



February 13, 2013

The Honorable Mayor Dan Devine
and Members of the Common Council
7525 West Greenfield Avenue
West Allis WI 53214

Subject: Common Council Guidelines for Use of City First Industrial
Ring Enterprise (FIRE) Management Financial Resources

Dear Mayor Devine and Common Council Members:

This letter is to request your approval to approve certain Common Council guidelines for the future use of the City's FIRE management financing. As you know, this money is realized from the Development Department's administration of the First Industrial Ring Enterprise (FIRE) new market tax credit program. Approximately \$4,000,000 is available in this fund.

Specifically, these City fire management proceeds should be used solely for economic development purposes consistent with what was described in the 2009 Community Development Institution Fund (CDFI) application. Those purposes would include economic development projects in low income neighborhoods or economic development projects that benefit low income job recipients. The residual language from the 2009 application's allocation award stated the following:

"If a project is successful and the residual benefits of the net New Market Tax Credits equity is not needed by the Qualified Active Low-Income Community Business, FIRE may structure a residual payment back to it. After satisfying FIRE's investor needs, if any, the residual will either be held by FIRE for the purpose of making additional Qualified Active Low-Income Community Businesses or utilized to support Qualified Active Low-Income Community Business-like activities in low income areas."

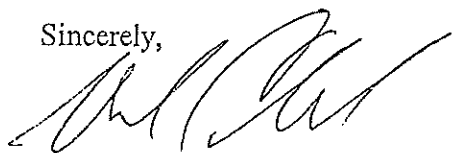
Generally speaking, the funds should be used for unique, one-time projects, including grants, loans, and other financial instruments that provide for neighborhood improvement, environmental cleanup, infrastructure development, and land and property redevelopment.

The Honorable Mayor Dan Devine
and Members of the Common Council
February 13, 2013
Page Two

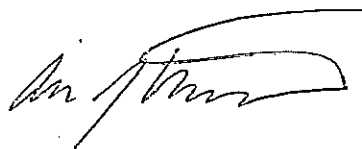
We would further recommend that any use of the funds be recommended by the FIRE Board and approved by the Mayor and Common Council.

Thank you for your attention to this request. If you have any questions, or need further information or clarification, please contact either of us or staff.

Sincerely,



Ald. Michael Czaplewski
Aldersperson, First District



Ald. Martin Weigel
Aldersperson, Second District

PMZ:jfw
Attachment

cc: Mayor Devine John Stibal
Ald. Lajsic Scott Post
Ald. Sengstock Mark Wyss
Paul Ziehler

ADM\ORDRES\MCC.Guidelines for FIRE MFS