

**City of Chicago
Department of Community Development**

**STAFF REPORT
TO THE
COMMUNITY DEVELOPMENT COMMISSION
REQUESTING DEVELOPER DESIGNATION
MARCH 10, 2009**

I. PROJECT IDENTIFICATION AND OVERVIEW

Project Name:	MillerCoors Corporate Headquarters
Applicant Name:	MillerCoors, LLC ("MillerCoors")
Project Address:	250 S. Wacker Drive
Ward and Alderman:	Robert Fioretti, 2 nd Ward
Community Area:	Central Loop
Redevelopment Project Area:	LaSalle Central TIF District
Requested Action:	TIF Developer Designation
Proposed Project:	Corporate Headquarters
TIF Assistance:	\$6,000,000

II. PROPERTY DESCRIPTION

Address:	250 South Wacker Drive
Location:	The building is located on the Northwest corner of Wacker Drive and Jackson Boulevard.
Tax Parcel Numbers:	17-16-215-002-0000
Land Area:	N/A
Current Use:	The building at 250 S. Wacker Drive is a 14-story commercial office building with 246,680 leaseable square feet and is owned by AEWP V 250 S Wacker, LLC. The property recently was renovated for a complete transformation into a First Class Office Tower. The majority of the property is unoccupied (82.5%) at this time. This building has not been identified as historically

significant according to the Chicago Historic Resources Survey.

Current Zoning: DC-16

Proposed Zoning: N/A

Environmental Condition: The property does not require any remediation.

III. BACKGROUND

In June of 2008, SABMiller plc (headquartered in London) and Molson Coors Brewing Company (headquartered in Denver, Colorado) combined the U.S. and Puerto Rico operations of their respective subsidiaries, Miller and Coors, in a joint venture. The reason for the merger was the expectation that the enhanced brand portfolio, scale and combined management strength of the joint venture would allow this entity to better compete in the highly competitive and changing U.S. marketplace, and improve the standalone operational and financial performance of both Miller and Coors. Specifically, the joint venture has (1) built a stronger brand portfolio giving consumers more choice, (2) captured synergies and improved productivity, (3) created a more effective competitor, (4) improved the route to market, and (5) optimized organizational strength.

In the spirit of creating a truly new company, MillerCoors had to select a location for their new headquarters. Milwaukee, the headquarters of Miller, and Denver, the headquarters of Coors, were ruled out as inconsistent with their balanced governance structure; it was felt that location in either city would suggest that one of the partners had a controlling interest in the new company, which is not accurate. Dallas, Texas was the finalist competing city with Chicago for location of the new headquarters. Although Dallas offered cheaper Class A office space and lower property taxes, ultimately Chicago was chosen as their new home. Several reasons for selecting Chicago include:

- good access and easy transportation to existing U.S. operations and customers;
- being a true international city with a vibrant 24-hour Central Business District;
- offering an attractive talent pool;
- offering unique business resources;
- being a culture-rich and diverse city including professional sports, the performing arts, world-class shopping and the lakefront;
- providing a broad cross-section of affordable communities for relocating employees to choose from with easy commutes, high quality of life, and good schools; and
- a number of viable real estate options which provide good access for commuters, building signage, amenities and which could be ready for occupancy by summer 2009.

During the selection process, both the City of Chicago and the State of Illinois offered economic incentives to assist in offsetting MillerCoors considerable relocation costs. This TIF proposal is a result of the City's negotiations with MillerCoors.

IV. PROPOSED DEVELOPMENT TEAM

Development Entity: MillerCoors, LLC.

MillerCoors, LLC is a joint venture between SAB Miller and Molson Coors Brewing Company. This joint venture combined the U.S. and Puerto Rico operations of their respective subsidiaries, Miller and Coors.

SABMiller and Molson Coors each have a 50 percent voting interest in the joint venture and have five representatives each on its board of directors. Based on the economic value of the contributed assets, SABMiller has a 58 percent economic interest in the joint venture and Molson Coors has a 42 percent interest.

Miller produces, markets and sells the Miller portfolio of brands in the U.S. The Miller business to be contributed to the joint venture does not include the sales of Miller brands outside the U.S., but does include the sale of other SABMiller brands in the U.S.

Coors produces, markets and sells the Coors portfolio of brands in the U.S. and Puerto Rico, which is managed as an integral part of the U.S. business. The Coors business to be contributed to the joint venture will not include the sales of Coors brands outside the U.S. and Puerto Rico. The business to be contributed does include the sale of other Molson Coors brands in the U.S. and Puerto Rico.

The MillerCoors joint venture will have annual pro forma combined beer sales of 69 million U.S. barrels and net revenues of approximately \$6.6 billion.

Consultants: Jones Lang LaSalle

MillerCoors retained Jones Lang LaSalle to help them conduct their search for a new headquarters location. Jones Lang LaSalle is a financial and professional services firm specializing in real estate services and investment management.

V. PROPOSED PROJECT

Project Overview: MillerCoors will enter into an office lease with the AEW PV 250 S Wacker LLC, the owner of the building, commencing on or about June 1, 2009. MillerCoors will lease approximately 129,122 square feet of commercial office space on floors 8 through 16 for an initial period of 15 years; this is the minimum amount of space that MillerCoors shall occupy throughout the term of an executed redevelopment agreement with the City. The building is located in the LaSalle Central Tax Increment Financing District in the 2nd Ward.

In connection with its occupancy of the building, MillerCoors shall construct substantial tenant improvements necessary to permit MillerCoors to take possession of the space in accordance with the terms of the lease. The "Project" includes the build-out of the MillerCoors space and the use of the space as the national corporate headquarters for MillerCoors, LLC.

Upon completion of the tenant build-out, this space will serve as MillerCoors' primary base for national business of MillerCoors LLC, and the site which MillerCoors's principal executive officers have designated as their principal offices. MillerCoors will be required to create or relocate to the site a total of 325 FTE positions by the fifth anniversary of the Certificate of Completion and maintain a minimum of 90% of the target number (293) until the 10th anniversary of the Certificate of Completion.

