

Project Plan
For
Tax Incremental District Number No. 133
City of Milwaukee
(2711 West Wells Project)

Public Hearing Held: April 16, 2026 (scheduled)
Redevelopment Authority Adopted: April 16, 2026 (scheduled)
Common Council Adopted:
Joint Review Board Approval:

Prepared by
Department of City Development

In Conformance with the Provisions
of Section 66.1105, Wisconsin Statutes

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I. DESCRIPTION OF PROJECT

A. Introduction

Section 66.1105(4) (d), Wisconsin Statutes, requires the “preparation and adoption... of a proposed project plan for each tax incremental district.” This Project Plan is submitted in fulfillment of this requirement and the related provisions of section 66.1105, Wisconsin Statutes.

B. District Boundaries & Compliance with Statutory Eligibility Criteria

Tax Incremental District Number 133, City of Milwaukee, 2711 West Wells (“District” or “TID”) is comprised of three parcel(s) totaling approximately 131,529 square feet or 3.0195 acres (collectively, the “Property”). The District is shown on **Map No. 1, “Boundary and Existing Land Use,”** and described more precisely in **Exhibit 1, “Boundary Description.”** The District contains only whole parcels and said parcels are contiguous as required by Sections 66.1105(2)(k)1 and 66.1105(4)(gm)1, Wisconsin Statutes.

Not less than 50%, by area, of the real property located within the District was found to be an area “in need of rehabilitation or conservation work” as defined in Section 66.1337(2m)(a), Wisconsin Statutes, as required by Section 66.1105 (4) (gm) of the Wisconsin Statutes. **Exhibit 2 “Property Characteristics”** illustrates how the property in the District meets this statutory criteria for tax incremental financing districts. The project proposed for the District will contain no commercial space and per Wisconsin Statute 66.1105 (5) (b), it is estimated that less than 35% of the property within the District that could be devoted to retail business at the end of the maximum expenditure period.

C. Project Plan Goals & Objectives

Property within the District is currently “in need of rehabilitation or conservation work” and is located at 2711 West Wells Street, 2805 West Wells Street and 763 North 28th Street in Milwaukee’s Near West Side neighborhood. The following is a description of the planned project for the District.

The developer for the Property is 2711 West Wells, LLC (“Developer”), which is an affiliate of Milwaukee Development Corporation. The Developer is proposing an adaptive reuse of a former historic hospital building into affordable housing. The Developer will renovate two towers (a nine-story building and a five-story building) to create 124 affordable rental units offered to elderly households earning 30 to 80 percent of the area median income. Fourteen (14) units will be set aside for veterans and eighteen (18) units will be designated as supportive housing (the “Project”). The Project will have a mix of one- and two-bedroom units.

The main purpose of the District is to improve affordable housing options in the Near West Side neighborhood for low-income residents and to improve the quality of their housing.

The more detailed objectives of this Project Plan are to:

1. Promote the coordinated development of underutilized property for appropriate

residential use.

2. Support past and future investment in the neighborhood through the redevelopment of a property that is substantially vacant and underutilized.
3. Restore an historic building in the City.
4. Increase the tax base of the City by promoting redevelopment of existing buildings.

D. Existing Land Uses & Conditions in the District

The District is comprised of three (3) parcels containing 131,529 square feet or 3.0195 acres. The property in the District is currently assessed at \$889,932 and is zoned LB-2 (Local Business). The site is comprised of three buildings and a parking lot that are substantially vacant and underutilized.

II. PLAN PROPOSALS & STATUTORY REQUIREMENTS

Section 66.1105(4) (f), Wisconsin Statutes, requires that a Project Plan for a Tax Incremental District shall include:

“... a statement listing the kind, number and location of all proposed public works or improvements within the district or, to the extent provided in subsection (2) (f)1.k. and 1.n., outside the district, an economic feasibility study, a detailed list of estimated project costs, and a description of the methods of financing all estimated project costs and the time when the related costs or monetary obligations are to be incurred. The plan shall also include a map showing existing uses and conditions of real property in the district; a map showing proposed improvements and uses in the district; proposed changes of zoning ordinances, master plan, if any, map, building codes and city ordinances; a list of estimated non-project costs; and a statement of the proposed method for the relocation of any persons to be displaced. The plan shall indicate how creation of the tax incremental district promotes the orderly development of the city.”

The plan shall also include an opinion of the City Attorney or of any attorney retained by the City advising whether such plan is complete and complies with Section 66.1105(4) (f), Wisconsin Statutes.

The following statements, maps and exhibits are provided in compliance with the statutory requirements.

A. “Statement of the Kind, Number, and Location of All Proposed Public Works or Improvements.”

Funds generated from the District will be used for the following uses and improvements as shown in **Map 3, “Proposed Uses and Improvements:”**

- Developer Grant. TID revenue will be used to provide annual grant payments to the Developer to offset actual costs incurred by the Developer for the Project. The City will

make payments to the Developer equal to 100% of the incremental taxes certified and collected from property within the District, less an annual administration charge, until such time as \$2,600,000 is reimbursed to Developer by such payments plus an interest rate of up to 2.0% over a period not to exceed 25 years (the “Grant” or “Monetary Obligation”). See the Term Sheet, attached as **Exhibit 3, “Term Sheet.”**

B. “Detailed List of Estimated Project Costs.”

The costs included in this subsection and detailed in **Table A, “Estimated TID Project Costs”** which follows are, without limitation hereof because of enumeration, claimed as eligible Project Costs, as defined under Section 66.1105(2)(f), and, if appropriate, in any Cooperation and Development Agreement(s) or grant agreement(s) presently or subsequently entered into by and between the City of Milwaukee, the Redevelopment Authority of the City of Milwaukee (“RACM”), and/or eligible designated developer(s) or property owner(s), provided further that such expenditures are necessitated by this Project Plan.

These cost estimates are more fully described as follows:

Capital Costs

The City shall fund up to \$2,600,000 in the form of TID Capital Project Costs of this Plan. These costs include the Monetary Obligation that funds the Grant to the Developer, as enumerated in further detail below in **Table A, “Estimated TID Project Costs.”**

Administrative Costs

This category of Project Costs includes estimates for administrative, professional, organizational and legal costs.

