to be presented to the Village Board at the Board's next regularly scheduled meeting following completion of the Finance, Budget and Personnel Committee's review. The Board will not take formal action on the request until the review has been completed.
4. The applicant will retain legal counsel to prepare Board proceedings and legal documents, including Notices of Public Hearing and resolutions to be adopted by the Village Board. All such proceedings and documents must be available for review by the Village Attorney, reviewed and approved by the Village's bond counsel, and received by the Village Clerk, at least one week prior to the Board meeting in order to be included on the agenda of that meeting. Any proceedings or documents received late will not be added to the Board Agenda. The Village may waive bond counsel review. All documents may be paper-based, but all Notices of Public Hearing and all resolutions shall be transmitted in electronic format to the Village Clerk.
5. The Village Board will then approve or deny an Initial Resolution for the issuance of the Bonds.
6. If the Village Board approves the Initial Resolution, the Village Clerk shall schedule a Public Hearing on the proposal to issue the bonds. The Public Hearing provides the opportunity for any member of the public to speak for or against the bond issue.

7. Should a properly petitioned referendum be called for, the requesting company will reimburse the Village for all costs incurred in conducting the referendum.
8. The Village will review all final documents and if the terms are mutually agreeable, the Village Board will approve a Final Resolution with respect to terms, execution and delivery of the bonds.
9. The company or individual granted a revenue bond issue will be required to submit an annual performance report for a period of three years detailing the project's success at achieving the Village's criteria as outlined under Section I.E of this policy statement.
10. A tax-exempt entity that is granted a revenue bond may be required to make a payment in lieu of taxes on the assessed value of the improvements. The amount of the payment in lieu of taxes shall be part of the recommendations of the Review Committee and Finance, Budget and Personnel Committee prior to Initial Resolution approval.
11. Applications for amendments to existing Industrial Revenue Bonds shall follow the same procedure as an application for a new IRB, except that only one Village Board resolution, and one fee, is necessary.

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For questions regarding this policy, contact:

### **The Department of Community Development**

Department of Community Development  
Village of Menomonee Falls  
W156N8480 Pilgrim Road  
Menomonee Falls, Wisconsin 53051  
(262) 532-4270  
(262) 532-4289 (Fax)  
Email: cd@menomonee-falls.org

OR

### **The Director of Clerk Services**

Director of Clerk Services  
Village of Menomonee Falls  
W156N8480 Pilgrim Road  
Menomonee Falls, Wisconsin 53051  
(262) 532-4210  
(262) 532-4219 (Fax)

All confidential financial information should be forwarded directly to the Village's Auditing Firm:

Mr. Thomas G. Wieland  
Reilly, Penner & Benton  
611 N. Broadway, Suite 300  
Milwaukee, Wisconsin 53202  
(414) 271-7800  
(414) 271-6005 (Fax)

### **III. PROJECT IMPACT REPORT**

The applicant will submit a Project Impact Report to the Village Clerk when applying for the Initial Resolution. This Report will contain sufficient information for the Village to evaluate whether or not the proposed project meets the criteria set forth under Section I.E of this policy:

- a. Does the project create new, or preserve existing, employment opportunities within the community.
- b. Does the project increase the Village's tax base compared to the extent to which the proposed project without IRBs will increase the Village's tax base.
- c. Does the project enhance and strengthen the downtown as the multi-purpose center for the Village of Menomonee Falls and the surrounding area.
- d. Does the project upgrade deteriorated or deteriorating structures, improve site accessibility and usefulness, and otherwise provide for the public health, safety and welfare.
- e. Does the project allow for preservation and restoration of buildings of historical or architectural significance.

#### **GENERAL INFORMATION**

On the Application Form provided in this policy, please complete all sections; if certain information is not applicable, please so state.

#### **PROJECT INFORMATION**

In addition to completing the Application Form, in report form, please provide complete information on the following issues. In other words, tell us about your company and your project.

##### **A. Project Description**

1. Exact location of proposed project; where will the proposed project be located? (include a plat, map or diagram)
2. Project area; how large is the parcel on which the proposed project will be located? (Acreage)
3. Facility size; describe the size of your existing facility, if any, and the size of

the new facility (square feet)

4. Site plan (may be conceptual)
5. Architecture; photos of the existing structure, if any; plans for new buildings may be conceptual
6. Products or services to be produced and/or sold; a company or product brochure may be used to describe the products or services.
7. Brief description of manufacturing/commercial methods and operation plan (i.e. complete fabrication or assembly only; retail or warehouse/retail etc.); will there be any outside storage of products, materials, or equipment? Hours of operation for different phases of the operation?
8. Estimated dates for start and completion of construction