As an additional public benefit of the Project, MillerCoors will improve the river walk just west of the building, by installing new fencing and adding landscaping.

Environmental Features: The tenant build-out associated with the Project will be LEED certified for Commercial Interiors (LEED-CI).

VI. FINANCIAL STRUCTURE

The City of Chicago (the "City"), through its Department of Community Development ("DCD"), intends to negotiate a Tax Increment Financing ("TIF") Redevelopment Agreement (the "TIF RDA") with MillerCoors, LLC. The purpose of the TIF RDA is to provide an incentive to MillerCoors to locate its headquarters in Chicago as opposed to other cities MillerCoors considered in its national search. The City, through DCD, intends to provide MillerCoors with TIF assistance in an amount that is the lesser of \$6,000,000 or 27.0% of Total Project Costs, which are currently estimated to be \$21,818,519. TIF funds will only be used to reimburse MillerCoors for TIF eligible costs, which will include rehabilitation of the MillerCoors space and the improvements to the river walk. MillerCoors will occupy approximately 129,122 square feet for the term of the 15-year lease, making them the largest tenant in the building. TIF-eligible expenses will be reimbursed from existing increment, and/or bond funds, in the LaSalle Central Redevelopment Project Area Tax Increment Allocation Fund in the following manner:

The City shall provide a lump sum payment to MillerCoors, in the amount of \$1,000,000, within 90 days of issuing a Certificate of Completion for the Project. No funds will be paid to MillerCoors until a Certificate of Completion has been issued for the project.

The City funds will be provided on the basis of new jobs relocated to or created at the MillerCoors space. Payments will be made over the next five years and will commence upon the 1-year anniversary of the issuance of the Certificate of Completion. Payments shall be calculated as follows: the City funds (\$6,000,000) will be divided by 325, which is the minimum number of jobs to be relocated/ created in the MillerCoors space to produce a "Per Job Payment Amount", rounded to the nearest whole dollar.

For example, the Per Job Payment Amount would equal \$6,000,000 divided by 325, which equals \$18,462 when rounded to the nearest whole dollar. Remaining funds will then be provided at the rate of \$18,462 per newly created or relocated FTE position. The amount paid each year will be in accordance with the following formula:

$(\text{Total FTEs (up to a maximum of 325)} * \$18,462) - (\text{total of all TIF payments made to date exclusive of the pending payment})$. The maximum the developer can receive from the City in any given year or later years is \$1,500,000. Any Per Job Payment Amount TIF in excess of this amount would be paid out in the subsequent year. If the number of FTE falls below number of FTE from the preceding year, resulting in a negative payment amount, no remaining City funds shall be paid out for that year. Any credit from a previous year would be reduced on a per job basis by the difference between the reported number of FTE in the subsequent year and the FTE total in the previous year.

The assistance will be provided based on the following schedule:

Payment	Term	Amount
2 nd Payment:	1 year after Certificate of Completion	up to \$1.5 Million of Available Increment
3 rd Payment:	2 years after Certificate of Completion	up to 1.5 Million of Available Increment
4 th Payment:	3 years after Certificate of Completion	up to 1.5 Million of Available Increment
5 th Payment:	4 years after Certificate of Completion	up to 1.5 Million of Available Increment
6 th Payment:	5 years after Certificate of Completion	up to 1.5 Million of Available Increment

The following table identifies the sources and uses of funds.

Sources of Funds:

<u>Sources</u>	<u>Amount</u>	<u>% of Total</u>
Lender Financing	\$ 0	0%
Company Cash	\$21,818,519	100%
Total Sources	\$21,818,519	100%

Uses of Funds:

<u>Uses</u>	<u>Amount</u>	<u>\$/sf of Tenant Space</u>
Interior Hard Construction	\$10,474,962	\$81.12/sf
Interior Soft Costs		
Permits, Bonds and Fees	\$ 45,214	\$ 0.35/sf
Public Utilities	\$ 19,378	\$ 0.15/sf
Architecture/Engineering	\$ 1,186,749	\$ 9.19/sf
Special Consultants	\$ 94,151	\$ 0.73/sf
Program Management (no dev fee)	\$ 289,645	\$ 2.24/sf
Legal	\$ 116,420	\$ 0.90/sf
Gen Conditions	\$ 1,706,773	\$ 13.22/sf
FF&E	\$ 7,229,405	\$ 55.99/sf
Technology Costs	\$ 655,822	\$ 5.08/sf
Total Uses	\$21,818,519	\$168.98/sf

*Leased area is 129,122 square feet

Prior to the issuance of the Certificate of Completion, MillerCoors will be required to (a) purchase and deliver to the City an irrevocable Letter of Credit which is valid, and in a form acceptable to the City naming the City as the sole beneficiary for the full amount of the City Funds, increasing as the amount of City Funds paid increase (the "L/C"), or (b) purchase and deliver to the City other security in amount and form acceptable to the City in its sole discretion. The L/C or such other security will be maintained for a period of 10 years.

MillerCoors shall maintain their headquarters at the building and shall continuously occupy and operate in the building, and officers shall maintain their principal offices at the building for a minimum of ten years from the date of issuance of the Certificate of Completion (the "Occupancy and Operations Covenant"). MillerCoors shall continuously occupy a minimum of 129,122 square feet at the building during this period. If MillerCoors fails to satisfy this requirement, the City shall have the right to seek reimbursement of TIF payments made to MillerCoors through drawing down the L/C and/or other means, and to terminate the RDA.

MillerCoors will create 325 new FTE corporate headquarters jobs at the building within 5 years of the Certificate of Completion. MillerCoors will be in default if the number of FTE positions created and relocated to the headquarters falls below 90% of the maximum number of FTE positions achieved during the period of time beginning at the issuance of the Certificate of Completion and ending on the 10th anniversary of the issuance of the Certificate of Completion (the "Employment Covenant").

MillerCoors shall be entitled to a single 1-year cure period during the 10-year life of the compliance period commencing on the date of the issuance of the Certificate of Completion. The City shall have the right to recapture the full amount of all previous payment of TIF funds if not cured during the cure period.