Financing Costs

Financing costs include estimated gross interest expense on the Monetary Obligation to reimburse the Developer for the developer-financed Grant. Estimates of interest are based on interest rates set forth in the Economic Feasibility Analysis for the Project attached as **Exhibit 4, “Feasibility Study.”** The City reserves the right to prepay the grant to the Developer, which could require issuance of general obligation or other forms of debt, as described in **Exhibit 3, “Term Sheet.”**

Table A - Estimated TID Project Costs

A	Capital Costs: • Grant to Project (Monetary Obligation to Developer)	\$ 2,600,000
B	Other: Administrative Costs (\$7,500/year for 23 years)	\$ 172,500
	Total Estimated Project Costs (excluding financing)	\$ 2,772,500
C	Financing: Interest on the Grant to Developer (Monetary Obligation to Developer), interest on borrowing / payment of bonds	\$ 800,245

C. “Description of Timing and Methods of Financing.”

All expenditures are expected to be incurred during the period from 2026 through 2050.

The annual payments to the Developer will be paid pursuant to the Monetary Obligation, using incremental taxes generated annually in the District as further described in **Exhibit 3, “Term Sheet.”** The City may proceed to fund any or all Project Costs using general obligation bonds or notes, RACM revenue bonds or other forms of borrowing in amounts which can be supported using tax increment from the District.

D. “Economic Feasibility Study.”

The Economic Feasibility Study for this District prepared by the Ehlers Public Finance Advisors is attached to this Project Plan as **Exhibit 4, “Feasibility Study.”** The study establishes the dollar value of Project Costs, which, based on certain general assumptions and a reasonable margin of safety, can be financed with the revenues projected to be generated by the proposed TID.

Based upon the anticipated tax incremental revenue to be generated by this TID, the District is financially feasible and is likely to be retired on or before the year 2051. Should incremental revenue generate in excess of those currently anticipated, they may be used to accelerate the reimbursement of the Developer-financed Grant for the Project.

E. “Map Showing Existing Uses and Conditions.”

See **Map No. 1, “Boundary and Existing Land Use;” Map No. 2, “Structure Condition,”** and **Exhibit 5, “Property Owners,”** attached to this Project Plan.

F. “Map Showing Proposed Improvements and Uses.”

See **Map No. 3, “Proposed Improvements & Uses,”** attached to this Project Plan.

G. “Proposed Change of Zoning Ordinances, Master Plan, Building Codes and City Ordinances.”

See **Map No. 4, “Existing Zoning,”** attached to this Project Plan. The proposed Project is consistent with existing zoning, which is LB-2 (Local Business). The proposed Project is in accordance with the existing master plan, building codes, and other city ordinances. The Project should not require amendments to their provisions, but such amendments could be made if necessary without further amendment to this Project Plan.

H. “List of Estimated Non-Project Costs.”

There are no non-project costs.

I. “Proposed Method for Relocation.”

The Project Plan does not anticipate the acquisition of property by the City of Milwaukee or RACM, accordingly, no relocation activities or expenditures for relocation payments or services are provided herein. If, at a later date, it is determined that acquisition of property by condemnation and requiring relocation will be necessary, the cost and method of relocation will be included in a Redevelopment Plan and associated Relocation Plan prepared pursuant to Sections 66.1333 and 32.05, Wisconsin Statutes. The costs of such activities will be eligible for reimbursement through tax increment revenues should such revenues be generated during the statutory life of the District.

J. “Statement Indicating How District Promotes Orderly City Development.”

The Project is consistent with *The Housing Element of Milwaukee’s Comprehensive Plan*. The Plan identifies the need for affordable housing within the specific geography of the proposed development with a priority on housing serving low-income households. The Project is compliant with the LB-2 (Local Business) zoning district.

The District will also result in the development of an underutilized property for appropriate residential use, support past and future investment in the neighborhood through the redevelopment of a property that is substantially vacant and underutilized, restore a historic building, and increase the tax base of the City by promoting redevelopment of existing buildings.

K. “Opinion of the City Attorney.”

See **Exhibit 6, “Letter from the City Attorney,”** attached to this Project Plan.

EXHIBITS

<u>Exhibit</u>	<u>Title</u>
Exhibit 1	Boundary Description
Exhibit 2	Property Characteristics
Exhibit 3	Term Sheet
Exhibit 4	Economic Feasibility Study
Exhibit 5	Property Owners
Exhibit 6	City Attorney's Letter
Map 1	Boundary and Existing Land Use
Map 2	Structure Condition
Map 3	Proposed Improvements & Uses
Map 4	Existing Zoning

Exhibit 1

Boundary Description

All of Lot 1 in Block 1 in Lafayette Square recorded in the Milwaukee County Register of Deeds in Book 9, Page 4, all of Lots 14, 15, 16, 17, and 18 in Block 1 in Assessment Subdivision No. 2, as recorded in the Milwaukee County Register of Deeds in Book 25, Page 8, and Lot 1 of Certified Survey Map No. 9642, as recorded in the Milwaukee County Register of Deeds as Document No. 11497828, all located in the Southeast 1/4 of the Northeast 1/4 of Section 25, Township 7 North, Range 21 East, in the City of Milwaukee, Milwaukee County, Wisconsin, bounded and described as follows:

COMMENCING at the Southeast corner of the Northeast 1/4 of said Section 25; thence South 88°52'50" West along the South line of the said Northeast 1/4 Section, 33.00 feet; thence North 01°05'47" West and then along the West line of North 27th Street, 367.00 feet to the North line of Lot 2 of Certified Survey Map No. 9642 and the Point of Beginning of lands hereinafter described; thence South 88°52'50" West along said North line, 339.00 feet; thence North 01°05'47" West along said North line, 25.00 feet; thence South 89°40'20" West along said North line, 182.19 feet to the West line of said Lot 2; thence South 01°06'07" East along said West line, 201.52 feet to the North line of North 28th Place; thence South 88°52'50" West along said North line and then along the North line of Lot 8, Belair Place, 97.28 feet to the East line of Lot 3 in Block 1 in the Subdivision of Part of Lots 3 and 4 in Dousman's Subdivision; thence North 01°05'47" West along said East line, 24.00 feet; thence South 88°52'50" West along the North line of said Lot 3, 124.56 feet to the East line of North 29th Street and the West line of Lot 1 of said Certified Survey Map No. 9642; thence North 01°05'47" West along said East line and said West line, 35.00 feet; thence North 88°52'50" East along said West line, 124.56 feet; thence North 01°05'47" West along said West line, 301.00 feet to a point on the South line of West Wells Street; thence North 88°52'50" East along the said South line, 618.43 feet to the aforesaid West line of North 27th Street; thence South 01°05'47" East along said West line 186.00 feet to the point of beginning.

Containing 131,529 square feet or 3.0195 acres of land.

