Project Plan
For
Tax Incremental District Number No. 132
City of Milwaukee
(Midtown Commons)

Public Hearing Held: July 16, 2026 (scheduled)
Redevelopment Authority Adopted: July 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

TABLE OF CONTENTS

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 132, City of Milwaukee, Midtown Commons ("District" or "TID") is comprised of four parcels[1] totaling approximately 662,162 square feet or 15.2003 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.

As required by Section 66.1105 (4) (gm) of the 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. **Exhibit 2 "Property Characteristics"** and **Map No. 2, "Structure Condition"** illustrate how the property in the District meets this statutory criteria for tax incremental financing districts. The project proposed for the District will contain approximately 161,000 square feet of commercial space and per Wisconsin Statute 66.1105 (5) (b), it is estimated that less than 35% of the property within the District could be devoted to retail business at the end of the maximum expenditure period. A portion of this District overlaps the existing Tax Incremental District No. 42 (Midtown Centre), as shown in **Map No. 5, "TID 42 (Midtown Centre)."**

C. Project Plan Goals & Objectives

Property within the District is currently "in need of rehabilitation or conservation work" and is located 5825 West Hope Avenue in Milwaukee, Wisconsin. While the Property has been subdivided into four parcels by a certified survey map, the preliminary financial analysis and maps included in this Project Plan for the District were prepared before the certified survey map was recorded and; therefore, reflect the Property as a single parcel. The following is a description of the planned project (the "Project") for the District.

The Project involves the new construction of two four-story affordable multi-family housing buildings. The Property consists of an infill development on a substantially underutilized surface parking area associated with a vacant former Walmart. The Project is proposed in two phases, with each phase containing 100 units, for a total of up to 200 units (the "Phase I Project" on western portion of the site and the "Phase II Project" on the eastern portion of the site,

---

[1] The Property has been subdivided into four parcels by Certified Survey Map No. 9747, recorded in the Milwaukee County Register of Deeds Office on May 18, 2026 as Document No. 11602231. While the Property within the District consists of four parcels as a result of the CSM, the parcels have not yet been assigned new tax key numbers or addresses so for purposes of establishing the base value or the maps in this Project Plan still reflect a single tax key parcel and all of the Property is still under the same ownership as of the creation of the District.

respectively). The residential units will be offered to households earning between 30 and 80 percent of area median income. There will be a mix of one-, two-, and three-bedrooms units.

The Phase I Project is being developed by Midtown Commons, LLC and the Phase II Project is being developed by Midtown Commons II, LLC (each is referred to as a "Developer" with respect to its phase of the Project only). The main principals that will own indirect interest in each Developer include Gorman & Company, LLC; One 5 Olive, LLC; Wisconsin Preservation Fund, Inc. (Phase I Project only); Gorman & Company, LLC; One 5 Olive, LLC; and Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (Phase II Project only).
The main purpose of the District is to improve affordable housing options in the Capitol Heights neighborhood for low-income residents and improve the quality of their housing. The unit mix, targeted AMIs, and rents are described in Attachment 1 of **Exhibit 3, "Term Sheet."**

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. Increase the tax base of the City by promoting new construction.

D. Existing Land Uses & Conditions in the District

The District is comprised of four parcels containing 662,162 square feet or 15.2003 acres. The property in the District is currently assessed at $6,070,442 and is zoned RB-2 (Regional Business District). The District contains a 161,000 square foot building and surface parking area, which are substantially vacant and under-utilized.

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 Grants. TID revenue will be used to provide annual grant payments to each Developer to offset actual costs incurred by each Developer for its phase of the Project. The City will make payments to each Developer equal to 100% of the incremental taxes proportional to each phase's incremental value, certified and collected from property within the District, less an annual administration charge, until such time as $1,975,000 is reimbursed to each Developer for its phase of the Project (total annual grant payments not to exceed $3,950,000 plus interest) by such payments plus an interest rate of up to 5.85% over a period not to exceed 20 years for each respective Project phase (the "Grant" or "Monetary Obligation") as further described in **Exhibit 3, "Term Sheet."**

While there is public funding going into the Project as described herein, there are no proposed public works or improvements anticipated as part of the Project.

