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Department of City Development

Housing Authority
Redevelopment Authority
City Plan Commission
Historic Preservation Commission
NIDC

Rocky Marcoux
Commissioner

Martha L. Brown
Deputy Commissioner

July 20, 2005

Alderman Michael D'Amato, Chair
Zoning, Neighborhoods & Development
City of Milwaukee
200 E. Wells St., Room 205
Milwaukee, WI 53202

Dear Alderman D'Amato:

I would like to clarify our letter of June 29, 2005 regarding the leases for the anchor tenants proposed at Pabst City. Our letter stated that the Game Works and Jenco Cinemas letters-of-intent allowed these tenants to vacate their spaces if retail occupancy at Pabst declined to less than 70%. That provision applied only to Jenco Cinemas, and only if that situation persisted for 24 months.

The Marcus Corporation, which has replaced Jenco and agreed to operate these theaters, does not have this exit provision in its letter-of-intent.

Also, the House of Blues and Game Works do not have this exit provision in their letters-of-intent.

As stated in our June 29th letter, House of Blues does, however, have the ability to terminate its lease if its non-ticket revenue drops below certain thresholds.

Finally, as per industry standards, the main anchor tenants are only required to initially open once 60% of the remaining retail space is open and occupied.

I hope this helps clarify this matter.

Sincerely,



Rocky Marcoux
Commissioner

Cc: Zoning, Neighborhoods & Development Committee
City Attorney
City Comptroller