Exhibit 2

Property Characteristics

Findings substantiating that not less than 50%, by area, of the real property within the proposed District is an area “in need of rehabilitation or conservation work” as defined in Section 66.1337(2m)(a), Wisconsin Statutes, as required by Section 66.1105 (4) (gm) of the Wisconsin Statutes.

Tax Key	Owner Name	Land Assessment	Improvement Assessment	Total Assessment	Lot SF	“in need of rehabilitation or conservation work”
3880105111	Weigand Investments 2711 LLC	\$104,800	\$745,132	\$850,032	51,894	51,894
Part of Taxkey: 3880107114*		\$23,700	\$ -	\$23,700	47,324	47,324
Part of Taxkey: 3880311112*		\$16,200	\$ -	\$16,200	32,311	32,311

*Lot 1 of CSM 9642 as Recorded at the Milwaukee County Register of Deeds as Document # 11497828 on April 10, 2025. Pending City of Assessor Assignment of Tax Key in April 2026.

Total: 131,529 square feet

Total Percentage: 100%

Exhibit 3
TERM SHEET
2711 West Wells Project
TID No. 133

This Term Sheet does not constitute an agreement between the Developer (as defined below), the Redevelopment Authority of the City of Milwaukee (“RACM”) and the City of Milwaukee (“City”). The terms set forth below and any other requirements necessary for a transaction of this sort shall be incorporated into a development agreement to be entered into between the Developer, RACM and the City (the “Development Agreement”). In recognition that there may be adjustments of the dates and descriptions herein as well as administrative approvals which will require the exercise of reasonable discretion on behalf of the City, the City’s Department of City Development Commissioner (the “Commissioner”) will be authorized under the Development Agreement to exercise such discretion and grant such approvals, including minor adjustments of the terms described in this Term Sheet.

Project

The 2711 West Wells project (the “Project”) involves an adaptive reuse of a historic hospital located at 2711 West Wells Street, 2805 West Wells Street and 763 North 28th Street in Milwaukee’s Near West Side neighborhood (the “Property”). The Developer is proposing to renovate two towers (a nine-story building and a five-story building) to create 124 affordable rental units offered to elderly households earning 30 to 80 percent of the area median income. Fourteen (14) units will be set aside for veterans and eighteen (18) units will be designated as supportive housing (the “Project”). See **Attachment 1** for the specific unit and targeted income levels. The Project will have a mix of one- and two-bedroom units.

The Project is consistent with *The Housing Element of Milwaukee’s Comprehensive Plan*. The Plan identifies the need for affordable housing within the specific geography of the proposed Project with a priority on housing serving low-income households. The Project is compliant with the LB-2 (Local Business) zoning district.

Development Team

The Project is being developed by 2711 W Wells, LLC (“Developer”), which is an affiliate of Milwaukee Development Corporation (“MDC”). The development team is led by MDC, which has a strong track record of assembling and managing multidisciplinary teams to help deliver complex, community-focused projects. MDC has significant experience supporting “hard-to-do” developments that involve public-private partnerships, layered financing, adaptive reuse, and coordination with multiple stakeholders.

Bear Development is a key development partner providing specialized expertise in low-income housing tax credit (“LIHTC”) development and asset management, drawing on a long history of successfully delivering and operating affordable housing projects. Their experience strengthens the team’s capacity to navigate tax credit financing and long-term compliance and operations.

Project Budget:

Total Project costs for the development are estimated at approximately \$50,746,641 (subject to submittal by Developer to the Commissioner of a final development budget for the Project, financing commitments, final bids, a construction contract, and proof that all funding sources have been committed as required under *Developer Responsibilities* of this Term Sheet). In addition to TID No. 133 funding, the financing structure includes estimated permanent mortgage debt, state and federal Low Income Housing Tax Credits, state and federal Historic Tax Credits, general partner equity, deferred developer fee, seller note, reinvestment income, subordinate debt, grant funds, and HOME-ARP.

Estimated total project sources include:

CPC Permanent Mortgage	\$ 6,087,000
4% Federal LIHTC Equity	\$ 16,012,875
4% State LIHTC Equity	\$ 4,357,690
Federal Historic Tax Credits	\$ 5,806,152
State Historic Tax Credits	\$ 3,923,053
Seller Note	\$ 6,260,000
Deferred Developer Fee	\$ 3,100,000
Subordinate Debt	\$ 688,000
Grant	\$ 550,000
Reinvestment Income	\$ 261,771
General Partner Equity	\$ 100
HOME-ARP	\$ 1,100,000
City Tax Incremental Financing	<u>\$ 2,600,000</u>
Total	\$ 50,746,641

Development Schedule

Developer shall commence rehabilitation of the Property in the Project by July 31, 2026 and substantially complete the Project by December 31, 2028 (“Completion Deadline”).

Tax Incremental District

The City intends to create Tax Incremental District No. 133 (“TID No. 133”) to assist in funding a portion of the costs of the Project as set forth in the Project Plan.

TID Funding & the Conditional Monetary Obligation

The RACM will provide the Developer with a grant plus interest as described below, funded by a limited and conditional monetary obligation of the City (the “Monetary Obligation”), in an amount not to exceed \$2,600,000, plus interest as described below, for the Project (the “Grant”) if such Grant is earned by the Developer by substantially completing the Project as promised and within the timelines described in the Development Agreement. The Developer shall advance a minimum of \$2,600,000 (subject to review of the final Project budget) of costs related to the

Project and shall be reimbursed for these costs by the Grant. Because the Grant will be paid on a reimbursement basis, Developer will also receive interest at a rate of 2.0%¹ in addition to the Grant.

After creation of TID No. 133 and determination of the base value of TID No. 133, City will deposit 100% of future tax revenue based on the incremental value of the property within the TID actually received by City from TID No. 133, less Annual Expenses², into a special fund established for TID No. 133 (the “Incremental Revenue”). Upon Substantial Completion (as defined below) of the Project and the earning of the Grant, the Incremental Revenue will fund annual payments, plus interest, of the Grant to Developer and will result in a reduction of the principal balance of the Monetary Obligation. Annual Grant payments will be made to Developer on or before March 1st of each year, provided the Developer has paid its property tax bill in full prior to January 31st each year and there is sufficient Incremental Revenue to fund the Grant payment.