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 an estimated $3,950,000 in the form of TID Capital Project Costs of this Plan. These costs include the Monetary Obligations that funds the Grants to the Developers 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 Obligations to reimburse the Developers for the developer-financed Grants. Estimates of interest are based on interest rates set forth in the economic feasibility analysis for the Project attached as **Exhibit 4, "Economic Feasibility Study."** The City reserves the right to prepay the Grants to the Developers, 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 Phase I Project (Monetary Obligation to Phase I Project Developer) • Grant to Phase II Project (Monetary Obligation to Phase II Project Developer)	$ 1,975,000 $ 1,975,000
B	Other: Administrative Costs ($7,500/year for 18 years)	$ 135,000
	Total Estimated Project Costs (excluding financing)	$ 4,085,000
C	Financing: Interest on the Grants to Developers (Monetary Obligations to Developers), interest on borrowing / payment of bonds	$ 3,232,921

C. "Description of Timing and Methods of Financing."

All expenditures are expected to be incurred during the period from 2026 through 2045.

The annual payments to the Developers will be paid pursuant to the Monetary Obligations, 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 and titled Economic Development Analysis for proposed Tax Incremental District #132 and dated June 29, 2026, is attached to this Project Plan as **Exhibit 4, "Economic 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 2045. Should incremental revenue generate in excess of those currently anticipated, they may be used to accelerate the reimbursement of the Developer-financed Grants 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 RB-2 (Regional Business District). 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 Project with a priority on housing serving low-income households. The Project is compliant with the RB-2 (Regional Business District) 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, and increase the tax base of the City by promoting new construction.

K. “Opinion of the City Attorney.”

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

EXHIBITS

Exhibit 1

Boundary Description

Lots 1, 2, 3 and 4 of Certified Survey Map No. 9747, recorded May 18, 2026 as Document No. 11602231, being a division of Parcel 1 in Certified Survey Map No. 7035, as corrected by Document No. 8274057, being in the Southwest 1/4 and Northwest 1/4 of the Southwest 1/4 of Section 2, Town 7 North, Range 21 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

Commencing at the Southwest corner of said Southwest 1/4 Section; thence North 00°00’07” West along the West line of said 1/4 Section 792.55 feet to a point; thence North 90°00’00” East 68.00 feet to the East line of North 60th Street and the point of beginning; thence North 00°00’07” West along said East line 789.18 feet to a point; thence North 90°00’00” East 315.66 feet to a point; thence North 01°30’45” East 9.50 feet to a point; thence North 90°00’00” East 594.80 feet to a point; thence South 00°05’19” West 295.51 feet to a point; thence North 90°00’00” West 158.48 feet to a point; thence South 00°00’00” East 94.57 feet to a point; thence North 90°00’00” East 68.22 feet to a point; thence South 00°00’00” East 317.34 feet to a point; thence North 90°00’00” West 75.83 feet to a point; thence South 00°00’00” East 52.00 feet to a point; thence North 90°00’00” West 52.91 feet to a point; thence South 54°10’07” West 67.07 feet to a point; thence South 90°00’00” West 636.85 feet to the point of beginning. Containing 662,126 square feet or 15.2003 acres.

Property Address: 5825 West Hope Avenue, Milwaukee, WI 53216 (not yet updated to reflect the recording of Certified Survey Map No. 9747)

Tax Key Number: 2490841000 (not yet updated to reflect the recording of Certified Survey Map No. 9747)

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"
2490841000	AFS MILWAUKEE LLC	$3,781,500	$2,288,942	$6,070,442	662,162	662,162

Total: 662,162 square feet

Total Percentage: 100%

Exhibit 3

TERM SHEET
Midtown Commons Project
TID No. 132

This Term Sheet does not constitute an agreement between the Developers (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 two development agreements to be entered into between each Developer, RACM and the City (each a "Development Agreement" and collectively the "Development Agreements"). 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 Agreements to exercise such discretion and grant such approvals, including minor adjustments of the terms described in this Term Sheet.

Project

The Midtown Commons project involves the proposed new construction of two four-story, multi-family, affordable housing buildings located at 5825 West Hope Avenue in Milwaukee, Wisconsin (the "Property"). The Property consists of an infill development on a substantially underutilized surface parking area associated with a vacant former Walmart. The project is proposed in two phases totaling up to 200 units, with each phase consisting of a 100-unit residential apartment building (the "Phase I Project" on the western portion of the Property and "Phase II Project" on the eastern portion of the Property, respectively and collectively, the "Project"). The residential units will be offered to households earning between 30 and 80 percent of area median income. See **Attachment 1** for the specific unit and targeted income levels. There will be a mix of one-, two-, and three-bedrooms 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 households serving low-income households. The Project is compliant with the RB-2 (Regional Business District) zoning district.