If, upon the completion of the Project, MillerCoors should realize actual project costs that are less than the estimated total estimated Project costs of \$21,818,519, then the amount of TIF assistance will be reduced by \$0.75 for every \$1.00 that actual Project costs are below the Project budget.

VII. PUBLIC BENEFITS

The proposed project will provide the following public benefits.

Property Taxes: The Project will expand the tax base because the investment in the property will result in an increase in its assessed value. The building, currently 82.5% vacant, will be 100% occupied with the entrance of MillerCoors in the building.

Environmental Features: The tenant-buildout will be LEED certified for Commercial Interiors. The building, recently renovated, is also seeking LEED certification.

Permanent Jobs: The Project is estimated to create and/or relocate 325 permanent jobs. DCD's workforce development specialists will work with MillerCoors on job training and placement.

Affirmative Action: MillerCoors will comply with the requirements of Chicago's affirmative action ordinance, which requires contract participation of 24% by minority-owned business enterprises (MBEs) and 4% by woman-owned business enterprises (WBEs). MillerCoors has provided notification of the proposed Project, by certified mail, to several associations of minority and women contractors. A sample version of the letter and copies of the post office receipts for the certified letters are presented as exhibits to this report.

City Residency: MillerCoors will comply with the requirements of Chicago's city residency ordinance, which requires that at least half of all construction-worker hours be filled by Chicago residents. MillerCoors will also comply with the requirement that all construction jobs are paid the prevailing wage.

VIII. COMMUNITY SUPPORT

Second Ward Alderman Robert Fioretti endorses the Project and has provided a letter of support. World Business Chicago has also endorsed the Project and has provided a letter of support (see exhibits for copies of letters).

IX. CONFORMANCE WITH REDEVELOPMENT AREA PLAN

The proposed project is located in the LaSalle Central Tax Increment Financing Redevelopment Project Area. The proposed project will satisfy the goal of the area's redevelopment plan: to reduce or eliminate the conditions that qualify the LaSalle Central RPA as a conservation area (the "Area"), and to provide the mechanisms necessary to support public and private development and improvements in the Area. The implementation strategy for achieving the plan's goals envisions the need to provide TIF financial assistance to promote the Area as a center of employment and commercial activity, through the attraction and retention of major employers and corporate headquarters, and providing assistance to small and growing businesses. The Project also conforms to the plan's land use map, which calls for commercial

development at the subject site.

X. CONDITIONS OF ASSISTANCE

If the proposed resolution is approved by the CDC, DCD will negotiate a redevelopment agreement with MillerCoors. The redevelopment agreement will incorporate the parameters of the proposed project as described in this staff report.

It is DCD policy that no business will be conducted with a development entity whose any principal has outstanding municipal debts (such as unpaid parking tickets, unpaid water bills, unpaid business licenses, and others), is in arrears of child support payments, or who is a debtor in bankruptcy, a defendant in a legal action for deficient performance, a respondent in an administrative action for deficient performance, or a defendant in any criminal action.

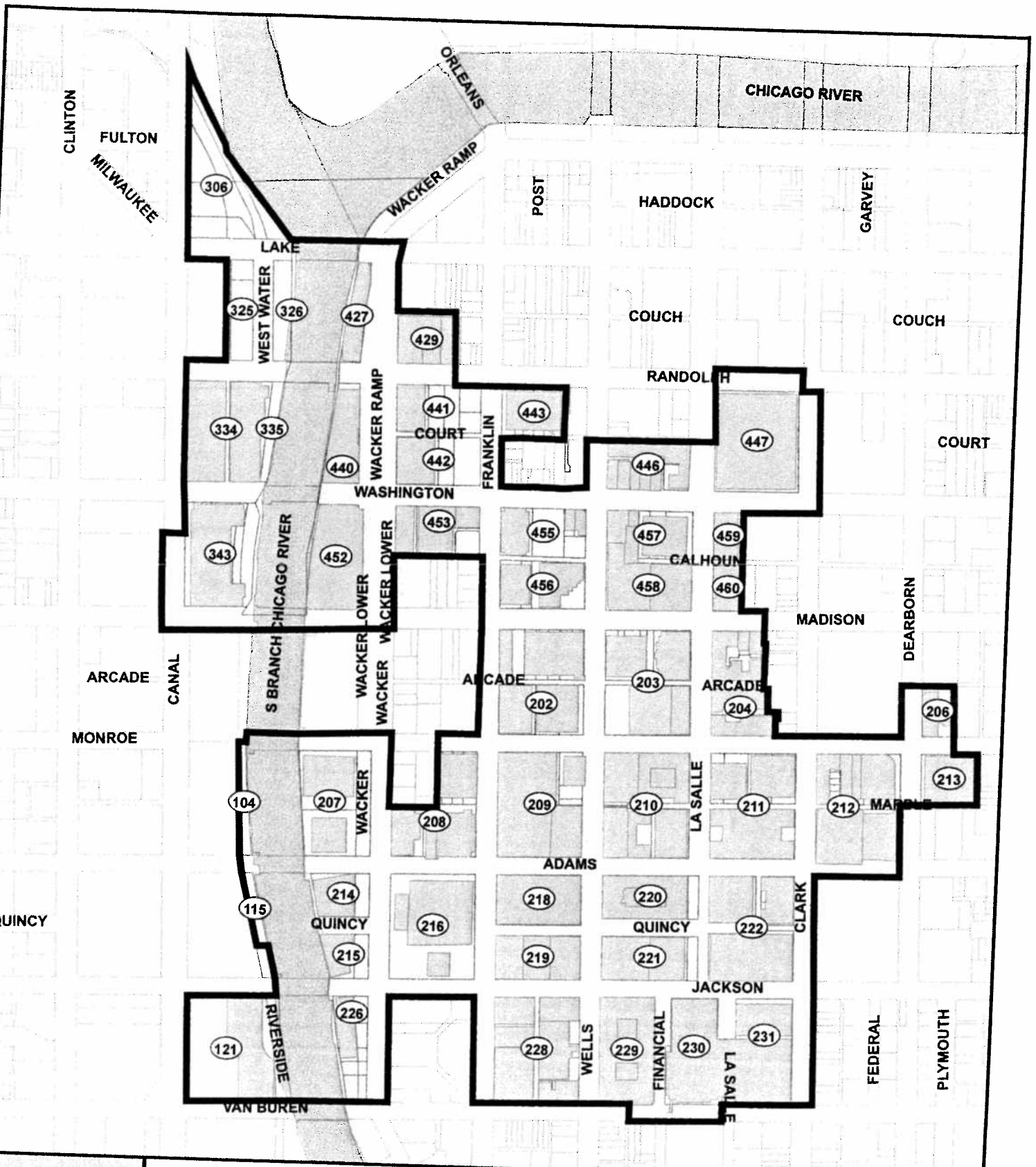
Closing of the redevelopment agreement will not occur before the City Council has approved the agreement, MillerCoors has obtained all necessary City approvals including zoning and building permits, and MillerCoors has presented proof of financing. The redevelopment agreement will include a development timetable.

