

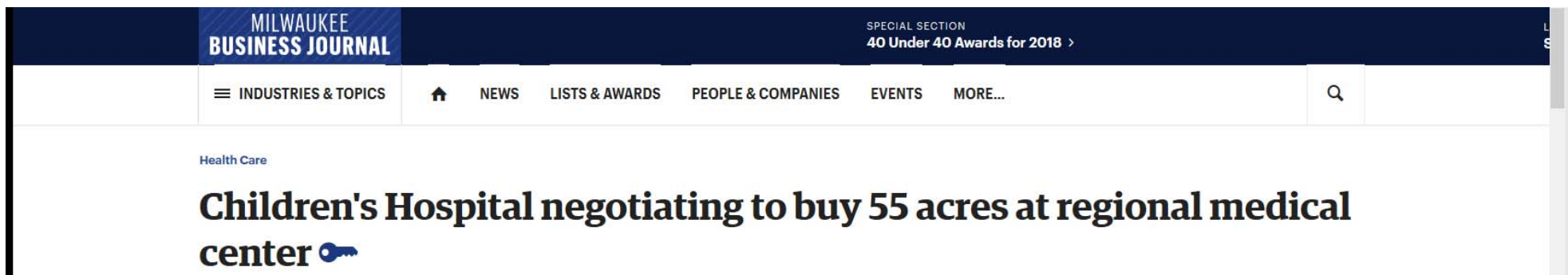
Director Whaley-Smith,
The media reported in mid-December 2017 that:

"Children's Hospital of Wisconsin is negotiating to buy for an estimated \$49 million the land it currently leases from Milwaukee County in Wauwatosa at the Milwaukee Regional Medical Center.

Children's Hospital leases a total of 55 acres under two separate long-term leases."

Please see below a request for information about the Administration's plans and their fiscal implications for Milwaukee County. This file is being referred to the Board's Committee on Economic and Community Development.

From the Milwaukee County Board of Supervisors a request for a written informational report from the Director of Department of Administrative Services providing an update on the Administration's plans and actions to date to sell or modify leases of Milwaukee County land in Wauwatosa at the Milwaukee Regional Medical Center