The Monetary Obligation is a limited and conditional obligation of the City in that it is subject to annual appropriation by the City’s Common Council, is conditioned upon there being enough Incremental Revenue to fund the Grant, and is conditioned upon Developer actually earning the Grant. If not appropriated, City shall not expend Incremental Revenue for any other TID No. 133 project costs. Tax revenue shall not be pledged to the payment of the Grant and the Monetary Obligation shall not constitute a general obligation of City or count against its statutory debt limits. Annual payments on the Grant will terminate and be considered paid in full: (i) at the time the Grant and interest is fully paid; or (ii) with the payment derived from the 2049 tax levy, payable in 2050, whichever occurs first.

The Developer shall have the right to collaterally assign all or a portion of the Grant and interest to sources of financing or refinancing on terms and conditions mutually agreeable between Developer and the proposed assignee(s). The City and RACM shall have a reasonable opportunity to review the applicable assignment documentation and approve any documentation to which it is a signatory.

City and RACM shall consent to any such collateral assignment so long as such collateral assignment does not impose any additional obligations on City or RACM; provided, however, notwithstanding anything to the contrary contained herein, Developer shall have the right to assign all or a portion of the Grant (i) to an affiliate of Developer or to an entity under the common control of Developer, or (ii) in connection with any condominium structure created by Developer in connection with the Project.

Prior to Substantial Completion (as described below), neither the Developer nor any Affiliate made or created shall sell, assign, convey, trust, or power or transfer, or convey in any other

¹The interest rate on the Grant reflects the preliminary interest rate on the Developer’s underlying financing and is subject to change, based on the final closing date on the financing for the Project. In no event, shall the interest rate on the Grant exceed 5.7%. If the final interest rate exceeds 2.0%, the amount of the Monetary Obligation will decrease accordingly.

² “Annual Expenses” is defined as an amount not to exceed \$7,500 per year used to pay the customary and reasonable costs incurred by City for audit and accounting functions and other ongoing administrative expenses for TID No. 133.

mode total or partial interest in the Project, without prior approval of the City and RACM (and such approval shall not be unreasonably withheld), unless Developer remains liable and bound by the Development Agreement in which event the City's and RACM's approval is not required.

Design/Consistency with Approved Plans

Design of the Project and all final plans and specifications for the Project shall be subject to the review and approval of the Commissioner.

Substantial Completion of the Project

Upon substantial completion of the Project, Developer shall submit a certification detailing Project costs theretofore incurred (together with copies of records, invoices, accountant's final cost certification and/or AIA documentation, in a form reasonably acceptable to the Commissioner evidencing such expenditures. The Grant shall be deemed earned upon approval of such certification by the Commissioner and by Developer obtaining an occupancy permit for the Project (collectively, "Substantial Completion").

Cost Savings

If at Substantial Completion, total Project costs submitted to the Commissioner for certification are less than the \$50,746,641 estimated in the final Project budget or the amount of total costs reflected in the final budget submitted prior to closing on the financing, the amount of the Grant will be reduced by 50% of the cost savings. As used herein "cost savings" shall be the net savings to the Project, such that if the cost savings are in a budget line item eligible for generating LIHTC equity, then the cost savings shall be the net amount after the reduction to LIHTC equity is calculated. For example, if there are \$10,000 of hard cost savings that result in a loss of \$4,000 of LIHTC equity, the cost savings would be \$6,000. Developer shall provide the Commissioner with a written statement of any such cost savings, which shall include a copy of IRS Form 8069 and that certain cost certification prepared by an independent certified accountant to be submitted to the Wisconsin Housing and Economic Development Authority (WHEDA) in connection with the Project.

Material Disturbance

If the Project is not substantially completed by the Completion Deadline unless caused in substantial part by an event of *Force Majeure*³ (a "Material Disturbance"), then City shall have the right (but not the obligation) to terminate the Development Agreement, using the following procedure:

³ "Force Majeure" means delays caused by adverse weather, acts of God, labor disputes, strikes, material shortages, terrorism, civil unrest, war, fire, pandemic or epidemic, global health crisis, other casualty, riot, concealed and unknown site conditions and other causes outside of the control of the party obligated to perform, in which case, performance of such act shall be excused for the period of such delay, and the time for the performance of any such act shall be extended for a period equivalent to such delay.

(1) City shall give Developer notice of its intention to terminate the Development Agreement, and Developer shall have 180 days to eliminate the Material Disturbance, and

(2) Thereafter, if Developer has not timely eliminated the Material Disturbance and if City still intends to terminate the Development Agreement, City's Common Council shall adopt a resolution determining that the Material Disturbance prevents the substantial realization of the public benefits contemplated from the Project and constitutes just cause for the termination of the Development Agreement. City shall thereafter file a certificate with Developer (attaching the resolution of the Common Council) stating that City has elected to terminate the Development Agreement. Upon City's filing of such certificate and recording it on title to the property covered by the Development Agreement, the Development Agreement and the City's Monetary Obligation shall terminate.

Developer Responsibilities:

The Developer shall have the following responsibilities:

- Design and develop the Project consistent with the approved plans and the Development Agreement.
- Submit to the Commissioner a final development budget for the Project, financing commitments, final bids, a construction contract, and proof that all funding sources have been committed (prior to closing on Developer's financing for the Project).
- Obtain title to the Property to be developed as part of the Project, if not already owned.
- Guarantee completion of construction of the Project.
- Enter into agreements with the City as described and required herein.
- Maintain the Project as residential housing consistent with the requirements found in **Attachment 1** of this Term Sheet for a period of 15 years from the date of initial occupancy or until termination of TID No. 133, whichever is longer, and comply with WHEDA's LIHTC project monitoring requirements.

Human Resources:

Developer and City will enter into a Human Resources Agreement in a form customary for projects subject to Ch. 355 of the Milwaukee Code of Ordinances. The Human Resources Agreement will provide for utilization of certified Small Business Enterprises ("SBE") for 25% of Project construction costs, 25% for purchase of goods and services, and 18% of amounts expended for the purchase of professional services deemed eligible pursuant to SBE Guidelines; utilization of unemployed and underemployed residents for no less than 40% of the total "worker hours" expended on "construction" of the Project; compliance with applicable state and municipal labor standards; utilization of apprentices and/or on-the-job trainees; and participation in City's First-Source Employment Program.

Anti-Displacement Preference Policy

The Project is located in the 53208 zip code and is subject to the City of Milwaukee's Anti-

Displacement Preference Policy, which requires that 20% of the affordable units in the project will be prioritized for residents of the 53208 zip code. The preference will apply to qualified applicants at initial lease-up and at unit turnover for a term equal to the longest period of affordability required by any City financing source, but in no case less than 20 years.