XI. RECOMMENDATION

The Department of Community Development has thoroughly reviewed the Project, the qualifications of the development team, the financial structure of the project, its need for public assistance, its public benefits, and the project's conformance with the redevelopment area plan, and DCD recommends that the CDC recommend to the City Council the designation of MillerCoors, LLC as Developer for the tenant build-out of the 8th through 16th floors and improvements to the river walk of the property located at 250 S. Wacker Drive.

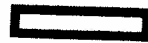


EXHIBITS

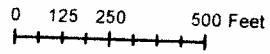
Redevelopment Area Map
Neighborhood Map or Aerial
Sample M/WBE Letter
Copies of M/WBE Certified Letter Receipts
World Business Chicago Letter of Support
Alderman's Letter of Support



**Map 2
Boundary
Map**

Legend

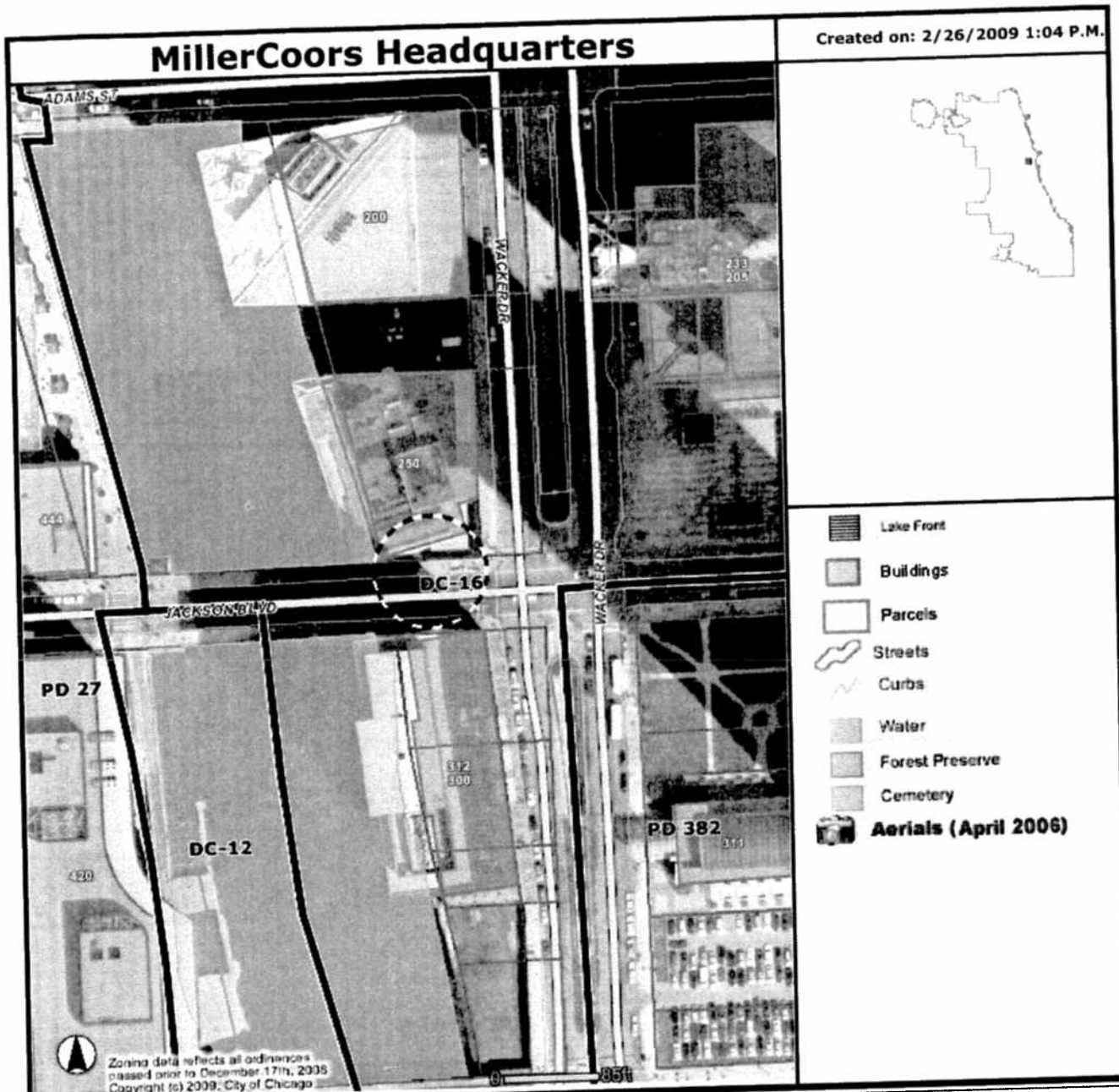
-  TIF Boundary
-  Existing Structures
-  Block Number*



