

GRANT AGREEMENT

THIS GRANT AGREEMENT (“Agreement”) is entered into as of _____, 2009, by and between the City of Milwaukee, Wisconsin, a Wisconsin municipal corporation (“City”) and the Redevelopment Authority of the City of Milwaukee (“RACM”).

WITNESSETH THAT:

WHEREAS, City and RACM have created Tax Incremental District No. 71 (Mitchell Street) (“District”) with the adoption of their respective resolutions No. 071132 and No. 9969. The District consists of 281 properties located along, and generally one block north and south of W. Mitchell Street between S. 5th Street and S. 16th Street, plus a commercial area south of W. Forest Home Ave. between S. 13th Street and S. 15th Street. The District contains nearly 2.3 million s.f. of land area, excluding public rights-of-way, and encompasses the Historic Mitchell Street commercial district, including immediately adjacent residential areas, and parking lots which serve the retail business on the Street; and

WHEREAS, Funding provided by the Project Plan for the District totals \$3,118,000 for the purposes of upgrading pedestrian lighting, installing median irrigation, security cameras, and tree grates, along with funds for grants or loans to assist with catalytic private development opportunities in the District; and

WHEREAS, One of the catalytic projects proposed in the District is the restoration and renovation of the vacant restaurant at 608 W. Mitchell St., owned by Demetra Coupoulos and Thomas Littman (“Owner”); and

WHEREAS, renovations for this property are estimated to cost as much as \$164,000 and include replacing the entire façade, replacing the restaurant’s range hood, and upgrading the HVAC system; and

WHEREAS, the Common Council adopted Resolution File No. _____ and RACM adopted Resolution No. 10129 authorizing the execution of this Agreement and the funding of a grant to Owner on terms set forth in the Term Sheet attached as **Exhibit “A”**;

NOW, THEREFORE, The parties hereto mutually agree as follows:

1. Grant to Owner. City agrees to provide up to \$82,000 to RACM for the purposes of providing a Grant to the Owner on Terms set forth in Exhibit A, hereto.

2. Establishment of Fund Account. Funding for the Grant shall be provided from TID 71 Account No. TD07188001. The City Comptroller shall establish such funds and accounts in TID 71 as necessary to accomplish the transaction contemplated herein.

3. Administration of the Fund Account. The City Comptroller shall review and approve the accounting and financial reporting systems necessary to administer the Grant Account.

4. Verification by Comptroller. The City Comptroller shall, from time to time as in the Comptroller's judgment is appropriate, review the receipts and expenditures of RACM, or of management operations in relation to the Grant. The Comptroller shall have full power to conduct an audit or to have such an audit conducted as is necessary in the Comptroller's judgment to provide a full accounting to the City. The results of such audit shall be reported to the Common Council.

IN WITNESS WHEREOF, The parties have executed this Agreement the day and year as hereinafter set forth.

CITY OF MILWAUKEE

REDEVELOPMENT AUTHORITY
OF THE CITY OF MILWAUKEE

Tom D. Barrett, Mayor

By: _____
Robert P. Rondini, Chair

Date: _____

Date: _____

City Clerk

By: _____
Rocky Marcoux, Exec. Dir.

Date: _____

Date: _____

COUNTERSIGNED:

City Comptroller

Date: _____

Approved as to form, execution, and
content this ____ day of _____, 2009.

Assistant City Attorney

EXHIBIT A

Term Sheet for Grant for

608 W. Mitchell St.

- **Project:** The “Project” consists of the façade replacement, installation of range hood, and upgrades to the HVAC system at 608 W. Mitchell St.
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- **Owner:** The Owner of the Project is Demetra Coupoulous and Thomas Littman, personally.
- **Project Budget:** The estimated cost of the Project is \$164,000 as set forth in the attached Budget Summary..
- **City Funding:** The City will provide up to \$82,000 to the Redevelopment Authority of the City of Milwaukee (“RACM”) from Tax Incremental District Bond Account No. TD07188001 for the purposes of providing a Grant for Project.
- **Additional Funding:** Owner shall borrow \$82,000 from Mitchell Bank pursuant to its commitment letter of June 6, 2009.
- **Design Approvals:** The final design of the Project’s façade, and any signage affixed thereto, shall be subject to approval of the Commissioner of City Development, the Milwaukee Historic Preservation Commission staff, and Business Improvement District No. 4. The City Wide Façade Design Guidelines shall govern the façade and sign design.
- **RACM Responsibilities.** Funds granted by the City to RACM shall be utilized for costs of the Project and shall be disbursed pursuant to a Disbursing Agreement between Mitchell Bank and RACM, following expenditure of Owner’s contribution.
- **Recapture:** Funding for the Project shall be subject to recapture if at any time during the ten year period following completion of the Project, the Project is sold, or otherwise conveyed, and is operated as something other than a restaurant unless such operation is approved by BID No. 4. In such event, the amount of recapture will be prorated based on the remaining number of years of the ten-year recapture period.
- **Other Provisions.** 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 into one or more agreements including the Development Agreement between the City, RACM, and Owner.

SUMMARY BUDGET

608 W. Mitchell St. Project

TAX INCREMENTAL DISTRICT NO. 71

Façade & HVAV (per quote from Builtworks)	\$139,000
Range Hood (per quote from Walters Sheet Metal Corp.)	\$24,000
Financing Fees	\$1,000
Total	\$164,000