No Tax Exemption

No portion of the Project shall at any time be exempt from real estate taxes and Developer shall enter into a Payment in Lieu of Taxes Agreement with the City (“PILOT Agreement”).

Development Agreement

Developer, RACM and City shall enter into the Development Agreement, which shall contain terms substantially consistent with this Term Sheet (unless otherwise agreed to by the parties) and customary for such development agreements in the City.

Limits on Project Developer Action

Until all obligations under the Development Agreement have been fully discharged, Developer may not, without City consent, which shall not be unreasonably withheld, conditioned or delayed:

- Merge with another entity;
- Sell, lease or transfer the Property other than residential and commercial leases in the ordinary course of business and other easements or other real estate interests that may be necessary or appropriate to operate the Project;
- Enter into any transaction that would materially adversely affect the ability of Developer to complete the Project or fulfill its obligations under the Development Agreement;
- Assume or guarantee the obligations of any other person or entity that would materially adversely affect the ability of Developer to complete the Project or fulfill its obligations under the Development Agreement; or.
- Enter in a transaction that would cause a material and detrimental change to the Developer’s financial condition.

ATTACHMENT 1

Housing Unit Mix and Target Area Median Income Mix

% of Area Median Income (AMI)	Number of Bedrooms		
	Total Units	1-bdrm	2-bdrm
≤ 30%	25	22	3
50%	55	49	6
80%	44	23	21
Total Units	124	94	30

Exhibit 4

Economic Feasibility Study

Overview

The 2711 West Wells project (the “Project”) involves an adaptive reuse of a former historic hospital building. The project will renovate two towers (a nine-story building and a five-story building) located at 2711 West Wells Street, 2805 West Wells and 763 North 28th Street (the “Building”) in the City’s Near West Side neighborhood. The Project will contain 124 affordable rental housing units offered to elderly households earning between and 30 and 80 percent of area median income with fourteen (14) units set aside for veterans and eighteen (18) units designated as supportive housing.

The Project is being developed by 2711 West Wells, LLC, which is an affiliate of Milwaukee Development Corporation.

Financing Structure

The Project will receive a proposed TID contribution of \$2,600,000. Total estimated costs for the Project are \$50.7 million. Funding for the Project includes permanent mortgage debt, state and federal Low Income Housing Tax Credits, state and federal Historic Tax Credits, general partner equity, deferred developer fee, seller note, reinvestment income, subordinate debt, grant funds, and HOME-ARP.

Current Property Value

The property in the district consists of three parcels with a total assessed value of \$889,932, which is the current base value of the District.

Projected Completed Value

The projected value of the Project upon completion is \$7,344,310. Construction completion is anticipated by December 31, 2028.

Other Assumptions

- Tax Rate: 2.238538%
- Interest Rate on Payments to Developer: 2.0%
- Maximum Term of Payments: 25 years
- Annual Appreciation: 1%

District Cash Flow and Amortization of the Monetary Obligation

In a “pay-as-you-go” District, the Developer is accepting the risk that the District will generate sufficient incremental value to recapture the \$2,600,000 of costs, plus 2.0% interest, through future incremental revenue.

As shown in the projections in **Table 1**, forecasted tax incremental revenues are sufficient for the Developer to recover the proposed TID amount of \$2,600,000 plus interest in tax levy year 2049 (budget year 2050).

Table 1.

TID Feasibility - Developer Financed											
	Assessment	Budget	Base	Projected	TID		Admin			NPV of	TID
No.	Year	Year	Value	Value	Incremental Value	Increment	Costs	Net Increment		Increment	Payoff
1	2025	2026	889,932	889,932	-	-	-	-		-	No
2	2026	2027	889,932	889,932	-	-	-	-		-	No
3	2027	2028	889,932	3,672,155	2,782,223	62,281	(7,500)	54,781		52,654	No
4	2028	2029	889,932	5,903,270	5,013,338	112,225	(7,500)	104,725		151,339	No
5	2029	2030	889,932	7,422,266	6,532,334	146,229	(7,500)	138,729		279,503	No
6	2030	2031	889,932	7,487,589	6,597,657	147,691	(7,500)	140,191		406,478	No
7	2031	2032	889,932	7,553,566	6,663,634	149,168	(7,500)	141,668		532,275	No
8	2032	2033	889,932	7,620,202	6,730,270	150,660	(7,500)	143,160		656,905	No
9	2033	2034	889,932	7,687,505	6,797,573	152,166	(7,500)	144,666		780,376	No
10	2034	2035	889,932	7,755,480	6,865,548	153,688	(7,500)	146,188		902,699	No
11	2035	2036	889,932	7,824,136	6,934,204	155,225	(7,500)	147,725		1,023,885	No
12	2036	2037	889,932	7,893,478	7,003,546	156,777	(7,500)	149,277		1,143,943	No
13	2037	2038	889,932	7,963,513	7,073,581	158,345	(7,500)	150,845		1,262,883	No
14	2038	2039	889,932	8,034,249	7,144,317	159,928	(7,500)	152,428		1,380,715	No
15	2039	2040	889,932	8,105,692	7,215,760	161,528	(7,500)	154,028		1,497,449	No
16	2040	2041	889,932	8,177,850	7,287,918	163,143	(7,500)	155,643		1,613,094	No
17	2041	2042	889,932	8,250,729	7,360,797	164,774	(7,500)	157,274		1,727,659	No
18	2042	2043	889,932	8,324,337	7,434,405	166,422	(7,500)	158,922		1,841,156	No
19	2043	2044	889,932	8,398,681	7,508,749	168,086	(7,500)	160,586		1,953,592	No
20	2044	2045	889,932	8,473,769	7,583,837	169,767	(7,500)	162,267		2,064,977	No
21	2045	2046	889,932	8,549,607	7,659,675	171,465	(7,500)	163,965		2,175,320	No
22	2046	2047	889,932	8,626,204	7,736,272	173,179	(7,500)	165,679		2,284,631	No
23	2047	2048	889,932	8,703,566	7,813,634	174,911	(7,500)	167,411		2,392,920	No
24	2048	2049	889,932	8,781,703	7,891,771	176,660	(7,500)	169,160		2,500,194	No
25	2049	2050	889,932	8,860,620	7,970,688	178,427	(7,500)	170,927		2,606,462	YES
						3,572,745	(172,500)	3,400,245			
Annual appreciation		1.00%									
Discount Rate		2.00%									
Base Value		889,932									
Projected Value		7,344,310									
Property Tax rate		2.238538%									
Developer Financed Costs		2,600,000									