*Based on the Cook County Permanent Index Numbering (PIN) System

S. B. Friedman & Company
Real Estate Advisors and Development Consultants

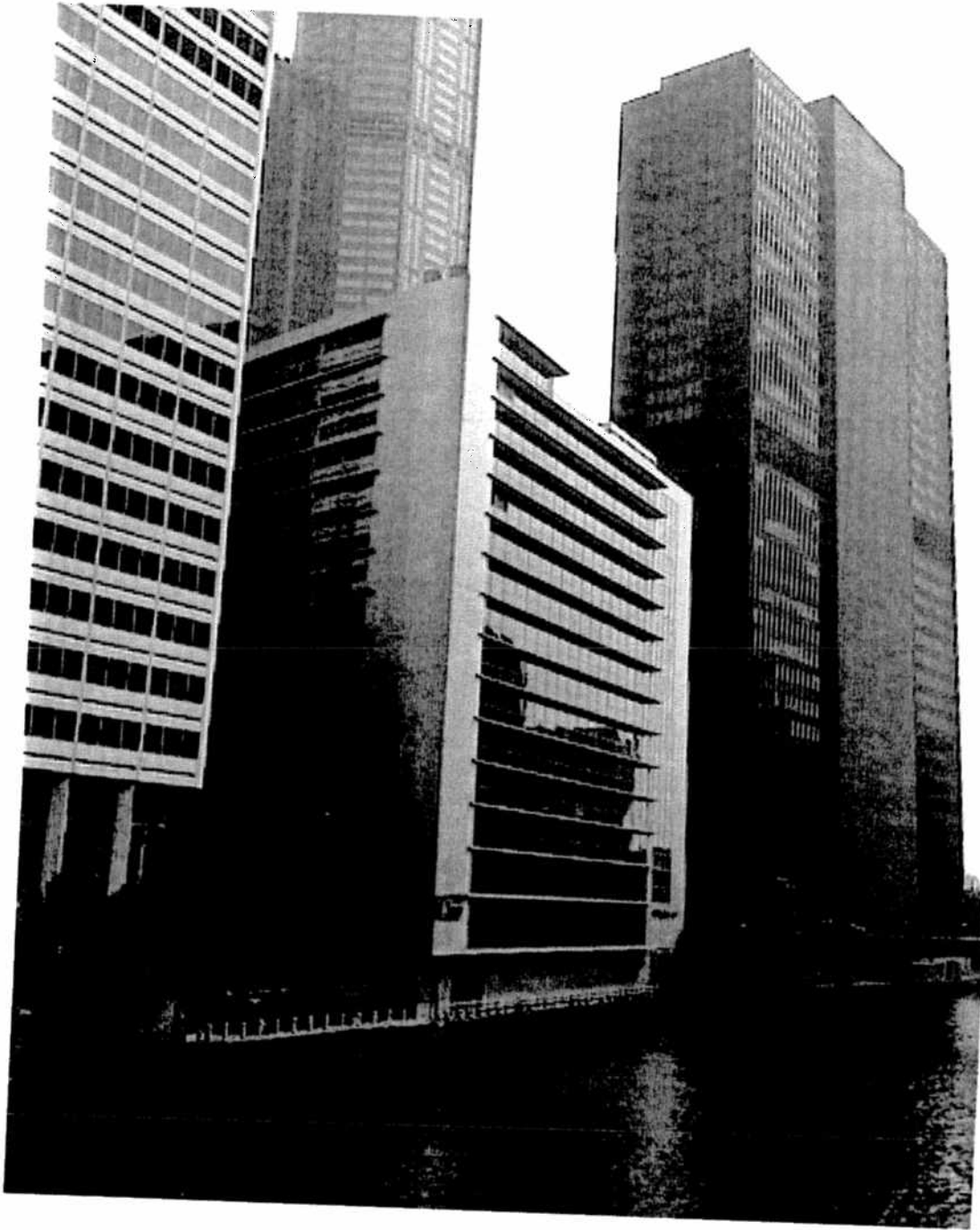
City of Chicago
Proposed
LaSalle Central
Tax Increment
Finance District



Address

250 S WACKER DR

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250 South Wacker Drive

CLUNE
Construction Company

January 16, 2009

RE: Miller Coors Corporate Headquarters
VIA CERTIFIED MAIL & FACSIMILE

TO: AFRICAN AMERICAN CONTRACTORS ASSOCIATION
ASIAN AMERICAN ALLIANCE
ASSOCIATION OF ASIAN CONSTRUCTION ENTERPRISES
BLACK CONTRACTORS UNITED
CHICAGO MINORITY BUSINESS DEVELOPMENT COUNCIL, INC.
CHICAGO URBAN LEAGUE
COSMOPOLITAN CHAMBER OF COMMERCE
FEDERATION OF WOMEN CONTRACTORS
HISPANIC AMERICAN CONTRACTORS INDUSTRY ASSOCIATION
LATIN AMERICAN CHAMBER OF COMMERCE
RAINBOW PUSH COALITION
WOMEN BUSINESS DEVELOPMENT CENTER

Please notify your members of the following information:

You are invited to provide a proposal for the MillerCoors new head quarters located at 250 S. Wacker Drive, floors 8-16. Issued for Bid Drawings dated 1/14/09 are now available for download (instructions below). The Miller Coors Headquarters project consists of an interior build out of approximately 130,000 SF of office space on eight floors located at 250 S. Wacker Drive, Chicago, Illinois.

Bids are due on Monday January 26th @ 5 PM. Fax or mail your proposal to the undersigned at Clune Construction Company, 10 S. LaSalle- Suite 300, Chicago, IL 60603. Fax is (312) 419-8139.

Bidders will be responsible for all the documents posted on the ftp site. This includes the specifications and any other documents that get uploaded.

****The owner is pursuing TIF funding and therefore will have MBE/WBE as well as City of Chicago Residency requirements.**

****Be advised that the project will be going for LEED certification.**

****Overall Project schedule is from 2/2/09 to 5/29/09**

All RFP's must be sent to the writer. do NOT contact the design team or owner directly.

