

TERM SHEET

File No. 160395

Grant and Loan to BID No. 25 to finance redevelopment of Riverworks City Center

Project

Redevelopment of Riverworks City Center by Riverworks City Center, LLC (“Developer”)

Proposed Improvements

Redevelop the property at 518-26 East Concordia Avenue to convert the existing retail structure on the property into office space for use by Riverworks City Center, LLC; Riverworks Development Corporation; Business Improvement District No. 25; a Financial Opportunity Center, a Workforce Development Training Center; Riverwest Harambee Credit Union and other similarly situated tenant(s).

City Financing

The City of Milwaukee (“City”) will provide up to \$550,000 in total financial assistance to the project. The City shall make a loan, not to exceed \$275,000, to BID No. 25; the loan shall bear interest at a rate of 3.75 percent and have a term of 20 years. In addition to the loan, the City shall make a grant not to exceed \$275,000.

Adjustment to BID No. 25 Operating Plan

Beginning in 2017 until the City loan is fully repaid, the BID No. 25 operating plan and budget shall include repayment of the City loan.

Disbursement of City Funds

Following execution of a Development Agreement, the parties anticipate that BID No. 25 will loan the City funds to Riverworks City Center, LLC. The City must approve the terms and conditions of the loan, including, but not limited to, a restriction that the City funds shall be used only for the proposed improvements listed herein. While the project is part of a larger redevelopment effort in the vicinity of the property, City funds shall not be used for any other portion of the larger redevelopment effort.

Following execution of a Development Agreement, the City will deposit City funds with the escrow agent holding the balance of funds for the Developer and BID No. 25’s larger redevelopment project for disbursement, pursuant to an Escrow Disbursing Agreement.

Use of Small Business Enterprises

As a condition of the BID’s loan to the Developer, the Developer will be required to comply with the City’s Small Business Enterprise (SBE) policy. The Developer will be required to make good faith efforts for SBE participation that is at least 25 percent of project construction hard costs. The Developer shall execute an SBE agreement with the City.