

## Details of Proposal to Keep Midwest Airlines in Wisconsin

### Original Deal:

**Milwaukee County** takes on letter of credit for \$8 million

**Midwest Airlines** provides collateral of 3 hangers with real market value of (at least) \$11 million and provides payments of \$1 million (to be used by county to cover interest payments if hangers had to be sold).

### New Deal:

**Milwaukee County** takes on letter of credit for \$14.3 million (\$8 million and \$6.3 million)

**Midwest Airlines** provides collateral of 3 hangers with real market value of \$12 to \$13 million (appraisal came in higher) and provides \$1 million payments

**State of Wisconsin** provides \$4 million through **Racine County** to support the full letter of credit at \$14.3 million.

Total credit available for Midwest Airlines: \$14.3 million

Total collateral for Milwaukee County: \$17 to 18 million (\$12 to 13 m + \$ 1 m + \$ 4 m)

### **No county or state tax dollars used in proposal.**

- Milwaukee County uses financial tool to free up credit for Midwest Airlines.
- State of Wisconsin –with Racine County - provides federal CDBG funds to back up proposal.
- Midwest Airlines provides collateral in hangers and payment to back up proposal.