Development Team

The Phase I Project is being developed by Midtown Commons, LLC and the Phase II Project is being developed by Midtown Commons II, LLC (each is referred to as a "Developer" with respect to its phase of the Project only). The main principals that will own indirect interest in each Developer include Gorman & Company, LLC; One 5 Olive, LLC; Wisconsin Preservation Fund, Inc. (Phase I Project only); Gorman & Company, LLC; One 5 Olive, LLC; and Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (Phase II Project only). These entities are well-versed in working on urban infill projects similar to Midtown Commons including projects such as the McKinley School, Vliet Street Lofts and Edison School.

Project Budget:

Total costs for the Project are estimated at approximately $61,177,548, broken out by phase as noted below. In addition to TID No. 132 funding, the financing structure includes first mortgage debt, federal and state Low-Income Housing Tax Credits (LIHTC), Federal Home Loan Bank of Chicago Affordable Housing Program (FHLB AHP), RACM Brownfield Cleanup Revolving Loan Funds (BCRLF), sponsor equity, and deferred developer fees.

Estimated total Project sources include:

Phase I Project – 100 Units

First Mortgage	$ 8,112,000
Federal LIHTC	$ 12,509,190
State LIHTC	$ 4,500,304
FHLB AHP	$ 2,000,000
Deferred Developer Fee	$ 1,336,314
RACM BCRLF	$ 500,000
Sponsor Equity	$ 24,999
City Tax Incremental Financing	**$ 1,975,000**
Total	$ 30,957,807

Phase II Project – 100 Units

First Mortgage	$ 7,596,000
Federal LIHTC	$ 11,984,676
State LIHTC	$ 4,237,549
FHLB AHP	$ 2,000,000
Deferred Developer Fee	$ 1,250,000
RACM BCRLF	$ 500,000
Sponsor Equity	$ 676,516
City Tax Incremental Financing	**$ 1,975,000**
Total	$ 30,219,741

Development Schedule

Developer of the Phase I Project shall commence construction on the Property of the Phase I Project by September 1, 2026, and substantially complete the Phase I Project by April 1, 2028.

Developer of the Phase II Project shall commence construction on the Property of the Phase II Project by April 1, 2027, and substantially complete the Phase II Project by October 1, 2028.

Tax Incremental District

The City intends to create Tax Incremental District No. 132 (“TID No. Midtown Commons”) 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

RACM will provide each Developer with a grant plus interest as described below, funded by a limited and conditional monetary obligation of the City of the Phase I Project and the Phase II Project (each is a "Monetary Obligation"), in an amount not to exceed $1,975,000 for the Phase I Project and an amount not to exceed $1,975,000 for the Phase II Project (each is a "Grant") if each Grant is earned by the Developer by substantially completing the Phase I Project and Phase II Project, respectively, as promised and within the timelines described in the Development Agreements.

The Phase I Project and the Phase II Project will both be developed and financed separately. There will be no cross-default in the Development Agreements between the Phase I Project and Phase II Project, or any crossover of any of the obligations of Developer of the Phase I Project with the obligations of the Developer of the Phase II Project, or vice versa.

The Developer of the Phase I Project shall advance up to $1,975,000 for the Phase I Project (subject to review of the final Phase I Project budget) of costs related to the Phase I Project and shall be reimbursed for these costs by the Grant for the Phase I Project.

The Developer of the Phase II Project shall advance up to $1,975,000 for the Phase II Project (subject to review of the final Phase II Project budget) of costs related to the Phase II Project and shall be reimbursed for these costs by the Grant for the Phase II Project.

Because the Grant for each phase of the Project will be paid on a reimbursement basis, each Developer will also receive interest at a rate of 5.85%[2] in addition to the Grant for its phase of the Project.

After creation of TID No. 132 and determination of the base value of TID No. 132, 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. 132, less Annual Expenses[3], into special funds established for TID No. 132 (the "Incremental Revenue"). Upon Substantial Completion (as defined below) of the Phase I Project and the earning of the Grant by the Developer of the Phase I Project, the Incremental Revenue will fund annual payments, plus interest, of the Grant to the Developer of the Phase I Project and will result in a reduction of the principal balance of the Monetary Obligation with respect to the Phase I Project. Annual Grant payments will be made to Developer of the Phase I Project on or before March 1st of each year, provided the Developer of the Phase I Project 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 with respect to the Phase I Project.

