

Due Diligence Checklist  
Address: 401 East Greenfield Avenue

<p>The Commissioner's assessment of the market value of the property.</p>	<p>The Property at 401 East Greenfield Avenue is currently a vacant lot that was purchased in 1980 by the City of Milwaukee ("City") to store coal for two power plants in Milwaukee County. The Property is zoned IO2 or Industrial-Office.</p> <p>The purchase price for the approximately 11.61-acre Property (remaining after riverwalk and right-of-way land is removed and environmental remediation) is approximately \$1,268,272 or \$152,306 per acre, which is consistent with the land sale price for the former Solvay Coke parcel.</p>
<p>Full description of the development project.</p>	<p>Komatsu Mining Corp. (the "Buyer") proposes to construct an 170,000 square-foot office building, a 20,000 square-foot museum/training facility and a parking deck on the City property. This development coincides with the 410,000 square-foot manufacturing facility on the adjacent property (former Solvay Coke Superfund-Alternative site) that, together, will expand the company's regional footprint and add hundreds of new employees.</p>
<p>Complete site, operations and landscaping plans and architectural renderings for new construction or redevelopment.</p>	<p>Komatsu Mining Corp.'s new office, training and parking facility at 401 East Greenfield Avenue will be joined with a new manufacturing facility at 311 East Greenfield Avenue and allow Komatsu to more than double its 600 employees that are at its current facility in the Village of West Milwaukee. The buildings have yet to be designed, since the company is currently requesting bids from design firms, but the City will be allowed to provide input on the design before closing on the land sale. The project also allows the City to construct a riverwalk along the water's edge and it will be working with the Harbor District, Inc. on designing the riverwalk from East Greenfield Avenue to the railroad crossing to the south.</p>
<p>Developer's development project history.</p>	<p>The Buyer operates a subsurface mining company in the Village of West Milwaukee, which has been in that location for many decades. The current operation is inefficient and is unable to adapt to changes in the global marketplace, so the Buyer is looking to construct a new facility that will allow the company to compete for the next 100 years. The City property will be combined with the former Solvay Coke property to accommodate the Buyer's plans.</p>
<p>Capital structure of the project, including sources, terms and rights for all project funding.</p>	<p>The estimated cost of investment is \$285M. Funding for the improvements will be from the company.</p>
<p>Project cash flows for the lease term for leased property.</p>	<p>Not applicable.</p>
<p>List and description of project risk factors.</p>	<p>Unknown global economic factors.</p>
<p>Tax consequences of the project for the City.</p>	<p>The Buyer anticipates investing \$285M in the project. The deed of conveyance will contain a restriction prohibiting the Buyer or its successors from applying to the City for tax-exempt property status.</p>