



City of Milwaukee Fiscal Impact Statement

A Date 8/21/2020 File Number 200590 Original Substitute

Subject Lease Agreement with DeLong Company, Inc. for three (3) parcels of real property comprised of 3.95 acres on Port Milwaukee's South Harbor Tract.

B Submitted By (Name/Title/Dept./Ext.) Adam Tindall-Schlicht/Director/Port Milwaukee/x8130/adam.tindall.schlicht@milwaukee.gov

C This File

- Increases or decreases previously authorized expenditures.
- Suspends expenditure authority.
- Increases or decreases city services.
- Authorizes a department to administer a program affecting the city's fiscal liability.
- Increases or decreases revenue.
- Requests an amendment to the salary or positions ordinance.
- Authorizes borrowing and related debt service.
- Authorizes contingent borrowing (authority only).
- Authorizes the expenditure of funds not authorized in adopted City Budget.

D Charge To

- Department Account
- Capital Projects Fund
- Debt Service
- Other (Specify) _____
- Contingent Fund
- Special Purpose Accounts
- Grant & Aid Accounts

Purpose	Specify Type/Use	Expenditure	Revenue
Salaries/Wages		\$0.00	\$0.00
		\$0.00	\$0.00
Supplies/Materials		\$0.00	\$0.00
		\$0.00	\$0.00
Equipment	Public Capital Investment (Port / PIDP + HAP Grants)	\$4,300,000.00	\$20,793,543.00
	Private Capital Investment (DeLong)	\$0.00	\$6,273,385.00
Services		\$0.00	\$0.00
		\$0.00	\$0.00
Other	Base Lease Revenue (Years 1 - 15)	\$0.00	\$1,733,433.00
	Extension Lease Revenue (Years 15 - 30)	\$0.00	\$1,962,426.00
TOTALS		\$4,300,000.00	\$30,762,787.00

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Assumptions used in arriving at fiscal estimate.

(1) Successful receipt of PIDP Grant, HAP Grant, and DeLong Capital Expenditure. (2) Lease includes minimum PPI increase every 5 years.

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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.

1-3 Years 3-5 Years

Base Lease (Years 1 - 15): \$115,562.20/average year in revenue
(conservative estimate assumes 2.5% PPI increase)

1-3 Years 3-5 Years

Lease Extension (Years 16 - 30): \$130,828.40/average year in revenue
(conservative estimate assumes 2.5% PPI increase)

1-3 Years 3-5 Years

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List any costs not included in Sections D and E above.

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Additional information.

U.S. Department of Transportation - Port Infrastructure Development Program (PIDP) grant forthcoming for Common Council approval.

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This Note Was requested by committee chair.