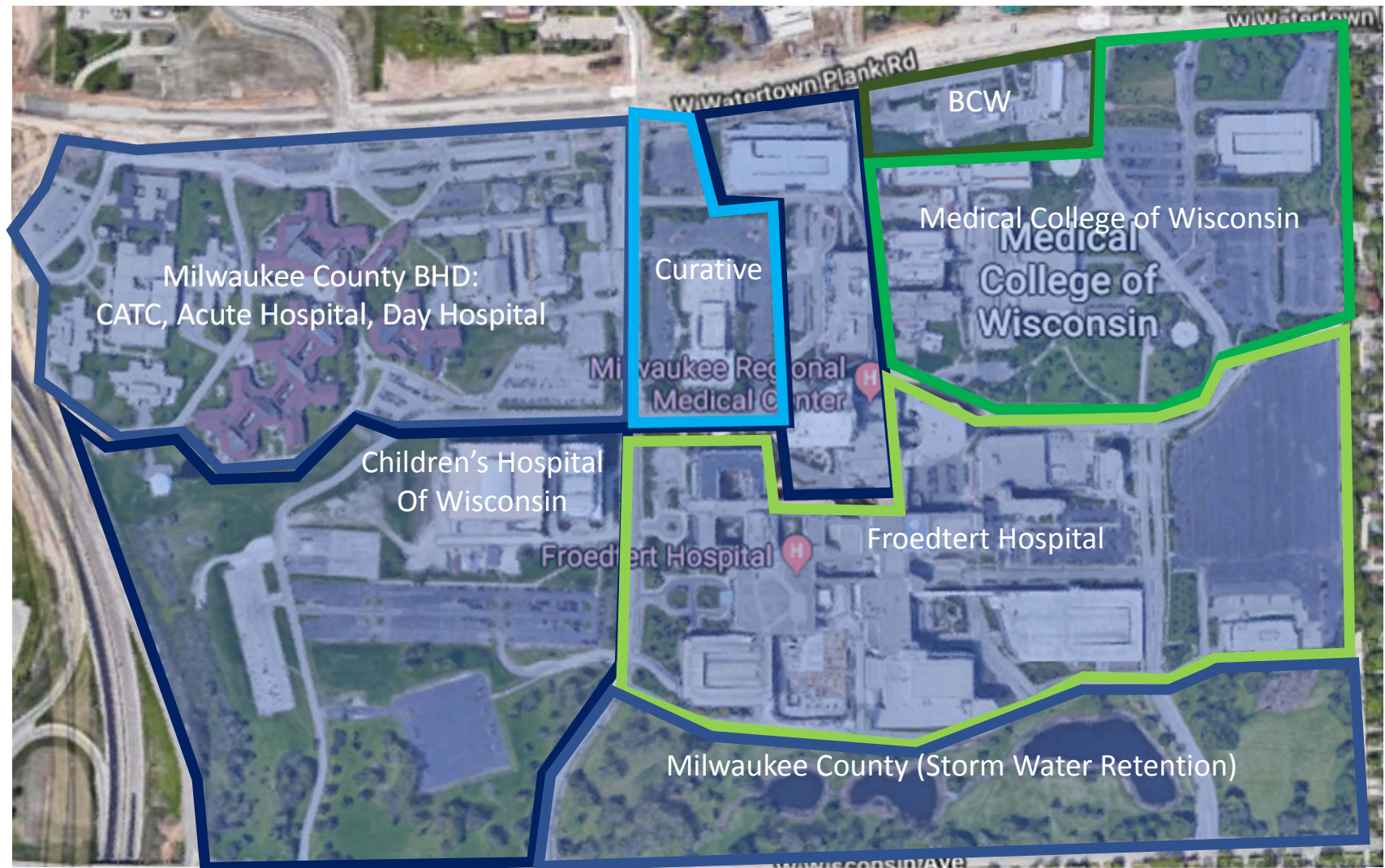


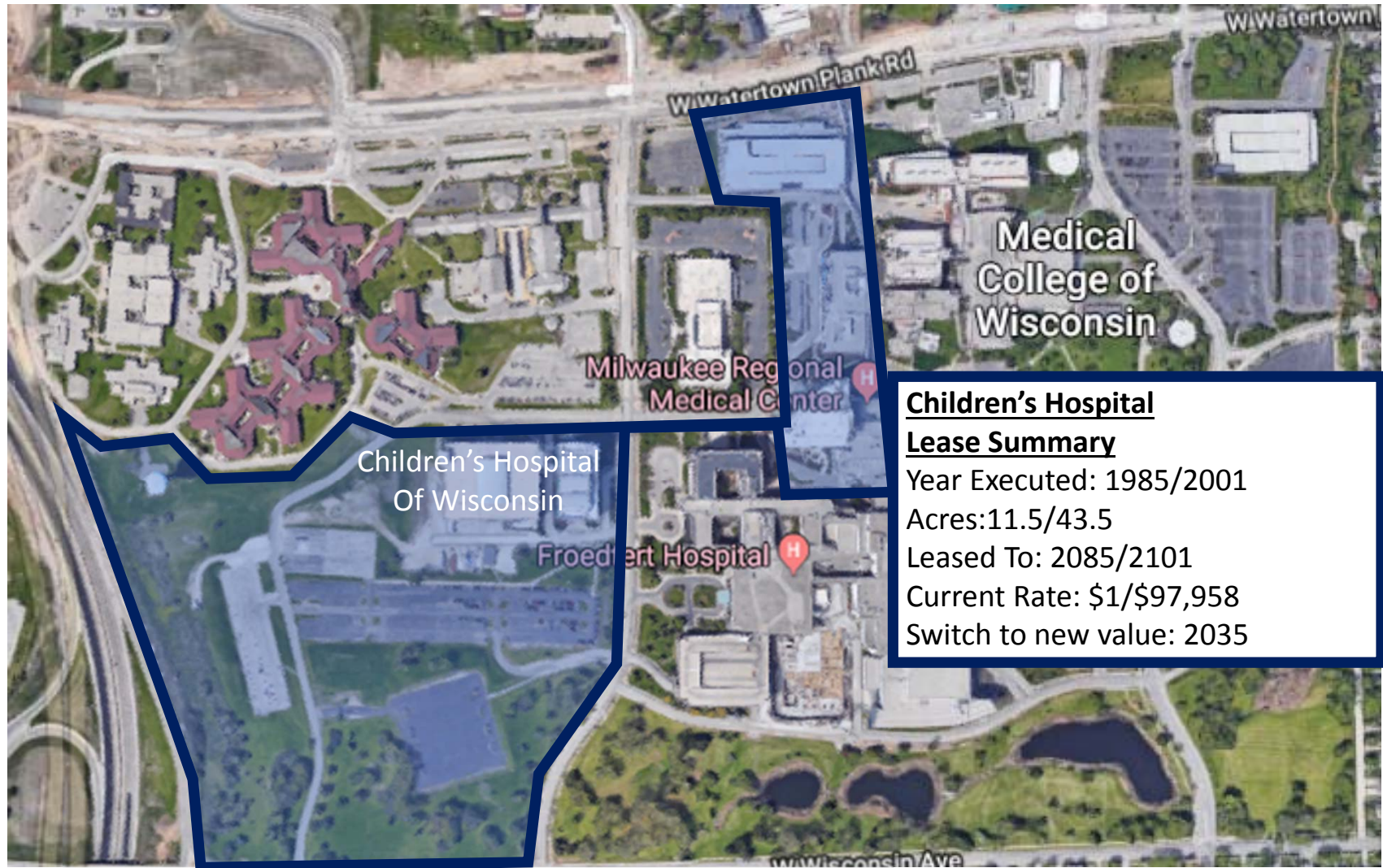
NW Quad
Transit &
Sheriff

Northeast Quadrant
Innovation Campus, Ronald McDonald House, WAC,
Milwaukee County Grounds Park, etc.

