

EXECUTIVE SUMMARY

The Prestigious “Shovel-Ready” Site Designation Award has been Granted to the City of Beloit, Wisconsin, Economic Development Corporation by Ady-Austin

Ady International Company and Austin Consulting, premier site location consultancies, have awarded their prestigious “Shovel-Ready” Site Designation Award to the 229.5 acre property, known as The Gateway Business Park. The land within the park is owned by the Greater Beloit Economic Development Corporation, with MLG Investments controlling the land via a long-term option contained in a developer agreement. The park is located adjacent to Interstate Highway 39/90 less than one mile south of its interchange with Interstate Highway 43 within the city limits of Beloit.

The designation is based on the information gathered and confirmed in the following report, which is arranged by the sections shown below. Within in each section are a series of maps, letters, and documents which provide further detail and confirmation on answers to very specific questions which form the backbone of the analysis and conclusions.

- Section 1: Ownership
- Section 2: Property
- Section 3: Transportation
- Section 4: Utility
- Section 5: Community
- Section 6: Environmental

Before awarding the designation, Ady-Austin evaluated over 200 critical variables which are described in the appropriate sections of this report. As part of the process, Ady-Austin principals involved in the analysis performed detailed field investigations of the site and conducted numerous meetings with economic development and utility officials at the city and county level.

Ady International Company and Austin Consulting firmly believe that a company or a site selector interested in a Midwest location can significantly decrease the amount of time, expense, and risk during the site selection process by reviewing the information contained in this report.

Information Overview by Section

The following presents a brief overview of the detailed information compiled for the property by Ady-Austin. Additional, more-detailed information follows this summary.

Section 1: Ownership

Tax records and a certificate of title indicate that the 229.5 acre Gateway Business Park is owned by the Greater Beloit Economic Development Corporation, with MLG Investments controlling the land via a long-term option contained in a developer agreement. A letter from MLG Development indicates a willingness to sell industrial land sites for \$49,900 to \$54,900, depending on site configuration and interstate highway exposure. For large projects, the city can use a portion of the expected future property tax increase created by the project to reduce the land cost.

Section 2: Property

The business park is irregular in shape and is platted with provisions for roads and utility extensions throughout. Individual parcels range in size from 65 acres to just over 3 acres. These individual parcels can be arranged in sites of various sizes and configurations. The site is zoned M-2, General Manufacturing District. In addition, there are protective covenants to maintain the integrity of the park. Historical records and aerial photographs indicate that the property has only been used for general farming. There are no easements across the property. Utility easements are all located along the public right-of-way and will be extended to accommodate future users.

Section 3: Transportation

Interstate Highway 39/90, which bounds the west side of the park, is an east-west highway connecting Chicago with Minneapolis and points beyond. Interstate Highway 43 which is located less than one mile north of the park connects Beloit with Milwaukee. Within the park, Gateway Boulevard is a four-laned, divided road which traverses the park north-south and Colley Road is a two-laned road traversing the park east-west. Access from the park to I-39/90 is about $\frac{3}{4}$ mile from the southern boundary of the park. The site is not rail served. The nearest commercial airports are in Madison, Wisconsin (54 miles distant), Milwaukee, Wisconsin (70 miles distant) and O'Hare International Airport in Chicago, Illinois, (82 miles distant). All three airports are served from Beloit via interstate highways. Airlines serving Madison are United Express, American Eagle, Delta, Frontier, Midwest Connection, and Continental. Milwaukee's Mitchell Field is served by Air Trans, Frontier, Delta, Southwest, US Air, American

Airlines, United Airlines, Continental, and Great Lakes. Chicago O'Hare is served by virtually all national and international carriers.

Section 4: Utilities

The Gateway Business Park is served by two electric power providers, Alliant Energy and Rock Energy Cooperative. Alliant serves the western portion of the park, along I39/90, and most of the northern portion. Rock Energy serves primarily the southern and eastern portions of the property.

Utility	Provider	Line Size	Placement	System Capacity
Electric Power	Alliant Energy	138kV	Traverses park north-south along Gateway Blvd.	Primary substation has 14.4 MVA excess capacity
Electric Power	Rock Energy	500MCM	South Gateway Blvd.	Primary substation has 4.0 MW excess capacity
Natural Gas	Alliant Energy	4"	Traverses park north-south along Gateway Blvd and east-west along Colley Road	Adjusted as needed by a client company
Water	City of Beloit-Water Resources Division	16" main	Intersection of Gateway Blvd. and Colley Road	8.9 MGD of excess capacity (15.5 MGD firm capacity)
Waste Water	City of Beloit-Water Resources Division	18" main	Intersection of Gateway Blvd. and Colley Road	18 MGD (6.0 MGD excess flow capacity)

MGD = Million Gallons per Day

Section 5: Community

The Gateway Business Park is located in a Tax Increment Financing District (TIF). As such, the city has the ability and history of providing the following incentives:

Direct Developer/Business Incentives are available for projects that generate new property taxes and create and/or retain jobs. These incentives are in the form of cash payments calculated as a percentage of the property taxes paid by that development for a period of up to 10 years.

Provision of Infrastructure Incentives allows the city to provide industrial quality street, utility services and other required infrastructure improvements.

Land Write-down Incentives are available for projects that create significant investment and job creation. The city may use a portion of the increment created by the project to discount the land price from the advertised asking price.

Regional Water Retention Program allows companies within the park to avoid construction of detention ponds on site thereby reducing the cost of the ponds and reducing the land required to accommodate the pond.

In addition to the incentives provided in the TIF District, the City of Beloit offers a revolving loan fund and a multi bank loan pool.

In addition, the Beloit Development Opportunity Zone program provides that qualifying businesses which make capital investments and create jobs, can qualify for State of Wisconsin Income Tax Credits. The credits can range from \$6,000 to \$8,000 per job created depending on wage rate levels, hiring practices and whether or not the new employees are from a target group.

The State of Wisconsin offers a number of additional development assistance programs. Funding under these programs is competitive and requires information describing the project, the investment, and the jobs to be created. The programs include: economic development tax credits, below market rate loans, customized labor training, and industrial revenue bonds. In addition, the state provides tax credits for R & D and sales tax exemptions for manufacturing raw materials, fuels, and electricity used for manufacturing.

Section 6: Environmental

A Phase I Environmental Site Assessment was performed by Free Flow Technologies in 2010 of the entire 229.5 acre Gateway Business Park. The assessment revealed no evidence of any hazardous substances on the site, including underground storage tanks.

All of Rock County is classified by the U.S. Environmental Protection Agency (EPA) as attainment. According to official Wisconsin Wetland Inventory maps, no wetlands are documented on the Gateway Business Park.

The subject property is not located within a 100-year or a 500-year floodplain district according to the Flood Insurance Rate Map for Rock County prepared by FEMA.

A National Historic Preservation Survey of the Gateway Business Park undertaken by Free Flow Technologies indicates that endangered resources now or likely to occur in the subject property area will not be affected by development of the park. An archaeological survey of the Gateway Business Park undertaken in June 2001 by Archaeological Consulting and Services indicated that no sites were encountered which might be eligible for inclusion on the National Registry of Historic Places.

The engineering firm, HNTB of Milwaukee, Wisconsin, undertook a total of 214 borings at 300 foot intervals throughout Gateway Business Park. With few exceptions, the majority of the park is suitable for building construction. Using conventional strip footings, borings indicate 1,300-3,800 psi depending upon the local clay. Square footings range from 1,600-4,900 psi.

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