

# **COOPERATION AGREEMENT**

**(DeLong Project Financing)**

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THIS AGREEMENT is made as of the \_\_\_ day of \_\_\_\_\_, 2020, by and between the CITY OF MILWAUKEE, acting by and through its Board of Harbor Commissioners, (“City”), and the REDEVELOPMENT AUTHORITY OF THE CITY OF MILWAUKEE, (“RACM”).

**WITNESSETH**

**WHEREAS**, Port Milwaukee, on behalf of the City of Milwaukee, is entering into a Lease Agreement with DeLong Company, Inc. for fifteen (15) years with possible extensions extending the lease for an additional fifteen (15) years on three parcels on the Port’s South Harbor Tract of Jones Island; and

**WHEREAS**, DeLong Company, Inc., will work with Port Milwaukee to construct a \$31 million agricultural export facility that will receive, handle, store, package, and deliver dried distillers grains with solubles or other agribusiness products and commodities (DeLong Project); and

**WHEREAS**, Port Milwaukee and the DeLong Company, Inc. have been awarded a U.S. Department of Transportation – Port Infrastructure Development program (PIDP) grant and a State of Wisconsin – Harbor Assistance Program (HAP) grant respectively totaling nearly \$21 million that requires DeLong Company, Inc. to invest over \$6.2 million and Port Milwaukee/City of Milwaukee to provide financing of at least \$4.3 million; and

**WHEREAS**, The City-owned property where the DeLong Project will be located was declared to be blighted pursuant to Section 66.1333(2m)(bm), Wisconsin Statutes, in Resolution No. 10075 passed by RACM on March 19, 2009; and

**WHEREAS**, RACM has determined that the condition of Jones Island contributes to the blighted condition of the City-owned property where it is located; and

**WHEREAS**, City and RACM desire to enter into this Cooperation Agreement in order to provide the most efficient and cost effective financing for the DeLong Project through the cooperative exercise of their respective powers; and

**WHEREAS**, This Cooperation Agreement was approved by RACM by passage of Resolution No. 10837 on September 17, 2020 and by the City by passage of Resolution No. ?????? on October 13, 2020.

**CITY and RACM**

**NOW, THEREFORE**, in consideration of the premises and the mutual promises and undertakings contained herein, agree as follows:

## **I. CITY/RACM COOPERATION.**

RACM and City are entering this Agreement in order to cooperate and jointly exercise their respective powers with respect to the Port's contribution to the DeLong Project. In their cooperative efforts to finance the Port's portion of the DeLong Project, City and RACM shall undertake the following actions:

### **A. CITY ACTIONS**

1. Make all determinations with respect to the manner in which financing the Port's portion of the DeLong Project is to be implemented and enter into the necessary contracts for such work.
2. Provide financial and other assistance to and cooperate with RACM in order to finance the DeLong Project. In particular, City shall undertake all actions necessary on its part in order to provide for the issuance and marketing of RACM revenue bonds ("Bonds") in the amount necessary to provide net Bond proceeds equal to the overall cost to the Port of the DeLong Project.
3. City assistance to RACM hereunder shall include execution by City of all agreements and instruments necessary in order to allow RACM to secure a favorable rating on the Bonds and to allow issuance and marketing of the Bonds upon terms deemed appropriate by the Executive Director/Secretary of RACM and City's Comptroller. Such agreements and instruments shall provide RACM with revenues sufficient to fulfill RACM's financial obligations with respect to the Bonds; provided, however, that all financial obligations of City hereunder shall be moral obligations subject to annual appropriation unless otherwise expressly provided through a resolution adopted by City's Common Council.
4. City's Comptroller shall review and approve the accounting and financial reporting systems necessary to administer the Bonds and all accounts created in conjunction with the Bonds.
5. Notwithstanding the foregoing, City may, in its sole discretion, provide direct financial assistance to RACM through the appropriation of funds or the issuance of its bonds in order to provide all amounts to RACM which are required to pay the costs of the acquisition and all other amounts due hereunder.
6. Provide staff assistance to RACM to identify the most efficient and cost effective manner in which to finance the acquisition.

**B. RACM Actions.**

1. Implement the issuance and marketing of the Bonds and utilize the net Bond proceeds for payment of costs and expenses incurred by City for the DeLong Project.
2. Execute all agreements and instruments necessary in order to secure a favorable rating on the Bonds and allow issuance and marketing of the Bonds upon terms deemed appropriate by the Executive Director/Secretary and City's Comptroller.
3. In cooperation with City's Comptroller, establish the accounting and financial reporting systems necessary to administer the Bonds and all accounts created in conjunction with the Bonds.
4. Provide staff assistance to City to identify the most efficient and cost effective manner in which to finance the acquisition.

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Cooperation Agreement as of the date and year first above written.

**REDEVELOPMENT AUTHORITY  
OF THE CITY OF MILWAUKEE**

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Frances Hardrick, Chairperson

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David P. Misky  
Assistant Executive Director/Secretary

**THE CITY OF MILWAUKEE**

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Tom Barrett, Mayor

Approved as to form, content and execution this  
\_\_\_\_ day of \_\_\_\_\_, 2020.

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James R. Owczarski, City Clerk

**COUNTERSIGNED:**

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JEREMY R. MCKENZIE  
Assistant City Attorney

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Aycha Sawa, City Comptroller