Southwest Quadrant
Milwaukee County Research Park

Southeast Quadrant
Milwaukee Regional
Medical Center
(MRMC)
Froedtert Hospital





Children's Hospital

Lease Summary

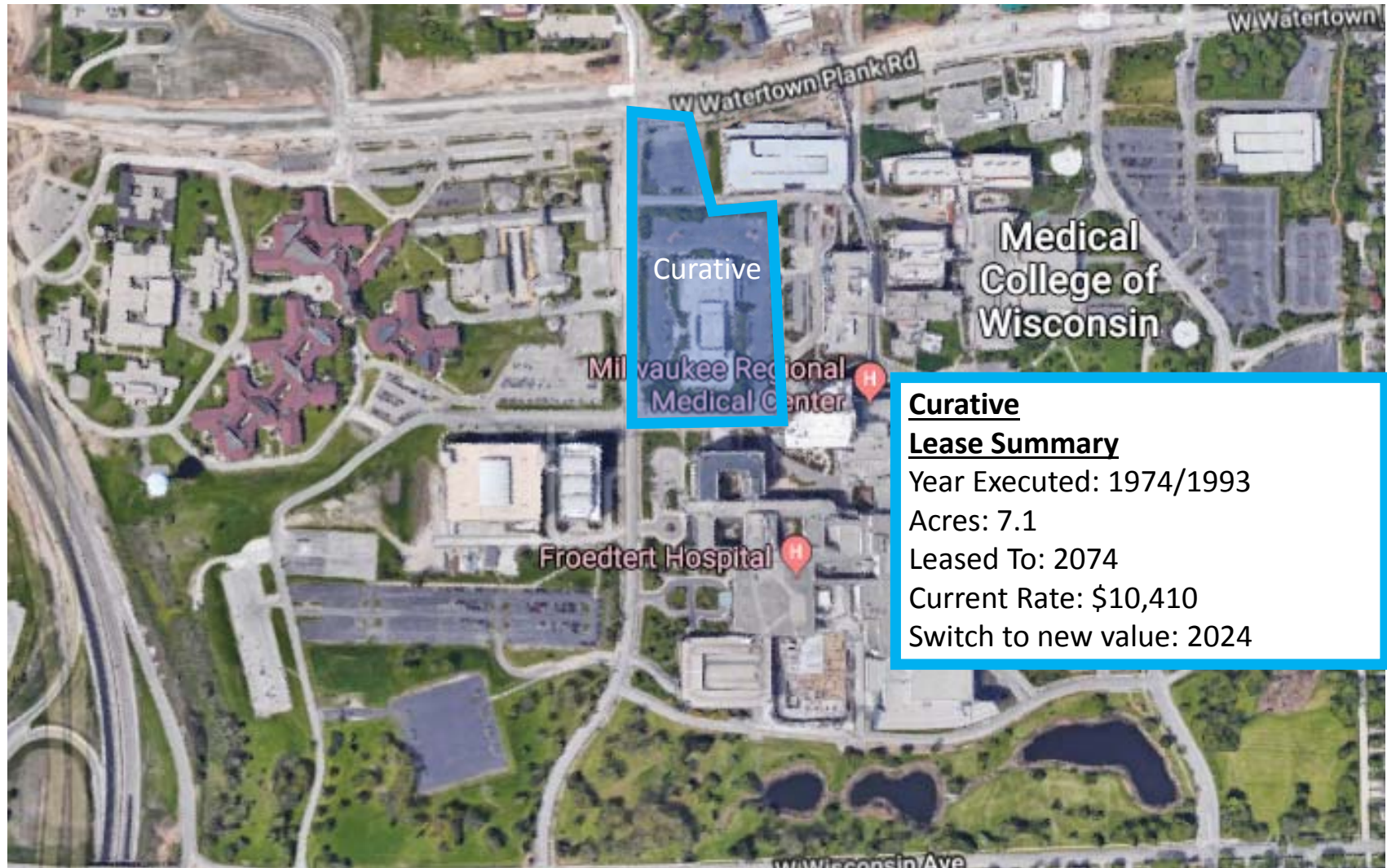
Year Executed: 1985/2001

Acres: 11.5/43.5

Leased To: 2085/2101

Current Rate: \$1/\$97,958

Switch to new value: 2035



Curative

Lease Summary

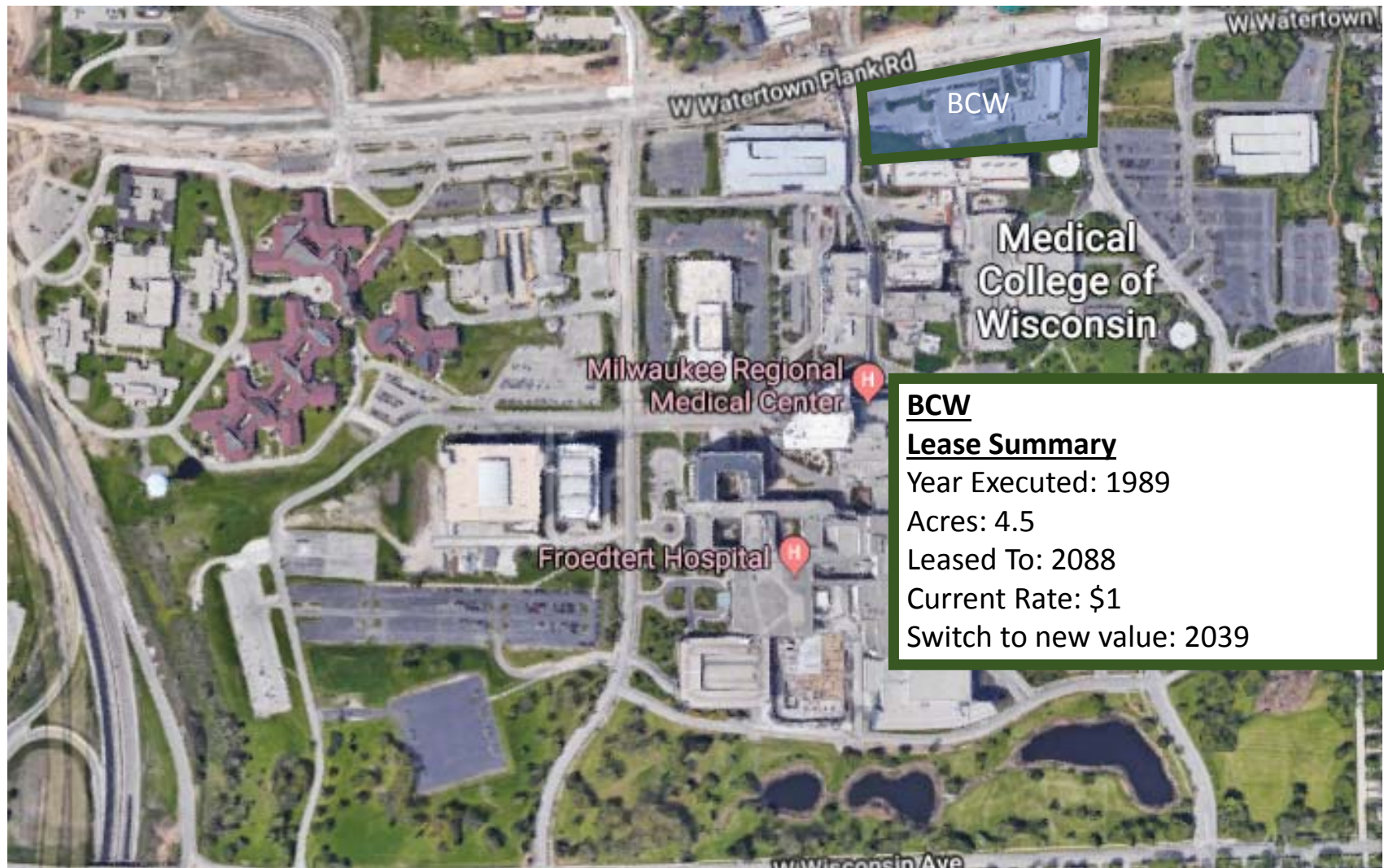
Year Executed: 1974/1993

Acres: 7.1

Leased To: 2074

Current Rate: \$10,410

Switch to new value: 2024



BCW

Lease Summary

Year Executed: 1989

Acres: 4.5

Leased To: 2088

Current Rate: \$1

Switch to new value: 2039



Medical College

Lease Summary

Year Executed: 1974

Acres: 32.8

Leased To: 2075

Current Rate: \$107,276

Switch to new value: 2025

Froedtert Hospital

Lease Summary

Lease #1

Year Executed: 1976

Acres: 13.2

Leased To: 2078

Current Rate: \$1

Switch to new value: 2038

Lease #2

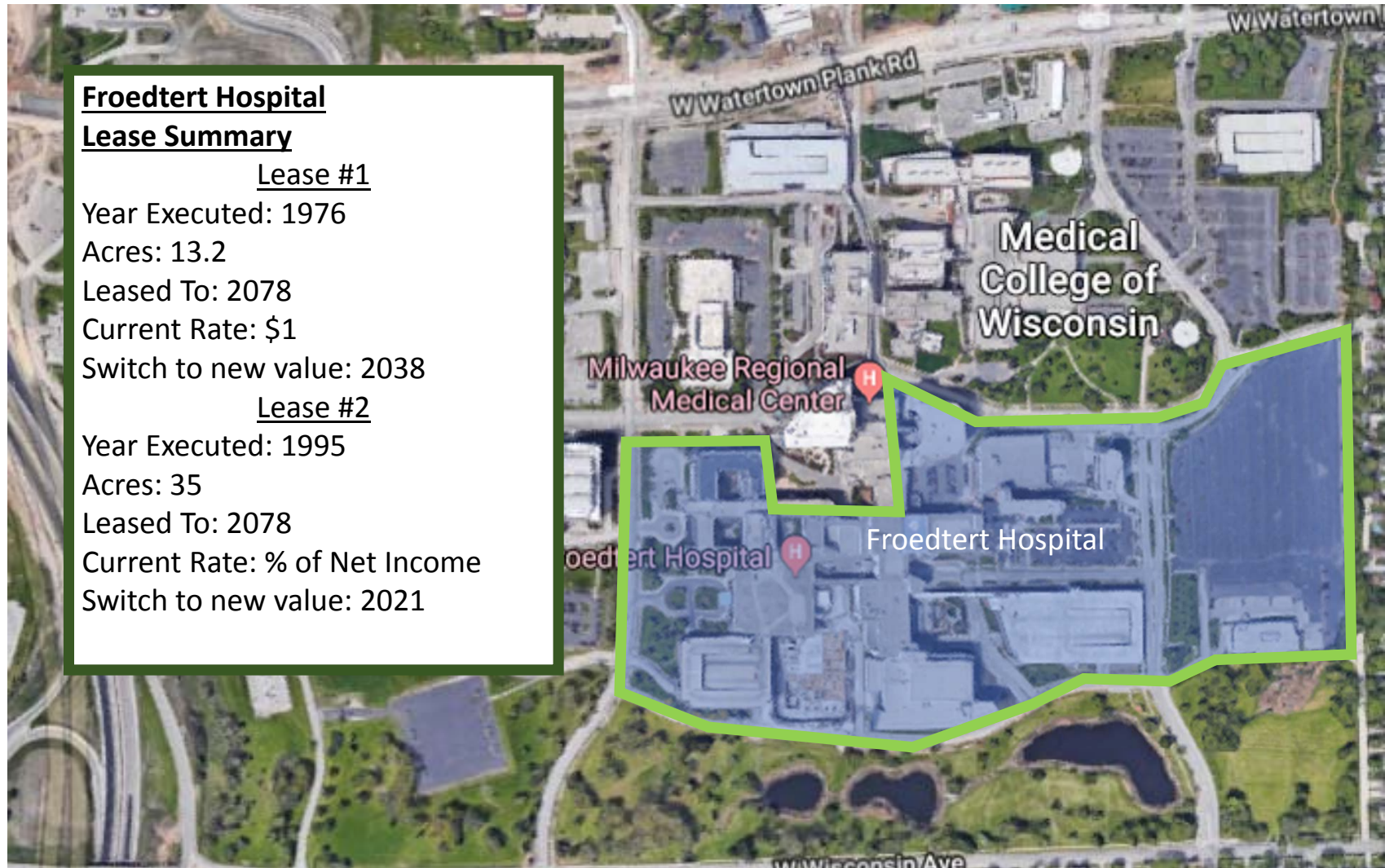
Year Executed: 1995

Acres: 35

Leased To: 2078

Current Rate: % of Net Income

Switch to new value: 2021



Example of New Value Language

4. Fair Market Rental. From and after the fifty-first year hereof, rental for the land shall be paid to Lessor by Lessee in an amount as may be mutually agreed upon. If the parties cannot agree on such rental, then rental shall be computed by multiplying the fair market value of the land determined according to the procedures of paragraph 14(b) hereof (disregarding any increment in value due to improvements made