Exhibit 5

Property Owners / Mailing List

Property Address	Tax Key	Owner Name	Owner Address
2711 West Wells Street	3880105111	Weigand Investments 2711 LLC	624 North 24 th Street Milwaukee, WI 53233
2805 West Wells Street	3880107114		
763 North 28 th Street	3880311112		

Exhibit 6

City Attorney Letter

EVAN C. GOYKE
City Attorney

MARY L. SCHANNING
ROBIN A. PEDERSON
NAOMI E. SANDERS
JULIE P. WILSON
Deputy City Attorneys



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HANNAH R. JAHN
MEIGHAN M. ANGER
ALEXANDER R. CARSON
GREGORY P. KRUSE
ALEX T. MUELLER
ALEXANDER D. COSSI
KATHERINE A. HEADLEY
SHEILA THOBANI
STACY J. MILLER
JORDAN M. SCHETTLE
THERESA A. MONTAG
ALEXANDER E. FOUNDOS
TRAVIS J. GRESHAM
KYLE W. BAILEY
JOSEPH M. DOBBS
WILLIAM K. HOTCHKISS
CLINT B. MUCHE
TYLER M. HELSEL
ZACHARY A. HATFIELD
MEGHAN C. MCCABE
CYNTHIA HARRIS ORTEGA SANTANA
OLUWASEUN CHRIS IBITOYE
KEVIN P. TODT
NATHANIEL E. ADAMSON
MATTEO REGINATO
JOSHUA B. CRONIN
ROBERT W. SANDERS
ELIZABETH K. MILES
LAURI A. ROLLINGS
Assistant City Attorneys

March 31, 2026

Lafayette L. Crump, Commissioner
Department of City Development
809 North Broadway, 2nd Floor
Milwaukee, WI 53202

RE: Project Plan for Tax Incremental District No. 133
(2711 West Wells)

Dear Commissioner Crump:

Pursuant to your request, we reviewed the Project Plan for Tax Incremental District No. 133.

Based upon that review, it is the opinion of the City Attorney that the Project Plan is complete and complies with the provisions of Wis. Stat. 66.1105 (4)(f).

Very truly yours,

A handwritten signature in blue ink, appearing to read "E. Goyke", with a long horizontal flourish extending to the right.

EVAN GOYKE
City Attorney

A handwritten signature in blue ink, appearing to read "Jordan Schettle", with a large, stylized flourish that loops around the text.

JORDAN M. SCHETTLE
Assistant City Attorney

2026-000216



#XX3THWHK0D1UA6v1

Map 1

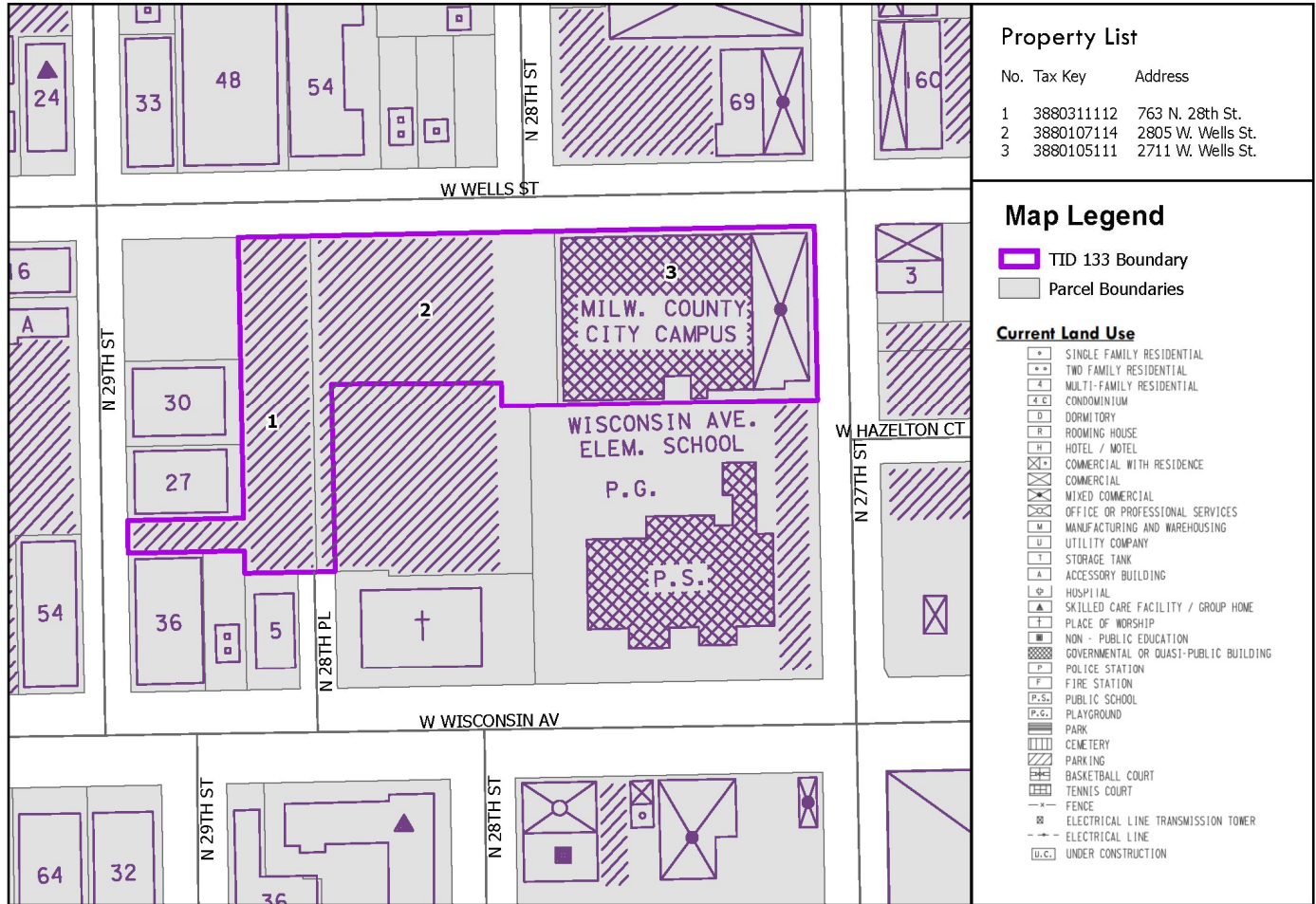
Boundary and Existing Land Use

TID 133: 2711 W Wells, Map 1

Boundary and Existing Land Use

Prepared by the Department of City Development Planning Division, 3/19/2026. Source: DCD Planning Division; Information Technology Management Division

