

Term Sheet
The North End
Job Training Program

Project:

Tax Incremental District No. 48 (the “District”) includes \$500,000 for Job Training (“Human Resource Development Program”) to occur in conjunction with The North End development.

The first phase of the Human Resource Development Program is a program to build business capacity in firms and/or train workforce within the city of Milwaukee. The Human Resource Development Program will occur in two phases.

Phase 1 consists of a program to build **Business Capacity** in EBE firms within the city of Milwaukee; including, providing organizational memberships, student interns and funding for hardware or software deemed necessary under individual business plans.

The “Private Project” is The North End project to be undertaken by the Developer in four phases and will consist of the construction of approximately 483 residential units, 33,000 square feet of retail space, and a series of public spaces including a Riverwalk.

The Human Resource Development Program also will be conducted by the Developer.

This Term Sheet addresses only the terms of a Supplemental Development Agreement for the Human Resource Development Program, Phase 1.

Project Budget:

Estimated total costs for the Private Project are approximately **\$175,000,000**.

Estimated total costs for the Human Resource Development Program, excluding financing, are **\$500,000**.

Estimated total costs for the Human Resource Development Program, Phase 1, excluding financing, are **\$250,000**.

Developer:

USL Land LLC

City Contribution:

The City shall provide a contribution to the Developer for the Human Resource Development Program, Phase 1, from Tax Incremental District No. 48 in an amount **not to exceed \$250,000**, excluding financing costs.

Disbursements:

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

- A. A final program and budget for the total costs of the Human Resource Development Program, Phase 1, shall have been approved in writing by the City's Commissioner of City Development (the "Commissioner").
- B. The Commissioner shall have approved all of the contracts to be entered into by the Developer to undertake the Human Resource Development Program, Phase 1.
- C. The Developer 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 contract and budget and Human Resource Development Program, Phase 1, costs have been fully substantiated on appropriate forms, as specified by the Commissioner.

Payment requests shall be presented to the Commissioner by the Developer no more than once a month to the Department of City Development ("DCD") and the City Contribution shall only be disbursed after approval of invoices by the Commissioner and the Department of Administration ("DOA").

Responsibilities:

The Developer will conduct the Human Resource Development Program, Phase 1, including hiring of Cross Management Services, Inc. and the Milwaukee Urban Entrepreneur Partnership ("UEP"), to carry out the Human Resource Development Program, Phase 1. The City will reimburse costs for the Human Resource Development Program, Phase 1, up to a maximum amount of \$250,000.

DOA will provide oversight throughout the program and assistance, as requested by the Commissioner, in the establishment of the Human Resource Development Program, Phase 1.

DCD will accept invoices no more than once a month and will forward all invoices to DOA for review and approval. Once DOA approval is received, DCD will reimburse the Developer.

The Developer will construct the Private Project in accordance with the Development Agreement (The North End Project) dated November 1, 2007 between the City, RACM and the Developer ("Development Agreement").

**Supplemental
Development
Agreement:**

The City and the Developer shall enter into a supplemental development agreement (“Supplemental Development Agreement”) containing terms consistent with this Term Sheet and customary for such agreements.

**Financial
Statements:**

The Developer and its contractors shall provide the Commissioner internally generated financial statements for the Human Resource Development Program, Phase 1, certified as to accuracy. At its discretion and expense, 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.

Program Review:

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

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 Supplemental Development Agreement mentioned above, among the City and the Developer.

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

It is understood that the Development Agreement governs the construction of the Private Project and that the Supplemental Development Agreement pertains only to the Human Resource Development Program. No provision of the Development Agreement except Article XII thereof (“Job Training”) shall be modified or affected by the Supplemental Development Agreement.

3/25/08 AR:ar with TG edits