City of Milwaukee

Office of the Comptroller

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February 12, 2008

Members of the Zoning, Neighborhoods
      & Development Committee
City Hall, Room 205
Milwaukee, WI 53202

RE: File 071392 TID 48, Park East: Added Funding & Contingent Borrowing for Riverwalk & Right-of-Way Acquisition

Committee Members:

This letter is to inform you that our Office is unable to complete a report on this proposed project in time for your February 18th meeting, as we have not as yet received from the DCD or had time to review information essential to our analysis. As of this morning, the above File has yet to be filled. We were still receiving basic project data as of late yesterday afternoon, even though we have an agreed upon procedure with DCD to acquire all essential data a full three weeks before your Committee meets.

We have also discovered that the condominium portion of the project has changed. We have yet to see a commitment letter for the Developer's primary source of debt financing. DCD has also challenged our right to developer cashflow and developer return on investment information. As there are other on-going activities in this Office which demand our attention, we have virtually no time left to sort through the information, resolve these and other potential issues with DCD and the Developer and formulate our conclusions regarding the project.

In our opinion, to proceed with this project at this time would also set a poor precedent for your Committee. We strongly believe that each member of the Zoning Neighborhoods & Development Committee needs to have well in advance of the meeting, full information including a complete File and our Office's independent assessment before considering these major project requests.

Please call if you have any questions regarding this letter.

Sincerely,

W. Martin Morics
Comptroller
Cc Commissioner Rocky Marcoux, Allison Rozek, Sandy Rotar