

**Term Sheet**  
**First Place on the River**  
**Riverwalk Development Agreement**

**Project:**

Tax Incremental District No. \_\_\_\_ (the “District”) will partially fund the construction of a riverwalk of approximately 535’ feet in length with an additional 137’ of public boardwalk along First Place on the River. The riverwalk will be between 10-25 feet wide and constructed on the south bank of the Milwaukee River. The design will be consistent with the Riverlink Design Guidelines and may include railings, harp lights, and medallions in the walking surface. Connected to the riverwalk will be a privately funded marina with 28 boat slips. Four slips along with a boat launch for public use will be partially funded by the District. The remaining marina and 24 slips will be privately funded. The riverwalk and marina will be ADA compliant.

In addition, the District will partially fund street improvements to include but not be limited to paving, curb, gutter, sidewalk, and landscaping for 1<sup>st</sup> Place and Seeboth Street, as well as dockwall at the street stub end. A new public plaza will also be created in the triangle at South First Street and East Seeboth Street.

The “Project” consists of the improvements listed above.

The entire Project will be constructed by the Developer except for the new public plaza, which will be constructed by the City.

**Project Budget:**

Total estimated project costs for the Project, excluding financing, are approximately **{\$4,670,792}**.

**Developer:**

Keybridge Group, Inc.

**City Contribution:**

The City shall provide a contribution from Tax Incremental District No. \_\_\_\_ in the amount not to exceed **{\$2,496,589}** excluding financing costs.

**Disbursements:**

Prior to disbursement of City funds to the Developer, the following actions must occur.

- A. A final budget for the total costs of the riverwalk and the public infrastructure (hard and soft costs) shall have been approved in writing by City’s Commissioner of City Development, (the “Commissioner”).
- B. The Developer shall have received all federal, state and local

agency approvals that are necessary to undertake the construction of the riverwalk and the public infrastructure.

- C. The Commissioner shall have approved the final plans and specifications for the riverwalk and the public infrastructure.
- D. The Commissioner shall have approved all the contracts entered into by the Developer for the preparation of the plans and specifications and to undertake the construction of the riverwalk and the public infrastructure.
- E. The Commissioner shall have received and approved the Certificate of Insurance for the riverwalk.
- F. The architect or engineer shall have certified in writing to the Commissioner that the work that is subject to the draw request has been completed in accordance with the Commissioner-approved plans and specifications and the riverwalk and the public infrastructure costs have been fully substantiated by the Developer on appropriate AIA forms, such as AIA Document G702.
- G. The Commissioner shall have received and approved a signed EBE Agreement.
- H. The City shall have received all necessary Grants of Easement, in the approved form, for the riverwalks, certain street segments, and the public plaza.

One payment request shall be presented to the Commissioner by Developer upon substantial completion of the Project, and City Contribution shall be dispersed pursuant to procedures approved by the Commissioner.

**Responsibilities:**

Developer will construct the Project, pay its portion of construction costs, own, operate and maintain those portions of the riverwalk located on its property, including the public riverwalk, private marina, public and private boat slips and dockwall.

City will construct, own, operate and maintain, and Developer will pay 30% of the construction costs for the public plaza.

Developer will construct and pay 30% of the construction costs of Seeboth Street Stub and First Place enhancements.

City will own, operate and maintain Seeboth Street and First Place.

Developer will initially operate and maintain 100% of the portions of the riverwalk on the Seeboth Street Stub. Upon completion of the extension of the Riverwalk along 100 E Seeboth, it is anticipated that portions of Riverwalk on the Seeboth Street Stub will be operated and maintained jointly by the two adjacent property owners.

**Competitive Bidding:**

Contracts for work funded by the City that is within public right of way shall be bid out by the Developer and the bidder chosen by the Developer must be approved by the Commissioner.

**Prevailing Wages:**

The Developer and Developer's contractors shall pay prevailing wages for construction of the public infrastructure located within the public right of way and agree to provide any necessary reports or forms specified by the Commissioner.

**Development Agreement:**

The City, Developer, and RACM shall enter into a development agreement ("Development Agreement") containing terms consistent with this Term Sheet and customary for such development agreements. The Development Agreement may be collaterally assigned by Developer to Anchor Bank without the written consent of the City. All other collateral assignments shall be subject to the written approval of the Commissioner.

**PILOT Payments:**

The Development Agreement will require payments in lieu of taxes with respect to any parcel or building within the District that subsequently becomes exempt from real property taxes. This provision shall be incorporated into a covenant running with the land.

**Financial Statements:**

Developer shall provide internally generated financial statements for the Project, certified as to accuracy. At its discretion, the City may request independently audited financial statements to be provided within ninety days of the close of any fiscal year. The City shall pledge to hold such records confidential to the greatest extent permitted by law.

**Design Review:**

The Commissioner shall have the right to approve all plans and specifications for all work funded in whole or in part by the City.

**Human Resource Requirements:**

The Developer shall enter into an EBE agreement that places a mandatory 18% EBE requirement and a 21% Residents Preference requirement on the Riverwalk and Public Infrastructure work.

**General:**

This Term Sheet does not constitute a binding agreement. The terms set forth herein and other provisions customary for a transaction of this sort shall be incorporated in one or more agreements, including the Development Agreement mentioned above, among the City, RACM, and Developer. Resolutions approving the Term Sheet will also provide for the execution of all additional documents and instruments necessary to

implement the Project.

All other customary provisions (Comptroller audit rights, DCD Commissioner review and approval of project budget and design, etc.) will also be included in the Development Agreement.

1050-2006-2308:111717  
Final per all edits, AR 11-13-06