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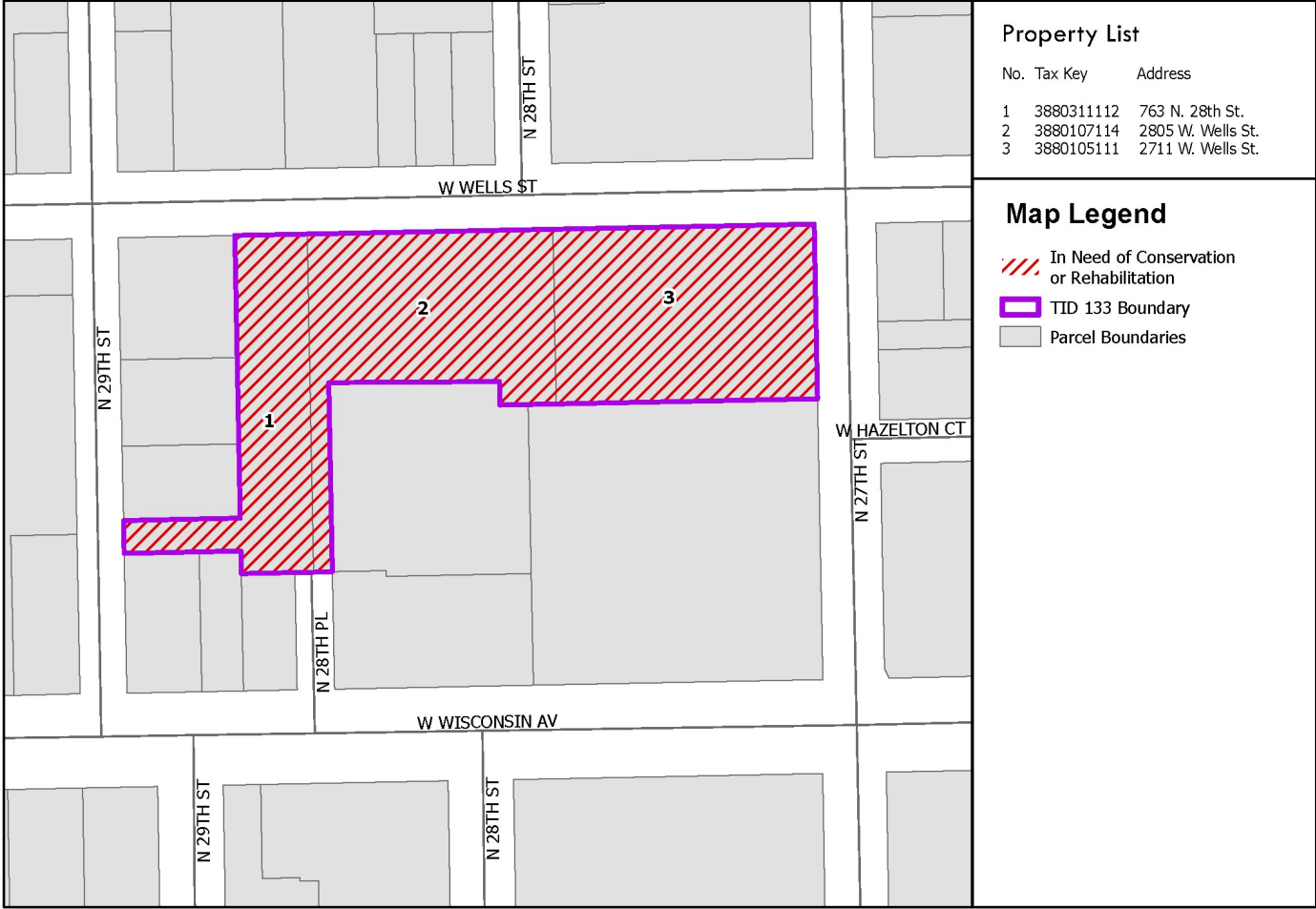
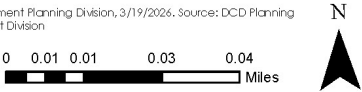
Map 2

Structure Condition

TID 133: 2711 W Wells, Map 2

Structure Condition

Prepared by the Department of City Development Planning Division, 3/19/2026. Source: DCD Planning Division; Information Technology Management Division



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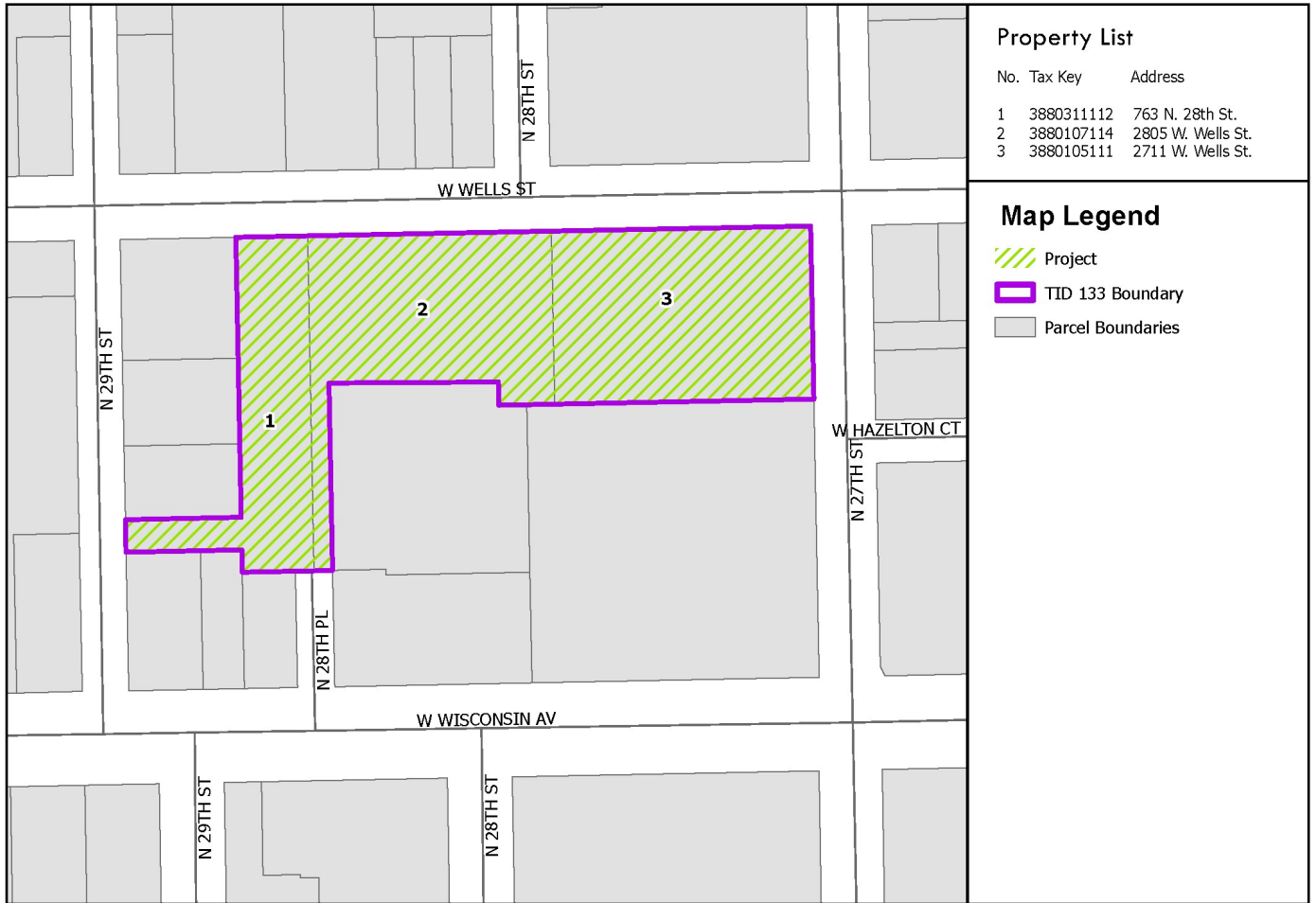
Map 3