Logging on to the FTP site for the plans:

Click Start, Run

Type in <ftp.voa.com> in the open space as above. Click ok. It will open a box like the one below and insert the following:

User name: mc250

Password: clunegc08

There will also be a set of printed documents available for review at the field office of Clune Construction Company located on the 3rd floor of 250 S. Wacker. Please contact the undersigned if you wish to view the plans.

Very truly yours,

CLUNE CONSTRUCTION
COMPANY



Christopher Redpath
Senior Vice President

JAN 16 2009

LDRIA INC.

CR
Department
AS

NO FAX

African American Contractors Association

2910 S. Wentworth, Suite 1F
Chicago, IL 60616

Phone: (312) 915-5960

Fax: (312) 567-0910

7008 1140 0001 2183 6873

**Alliance of Business Leaders & Entrepreneurs
(ABLE)**

150 N. Michigan Ave. Suite 2800
Chicago, IL 60601

Phone: (312) 624-7733

Fax: (312) 624-7734

Web: www.ablechicago.com

Alliance of Minority and Female Contractors

c/o Federation of Women Contractors
5650 S. Archer Avenue

Chicago, IL 60638

Phone: (312) 360-1122

Fax: (312) 360-0239

NO FAX

Asian American Alliance

222 W. Cermak Road, Suite 303
Chicago, IL 60616-1986

FAED 1/16/0

CERTIFIED

MAIL: 1/16/0

**ITY OF CHICAGO
of Procurement Services
sist Agencies**

FAED

**Chicago Minority Business Development Council
Inc.**

1 East Wacker Drive, Suite 1200
Chicago, IL 60601

TANCO.COM

Phone: (312) 755-8880

Fax: (312) 755-8890

W 7006 2150 0003 7498 7519

OK
FAED

Chicago Urban League

220 S. State Street, 11th Floor
Chicago, IL 60604

Phone: (773) 451-3509

Fax: (773) 285-7772

Web: www.cul-chicago.org

7006 2150 0003 7498 5003

OK
FAED

Cosmopolitan Chamber of Commerce

203 N. Wabash, Suite 518

Chicago, IL 60601

Phone: (312) 499-0611

Fax: (312) 332-2688

Web: www.cosmochamber.org

7006 2150 0003 7498 4990

OK
FAED

Federation of Women Contractors

5650 S. Archer Avenue

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Phone: (312) 225-9320 **NO FAX**
Fax: (312) 326-0399 **NO FAX = EMAIL**

7008 1140 0001 2183 6866

OK
FIXED*

Association of Asian Construction Enterprises

333 N. Ogden Avenue

Chicago, IL 60607

Phone: (312) 563-0746

Fax: (312) 666-1705

7008 1140 0001 2183 6880

OK
EMAIL
FIXED

Black Contractors United

400 W. 76th Street, Suite 200

Chicago, IL 60620

Phone: (773) 483-4000

Fax: (773) 483-4150

Web: www.blackcontractorsunited.com

7006 2150 0003 7498 7526

Chicago Area Gay & Lesbian Chamber of Commerce

1210 W. Rosedale

Chicago, IL 60660

Phone: (773) 303-0167

Fax: (773) 303-0168

Web: www.gilchamber.org

12/2008

* MILLER COOR

OK
FAXED

Chicago, IL 60638
Phone: (312) 360-1122
Fax: (312) 360-0239

Web: www.frenchis.com
7006 2150 0003 7498 4983

OK
FAXED

Hispanic American Contractors Industry Association (HACIA)

901 West Jackson Boulevard, Suite 205
Chicago, IL 60607

Phone: (312) 666-5910
Fax: (312) 666-5692

Web: www.haciaworks.com

7006 2150 0003 7498 4976

Illinois Hispanic Chamber of Commerce (formerly MACC)

111 W. Washington, Suite 1660
Chicago, IL 60602

Phone: (312) 425-9500
Fax: (312) 425-9510

Web: www.ihccbbusiness.net

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OK
FAXED

Latin American Chamber of Commerce

3512 West Fullerton Avenue
Chicago, IL 60647

Phone: (773) 252-5211
Fax: (773) 252-7065

Web: www.latinamericanchamberofcommerce.com

7006 2150 0003 7498 4969

S ASSIST AGENCIES

National Association of Women Business Owners

Chicago Chapter

330 S. Wells Street, Suite 1110

Chicago, IL 60606

Phone: (312) 322-0990

Fax: (312) 461-0238

Web: www.nawbochicago.org

OK *
FIXED

Rainbow/PUSH Coalition

International Trade Bureau

930 E. 50th Street

Chicago, IL 60615

Phone: (773) 256-2728

Fax: (773) 373-4104

Web: www.minhoum.com

7006 2150 0003 7498 4952

Suburban Black Contractors

848 Dodge Avenue, Suite 347

Evanston, IL 60202

Phone: (847) 359-5356

Fax: (847) 359-5367

Uptown Center Hull House

4520 N. Beacon Street

Chicago, IL 60640

Phone: (773) 561-3500

Fax: (773) 561-3507

Web: www.hullhouse.org

Women Construction Owners & Executives (WCC)

Chicago Department of Procurement Services ~ Assist Agencies (cont)

Englewood Black Chamber of Commerce

P.O. Box 21453
Chicago, IL 60621
Phone: (773) 471-2015
Fax: (773) 994-8233

Inner City Youth Foundation, Inc.

