

CITY OF MILWAUKEE FISCAL NOTE

A) **DATE** October 22, 2009

FILE NUMBER: 090805

Original Fiscal Note Substitute

SUBJECT: Substitute resolution approving the terms of a Cooperation and Development Agreement for the property located at 700 East Kilbourn Avenue, in the 4th Aldermanic District.

B) **SUBMITTED BY (Name/title/dept./ext.):** Rocky Marcoux, Commissioner, DCD

C) **CHECK ONE:** ADOPTION OF THIS FILE AUTHORIZES EXPENDITURES
 ADOPTION OF THIS FILE DOES NOT AUTHORIZE EXPENDITURES; FURTHER COMMON COUNCIL ACTION NEEDED. LIST ANTICIPATED COSTS IN SECTION G BELOW.
 NOT APPLICABLE/NO FISCAL IMPACT.

D) **CHARGE TO:** DEPARTMENT ACCOUNT(DA) CONTINGENT FUND (CF)
 CAPITAL PROJECTS FUND (CPF) SPECIAL PURPOSE ACCOUNTS (SPA)
 PERM. IMPROVEMENT FUNDS (PIF) GRANT & AID ACCOUNTS (G & AA)
 OTHER (SPECIFY)

E) PURPOSE	SPECIFY TYPE/USE	ACCOUNT	EXPENDITURE	REVENUE	SAVINGS
SALARIES/WAGES:					
SUPPLIES:					
MATERIALS:					
NEW EQUIPMENT:					
EQUIPMENT REPAIR:					
OTHER:	This file authorizes loan guarantee assistance to the developer. In the event of default by developer on its obligations to its subordinate lender, the City could potentially be required to repay the developer's subordinate lender up to the original principal amount of the subordinate loan. As such, \$3,450,000 of Contingent Borrowing will be reserved during the term of the loan guarantee to meet this obligation should it become necessary.		\$3,450,000 (plus capitalized interest)		
TOTALS					

F) FOR EXPENDITURES AND REVENUES WHICH WILL OCCUR ON AN **ANNUAL** BASIS OVER SEVERAL YEARS CHECK THE APPROPRIATE BOX BELOW AND THEN LIST EACH ITEM AND DOLLAR AMOUNT **SEPARATELY**.

<input type="checkbox"/> 1-3 YEARS	<input type="checkbox"/> 3-5 YEARS
<input type="checkbox"/> 1-3 YEARS	<input type="checkbox"/> 3-5 YEARS
<input type="checkbox"/> 1-3 YEARS	<input type="checkbox"/> 3-5 YEARS

G) **LIST ANY ANTICIPATED FUTURE COSTS THIS PROJECT WILL REQUIRE FOR COMPLETION:**
 The Department intends to propose the creation of a new tax incremental district to provide a backstop funding mechanism in the event of a default and the City loan guarantee is called upon.

H) **COMPUTATIONS USED IN ARRIVING AT FISCAL ESTIMATE:**

PLEASE LIST ANY COMMENTS ON REVERSE SIDE AND CHECK HERE