by Lessee) times ten percent (10%). After the one-hundredth year if said Lease is renewed the rental shall be subject to increase if the fair market value of the land shall have increased and similar adjustments in the rental shall be made every twenty-five years thereafter if the fair market value of the land shall have increased. The procedures specified in paragraph 14(b) shall be applicable for determining the fair market value of the land.

Example of Repurchase Liability language

(b) If the Lessee is unsuccessful for any reason in obtaining a third party purchaser and consummating the sale of the Facility to it or should Lessee desire to waive its rights to attempt to obtain a third party purchaser under subparagraph (a) above, Lessee shall give notice to Lessor in either such event, and thereupon Lessor shall purchase from Lessee all of the Facility and fixtures installed thereon (and such other equipment and other property as the parties may agree) by paying to Lessee in cash the fair market value thereof, determined by an independent appraiser mutually satisfactory

Example of Cost Sharing Ordinance language

- 25. Cost Sharing Ordinance. It is hereby agreed by and between the parties that the Cost Sharing Ordinance (Chapter 98 of the General Ordinances of Milwaukee County) relating to the development of the Medical Center on the County Institution Grounds is hereby incorporated herein by reference, is made a part hereof, and is deemed applicable to the parties hereto as if set forth in its entirety herein. The terms of such ordinance are a material part hereof and shall be amendable or modified only by the mutual agreement of the Lessor and the Lessee. Notwithstanding anything contained in the Cost Sharing Ordinance, future amendments to such ordinance relating to utilities, tunnel construction and parking shall only become a part hereof if all decisions with respect to the planning and development of such supportive facilities for the Medical Center are made in accordance with the decision making procedure specified in Section 98.11 of such ordinance and provided such decisions and amendments are not inconsistent with the other provisions of this Lease.

Example of Remaining Liability language

(b) *Demolition.* Lessor agrees, pursuant to the terms hereof and the terms of the Purchase Agreement, that Lessee shall have the right, at any time, to demolish either or both of the 1927 Building and the 1957 Building and appurtenant facilities, and Lessee shall have the right from time to time to construct additional improvements on that portion of the Land upon which portions of the Doyne Improvements have been demolished, provided such additional improvements are consistent with the Land Use Plan. Pursuant to the terms of the Purchase Agreement, Lessor has agreed to pay certain costs related to demolition of the 1927 Building and the 1957 Building ("*County Demolition Costs*"). Any and all such demolition shall be done in compliance with all statutes, laws, ordi-