4500 S. Michigan Ave.
Chicago, IL 606563
Phone: (773) 285-2000
Fax: (773) 624-0894

Ralph G. Moore & Associates (RGMA)

211 W. Wacker Dr., Suite 1050
Chicago, IL 60606
Phone: (312) 419-1911, 7251
Fax: (312) 419-1918

South Shore Chamber, Incorporated

ABF Community Service Bldg.
1750 E. 71st Street
Chicago, IL 60649
Phone: (773) 643-1652
Fax: (773) 643-1657

Small Contractors Network (SCN)

1313 E. Sibley Blvd., Suite 200
Dolton, IL 60419
Phone: (708) 849-3100
Fax: (708) 849-3110

d)

Chicago Caucus
308 Circle Avenue
Forest Park, IL 60130
Phone: (708) 366-1250
Fax: (708) 366-5418

OK
WINDY CITY

Women's Business Development Center

8 South Michigan Ave, Suite 400
Chicago, IL 60603
Phone: (312) 853-3477
Fax: (312) 853-0145
Web: www.wbdc.org

7006 2150 0003 7498 4945

Chicago Women in Trades (CWIT)

1455 S. Michigan Ave., 210
Chicago, IL 60605
Phone: (312) 942-1444 ext. 217
Fax: (312) 942-0802

Coalition for United Community Labor Force (CUCLF)

2100 S. Indiana Ave. #218
Chicago, IL 606016
Phone: (312) 225-2085-86
Fax: (312) 225-6742

12/2008

United Neighborhood Organization (UNO)

954 W. Washington Blvd., 3rd Floor

Chicago, IL 60607

Phone: (312) 432-6301 Ext. 237

Fax: (312) 432-0077

Web: www.uno-online.org

West Side 2000

1029 S. May

Chicago, IL 60607

Phone: (312) 563-0565



WORLD
BUSINESS
CHICAGO

RICHARD M. DALEY, CHAIRMAN
RITA R. ATHAS, EXECUTIVE DIRECTOR

February 26, 2009

Chris Raguso
Acting Commissioner
Department of Community Development
121 North LaSalle Street – Room 1000
Chicago, IL 60602

Re: MillerCoors

Dear Ms. Raguso:

This letter is issued to support MillerCoors' application to be presented for consideration to the Community Development Commission. The application pertains to the LaSalle Central Tax Increment Financing District for the location of their corporate headquarters at 250 South Wacker Drive.

The MillerCoors headquarters is a significant addition to the Chicago business community. The company, a joint venture between UK-based SABMiller and Molson Coors, is a leading company in the US with more than a half dozen breweries and 10,000 employees. With such popular brands as Miller Lite, Miller High Life, Miller Genuine Draft, Coors, Coors Light, and Molson Canadian in the United States, MillerCoors enjoys annual sales totaling nearly \$850 million.

MillerCoors was formed to boost market share and increase sales through the combination of production, distribution, and marketing operations. Immediately after the company's creation in June 2008, MillerCoors initiated a search for the location of its corporate headquarters. After thorough consideration, Chicago was chosen over Dallas as the home for the newly formed company. Reasons for selecting Chicago included access to customers and operations, a vibrant central business district, an attractive talent pool, a high quality of life, and favorable economic incentives.

World Business Chicago is pleased to be working in conjunction with the Department of Community Development to support an incentive to locate MillerCoors' headquarters in the City of Chicago.

Sincerely,

Rita Athas
Executive Director

C: Mike Jasso
David Miller

www.worldbusinesschicago.com



**ROBERT W. FIORETTI
ALDERMAN - 2ND WARD**

PUBLIC SERVICE OFFICE
429 SOUTH DEARBORN STREET
CHICAGO, ILLINOIS 60605
TELEPHONE 312-263-9273
FAX 312-786-1736

ROBERT W. FIORETTI

CITY HALL, ROOM 300 OFFICE 02
121 NORTH LASALLE STREET
CHICAGO, ILLINOIS 60602
TELEPHONE 312-744-6836

- COMMITTEE MEMBERSHIPS**
- ENVIRONMENTAL PROTECTION & PUBLIC UTILITIES**
- HEALTH**
- LICENSE & CONSUMER PROTECTION**
- RULES & ETHICS**
- SPECIAL EVENTS**

March 6, 2009

Mary Richardson-Lowry
Chairman, Community Development Commission
c/o Department of Community Development
121 N. LaSalle Street
Chicago, IL 60602

RE: MillerCoors Corporate Headquarters (LaSalle Central TIF)

Dear Chairman Richardson-Lowry:

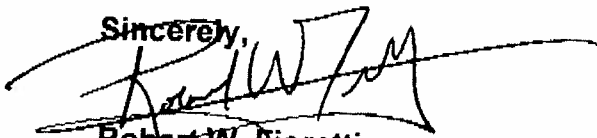
I am writing this letter of support to encourage the Community Development Commission (CDC) to approve a resolution to provide \$6,000,000 in TIF financing from the LaSalle Central TIF District to MillerCoors, LLC for the relocation of their corporate headquarters to the property located at 250 South Wacker Drive.

MillerCoors, LLC proposes to lease approximately 130,000 square feet of tenant space at the building, and use the space as the national corporate headquarters for MillerCoors, LLC. This space will serve as the primary base for national business of MillerCoors, and the site at which MillerCoors' executive officers will designate as their principal offices. As a result of this relocation, MillerCoors will create and retain 325 full-time equivalent positions at this location for a minimum period of ten years.

