

MILWAUKEE COUNTY FISCAL NOTE FORM

DATE: May 31, 2013

Original Fiscal Note x

Substitute Fiscal Note

SUBJECT: From Rainier Properties II, LLC requesting an extension to the option to purchase for the triangular-shaped, .37-acre Block 6E in the Park East Corridor, located between North Water Street, North Edison Street and East Knapp Street in the City of Milwaukee, East of the Milwaukee River.

FISCAL EFFECT:

- | | |
|--|--|
| <input type="checkbox"/> No Direct County Fiscal Impact | <input type="checkbox"/> Increase Capital Expenditures |
| x Existing Staff Time Required | |
| <input type="checkbox"/> Increase Operating Expenditures
(If checked, check one of two boxes below) | <input type="checkbox"/> Decrease Capital Expenditures |
| <input type="checkbox"/> Absorbed Within Agency's Budget | <input type="checkbox"/> Increase Capital Revenues |
| <input type="checkbox"/> Not Absorbed Within Agency's Budget | <input type="checkbox"/> Decrease Capital Revenues |
| x Decrease Operating Expenditures | <input type="checkbox"/> Use of contingent funds |
| <input type="checkbox"/> Increase Operating Revenues | |
| <input type="checkbox"/> Decrease Operating Revenues | |

Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.

	Expenditure or Revenue Category	Current Year	Subsequent Year
Operating Budget	Expenditure	0	
	Revenue	0	
	Net Cost	0	
Capital Improvement Budget	Expenditure		
	Revenue		
	Net Cost		

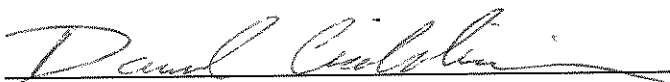
DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

- A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.
- B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.¹ If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.
- C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.
- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

Extending the existing option to purchase for Block 6E until September 30, 2013, will not include the payment of an extension fee, but Rainier will continue to provide maintenance services for the County on Block 6E that reduces operating costs for the County. In addition Rainier will provide copies of all site related due diligence for the development included adjoining parcels not owned by the county. The \$65,000 nonrefundable option fee paid to the date will be credited toward the \$700,000 purchase price, but will not be refunded if the option is not exercised and the purchase is not finalized.

Department/Prepared By Economic Development / David A Cialdini

Authorized Signature 

Did DAS-Fiscal Staff Review? Yes No

Did CBDP Review?² Yes No Not Required

¹ If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

² Community Business Development Partners' review is required on all professional service and public work construction contracts.