Upon Substantial Completion (as defined below) of the Phase II Project and the earning of the Grant by the Developer of the Phase II Project, the Incremental Revenue will fund annual

[2] The 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 7.00%. If the final interest rate exceeds 5.85%, the amount of the Monetary Obligation will decrease accordingly.

[3] "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. 132.

payments, plus interest, of the Grant to the Developer of the Phase II Project and will result in a reduction of the principal balance of the Monetary Obligation with respect to the Phase II Project. Annual Grant payments will be made to Developer of the Phase II Project on or before March 1st of each year, provided the Developer of the Phase II Project 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 with respect to the Phase II Project.

Incremental Revenue used to pay each Grant will be prorated based on the assessed value of each Project phase.

The Monetary Obligations are limited and conditional obligation of the City in that they are subject to annual appropriation by the City's Common Council, are conditioned upon there being enough Incremental Revenue to fund each Grant, and are conditioned upon each Developer actually earning the Grant with respect to its phase of the Project. If not appropriated, City shall not expend Incremental Revenue for any other TID No. 132 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 for the Phase I Project 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 2044 tax levy, payable in 2045, whichever occurs first. Annual payments on the Grant for the Phase II Project will terminate and be considered paid in full for the Phase II Project; (i) at the time the Grant and interest is fully paid; or (ii) with the payment derived from the 2044 tax levy, payable in 2045, whichever occurs first.

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

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 each phase of the Project, the Developer of such phase shall submit a certification detailing Project costs specific to its phase of the Project 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 available to each phase of the Project shall be deemed earned upon approval of such certification by the Commissioner and by Developer for such phase obtaining an occupancy permit for the applicable phase of the Project (collectively, "Substantial Completion").

Cost Savings

If at Substantial Completion, total costs of the Phase I Project submitted to the Commissioner for certification are less than the $30,957,807 estimated in the Phase I 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 available for the Phase I Project will be reduced by 50% of the cost savings. As used herein "cost savings" shall be the net savings to the Phase I 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 of the Phase I Project 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 in connection with the Phase I Project.

If at Substantial Completion, total costs of the Phase II Project submitted to the Commissioner for certification are less than the $30,219,741 estimated in the Phase II 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 available for the Phase II Project will be reduced by 50% of the cost savings. As used herein "cost savings" shall be the net savings to the Phase I 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 of the Phase II Project 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 in connection with the Phase II Project.

Material Disturbance

If the Phase I Project is not substantially completed by April 1, 2028 unless caused in substantial part by an event of *Force Majeure*[4] (a "Material Disturbance"), then City shall have the right (but not the obligation) to terminate the Development Agreement for the Phase I Project, using the following procedure:

(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

[4] "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.

resolution determining that the Material Disturbance prevents the substantial realization of the public benefits contemplated from the Phase I 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 such filing of the 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.

With respect to the Phase II Project, similar terms shall apply to the completion of the Phase II Project and ability of the City to terminate the Development Agreement with respect to the Phase II Project except that the deadline for Substantial Completion for the Phase II Project shall be October 1, 2028.

Developer Responsibilities:

Each Developer shall have the following responsibilities with respect to its phase of the Project only:

- Design and develop its phase of the Project consistent with the approved plans and the Development Agreement for that phase of the Project.
- Submit to the Commissioner a final development budget for its phase of the Project, financing commitments, final bids, a construction contract, and proof that all funding sources have been committed (prior to closing on the funding).
- Obtain title to the Property to be developed as part of its phase of the Project, if not already owned.
- Guarantee completion of construction of its phase of the Project.
- Enter into agreements with the City as described and required herein.
- Maintain its phase of 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. 132, whichever is longer, and comply with the monitoring requirements established as part of its phase of the Project financing provided by WHEDA.

Human Resources:

Each Developer and City will enter into a Human Resources Agreement with respect to its phase of the Project 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 for such phase, 25% for purchase of goods and services for such phase, and 18% of amounts expended for the purchase of professional services deemed eligible pursuant to SBE Guidelines for such phase; utilization of unemployed and underemployed residents for no less than 40% of the total "worker hours" expended on "construction" for such phase 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 for such phase.