B. Project Financing

1. A business plan that provides the following information if not provided in other parts of the submission. The business plan should present a description of the business that includes the following level of detail:
  - a) A description of the business, its legal organization, and its six digit North American Industry Classification System (NAICS) code (formerly the four digit Standard Industrial Classification (SIC) code)
  - b) A detailed description of the proposed business or real estate project
  - c) A discussion of the management team and all experience relevant to the development of the proposed project.
  - d) A discussion of the marketplace that identifies the applicant's current customer base; its major competitors; and a marketing strategy
  - e) A discussion of projected sales growth and the financing and capital requirements necessary to achieve the projected growth.
2. A statement of the anticipated benefits to be derived from the proposed loan fund project.
3. Total cost of the project
4. Cost estimates for all fixed assets, real estate or improvements to be made with Industrial Revenue Funds.
5. Total bond amount required

6. Other sources of funding
7. Other documentation that may be required by the Village that is deemed important relative to a determination regarding the Industrial Revenue Bond.
8. Financial information to be submitted directly to the Village Auditor
  - a) Five years of the applicant's most recent financial statements.
  - b) Financial projections including, at a minimum, a balance sheet at project initiation and income statements for the first three years of the projects.
  - c) Personal financial statements for the applicant.

**C. Economic Impact**

1. Existing Conditions
  - a. Current number employed in the Village by the applicant (full time equivalent)
  - b. Current assessed value of existing facilities owned by the applicant within the Village
2. Projected Conditions
  - a. Number projected to be employed by the project when in operation (full time equivalent)
  - b. What will be the approximate value of the land and improvements after completion of the projects funded by the IRB?
3. Net Impact
  - a. Could this project affect production/sales of other facilities owned by the applicant in the Village? Is this a consolidation of scattered sites into one facility?
  - b. Will the existing facilities be closed or sold? Please provide plans for future use of these facilities.
  - c. Explain how your facility could attract other industries or businesses to the Village. Note whether your firm is willing to actively attract these new industries.

## D. Environmental Impacts

### 1. Water

- a. How much water does this facility use in an hour, a day, a year? Is there a certain time of the year when you use more water than "normal"?
- b. Water line requirements for fire protection; an 8" fire line is standard
- c. Will new and/or enlarged public water mains be required?

### 2. Sewers (Sanitary and Storm)

- a. Is this facility on public sanitary sewer?
- b. How much water do you discharge to the sanitary sewer and storm sewers? Is the discharge to the sanitary sewer just domestic (bathroom) waste, or do you have any water that you use in your manufacturing process?
- c. Do you deal with, use, or produce any toxic or hazardous wastes (as defined by EPA)?
- d. Is on-site pre-treatment of the discharge necessary before it goes to the sewer?
- e. Final treatment - on-site or municipal treatment?
- f. Are new and/or enlarged public sewer mains required?

### 3. Air

- a. Does your facility pollute the air? If it does pollute the air, what type(s) and amount(s) of pollutants are discharged?
- b. Does your facility produce any odor(s)? Would the odors be considered offensive or a nuisance to the surrounding neighborhood?
- c. Is there any visual impact (smoke plumes, haze, fog, water vapor, etc.) produced by this facility?
- d. Provide a letter from the State of Wisconsin Department of Natural Resources regarding whether the project is in compliance with the Clean Air

Act and the State Implementation Plan

4. Noise

- a. Will there be any exterior noise from the project after it is completed? Please describe the exterior noises and the approximate level, in decibels, of the noise(s).
- b. What is the duration and timing of any noise?
- c. What impact will there be on nearby properties (can be shown diagrammatically)?

5. What is the impact on environmentally significant areas (primary environmental corridors, wetlands, floodplains and stormwater retention areas); these areas may be on your property or on neighboring properties.

6. Community Service Factors

- a. Can the existing trafficways carry any additional traffic load?
- b. What are the projected number of vehicles due to: Workers, manufacturing process, other transportation modes to be used by facility (rail, air)
- c. What other utilities (other than water and sewerage) do you use: Natural gas, electricity (detail load requirements)? Do you use any alternative energy sources (solar, co-generation, etc.) to replace or supplement traditional utilities?

E. Other Information

1. Other documentation that may be required by the Village that is deemed important relative to a determination regarding the IRB.

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**APPLICATION FORM**

**A. APPLICANT INFORMATION** ("Applicant refers to the proprietor, general partner or corporate officer signing this application):

Name

Street Address

City, State and Zip Code

Telephone Number

Fax Number

Email Address

**B. BUSINESS INFORMATION:**

Name of Business

Current Address of Business

City, State and Zip Code

Proposed Address of Business

City, State and Zip Code

Telephone Number

Fax Number

Email Address

Type of Business

Date Established

Banks where your business has an account

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**C. INFORMATION ABOUT MANAGEMENT** (List the name of all owners, officers, directors, and/or partners. Provide the percent of ownership and the annual compensation):

Name and Title % of Ownership

Address

Name and Title % of Ownership

Address

Name and Title % of Ownership

Address

Name and Title

Address

**D. BOND COUNSEL INFORMATION:**

Name of Contact

Bond Counsel firm

Address

City, State and Zip Code

Contact Telephone Number Fax Number Email Address