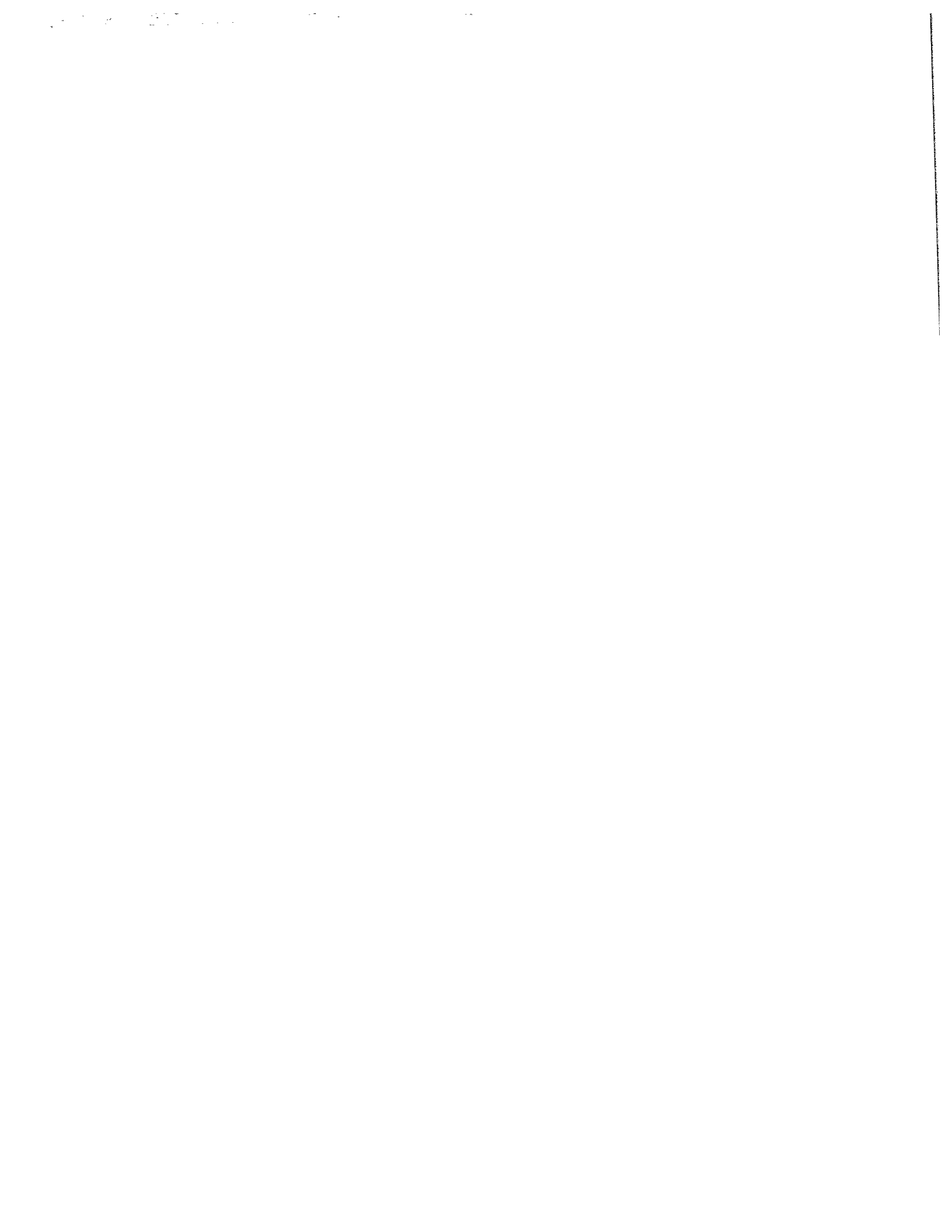
I fully support the efforts of the Department of Community Development, and I would appreciate any assistance you could provide them in approving this project.

If you have any additional questions or concerns, please feel free to contact my office at: (312)-263-9273.

Sincerely,



**Robert W. Fioretti
Alderman, 2nd Ward**



**COMMUNITY DEVELOPMENT COMMISSION
OF THE
CITY OF CHICAGO**

RESOLUTION NO. __ - CDC -

**AUTHORIZATION TO NEGOTIATE A
REDEVELOPMENT AGREEMENT WITH MILLERCOORS, LLC**

**AND
RECOMMENDATION TO
THE CITY COUNCIL OF THE CITY OF CHICAGO
FOR THE DESIGNATION OF MILLERCOORS, LLC
AS DEVELOPER**

WHEREAS, the Community Development Commission (the "Commission") of the City of Chicago (the "City") has heretofore been appointed by the Mayor of the City with the approval of its City Council (the City Council referred to herein collectively with the Mayor as the "Corporate Authorities") as codified in Section 2-124 of the City's Municipal Code; and

WHEREAS, the Commission is empowered by the Corporate Authorities to exercise certain powers enumerated in Section 5/11-74.4-4(k) of the Illinois Tax Increment Allocation Redevelopment Act, as amended (65 ILCS 5/11-74.4-1 et seq.), (as amended from time to time, the "Act"); and

WHEREAS, the City Council, upon the Commission's recommendation pursuant to Resolution 06-CDC-72 and pursuant to the Act, enacted three ordinances on November 15, 2006 and amended and corrected the ordinances on February 7, 2007 and May 9, 2007, pursuant to which the City approved and adopted a certain redevelopment plan and project (the "Plan") for the LaSalle Central Redevelopment Project Area (the "Area"), designated the Area as a redevelopment project area and adopted tax increment allocation financing for the Area. The street boundaries of the Area are described on Exhibit A hereto; and

WHEREAS, MillerCoors, LLC (the "Developer"), has presented to the City's Department of Community Development ("DCD") a proposal for redevelopment of the Area or a portion thereof that is in compliance with the Plan, consisting of the tenant build-out of floors 8 through 16 and improvements to the river walk at a property located at 250 South Wacker Drive (the "Project"); and

WHEREAS, DCD requests that the Commission recommend to City Council that the Developer be designated as the developer for the Project and that DCD be authorized to negotiate, execute and deliver a redevelopment agreement with the Developer for the Project; now, therefore,

BE IT RESOLVED BY THE COMMUNITY DEVELOPMENT COMMISSION OF THE CITY OF CHICAGO:

- Section 1. The above recitals are incorporated herein and made a part hereof.
- Section 2. The Commission hereby recommends to City Council that the Developer be designated as the developer for the Project and that DCD be authorized to negotiate, execute and deliver on the City's behalf a redevelopment agreement with the Developer for the Project.
- Section 3. If any provision of this resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this resolution.
- Section 4. All resolutions, motions or orders in conflict with this resolution are hereby repealed to the extent of such conflict.
- Section 5. This resolution shall be effective as of the date of its adoption.
- Section 6. A certified copy of this resolution shall be transmitted to the City Council.

ADOPTED: March 10, 2009

Attachment: Exhibit A, Street Boundary Description

EXHIBIT A

Street Boundary Description of the
LaSalle Central Tax Increment Financing
Redevelopment Project Area

The Area is generally bounded by Dearborn Street on the east, Van Buren Street on the south, the Chicago River and Canal Street on the west, and portions of the Chicago River, Lake, Randolph and Washington streets on the north.