Proposed Improvements & Uses

TID 133: 2711 W Wells, Map 3 Proposed Uses & Improvements

Prepared by the Department of City Development Planning Division, 3/19/2026. Source: DCD Planning Division; Information Technology Management Division

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Map 4

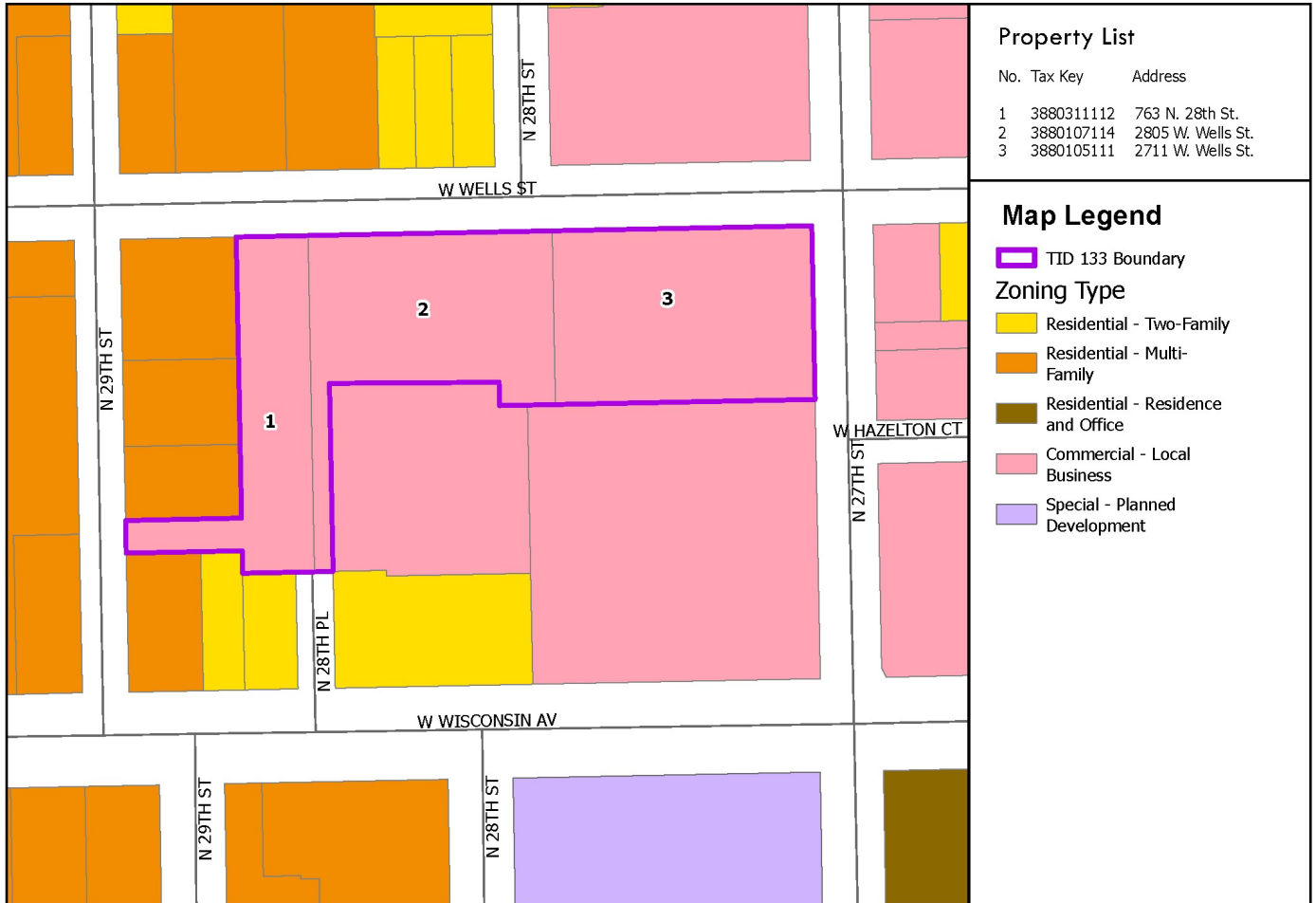
Existing Zoning

TID 133: 2711 W Wells, Map 4

Current Zoning

Prepared by the Department of City Development Planning Division, 3/19/2026. Source: DCD Planning Division; Information Technology Management Division

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Miles



Property List

No.	Tax Key	Address
1	3880311112	763 N. 28th St.
2	3880107114	2805 W. Wells St.
3	3880105111	2711 W. Wells St.

Map Legend

- TID 133 Boundary
- Residential - Two-Family
- Residential - Multi-Family
- Residential - Residence and Office
- Commercial - Local Business
- Special - Planned Development

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