No Tax Exemption

No portion of the real property that constitutes the Phase I Project or the Phase II Project shall at any time be exempt from real estate taxes and each Developer shall enter into a Payment in Lieu of Taxes Agreement with the City ("PILOT Agreement") for the real property for its phase of the Project.

Development Agreements:

Developers, RACM and City shall enter into a Development Agreement for its respective phase of the Project, which shall contain terms 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 each Development Agreement have been fully discharged, the Developer of that phase of the Project may not, without City consent:

- Merge with another entity;
- Sell, lease or transfer the real property for its phase of the Project 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 Developers to complete the Project or fulfill their obligations under the Development Agreements;
- Assume or guarantee the obligations of any other person or entity that would materially adversely affect the ability of Developer to complete the its phase of the Project or fulfill its obligations under its 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

Phase I Project

	Number of Bedrooms			
% of Area Median Income (AMI)	Total Units	1-bdrm	2-bdrm	3-bdrm
≤ 30%	20	8	8	4
50%	44	14	20	10
80%	36	3	12	21
Total Units	100	25	40	35

Phase II Project

	Number of Bedrooms			
% of Area Median Income (AMI)	Total Units	1-bdrm	2-bdrm	3-bdrm
≤ 30%	20	8	8	4
50%	44	14	20	10
80%	36	3	12	21
Total Units	100	25	40	35

Exhibit 4
Economic Feasibility Study

Overview

The Midtown Commons project (the "Project") involves the new construction of two four-story multi-family residential buildings at 5825 West Hope Avenue (the "Building") in the City's West Side area. The Project will contain 200 affordable rental housing units offered to families earning between and 30 and 80 percent of area median income.

The Phase I Project is being developed by Midtown Commons, LLC and the Phase II Project is being developed by Midtown Commons II, LLC (each is referred to as a "Developer" with respect to its phase of the Project only). The main principals that will own indirect interest in each Developer include Gorman & Company, LLC; One 5 Olive, LLC; Wisconsin Preservation Fund, Inc. (Phase I Project only); Gorman & Company, LLC; One 5 Olive, LLC; and Lutheran Social Services of Wisconsin and Upper Michigan, Inc. (Phase II Project only).

Financing Structure

In addition to the proposed TID contribution of $3,950,000 each component of the project will have its own distinct funding sources.

Total estimated costs for the Project are $61.1 million. Funding for the Project includes a first mortgage and equity.

Current Property Value

The property in the district consists of one parcel with a total assessed value of $6,070,442, which is the current base value of the District.

Projected Completed Value

The projected value of the Project upon completion is $23,737,202. Construction completion is anticipated by late 2028.

Other Assumptions

- Tax Rate: 2.238538%
- Interest Rate on Payments to Developer: 5.85%
- Maximum Term of Payments: 20 years
- Annual Appreciation: 1%

District Cash Flow and Amortization of the Monetary Obligation

In a "pay-as-you-go" District, the Developers are accepting the risk that the District will generate sufficient incremental value to recapture the $3,950,000 of costs, plus 5.85% interest, through future incremental revenue.

As shown in the projections in **Table 1**, forecasted tax incremental revenues are sufficient for the Developers to recover the proposed TID amount of $3,950,000 plus interest in tax levy year 2044 (budget year 2045).

Table 1

TID Feasibility - Developer Financed								
6/29/2026								
No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Increment	Admin Costs	Net Increment
1	2025	2026	6,070,442	6,070,442	-	-	-	-
2	2026	2027	6,070,442	6,070,442	-	-	-	-
3	2027	2028	6,070,442	11,868,601	5,798,159	129,794	(7,500)	122,294
4	2028	2029	6,070,442	19,047,743	12,977,301	290,502	(7,500)	283,002
5	2029	2030	6,070,442	23,924,957	17,854,515	399,680	(7,500)	392,180
6	2030	2031	6,070,442	24,103,502	18,033,060	403,677	(7,500)	396,177
7	2031	2032	6,070,442	24,283,832	18,213,390	407,714	(7,500)	400,214
8	2032	2033	6,070,442	24,465,966	18,395,524	411,791	(7,500)	404,291
9	2033	2034	6,070,442	24,649,921	18,579,479	415,909	(7,500)	408,409
10	2034	2035	6,070,442	24,835,716	18,765,274	420,068	(7,500)	412,568
11	2035	2036	6,070,442	25,023,369	18,952,927	424,268	(7,500)	416,768
12	2036	2037	6,070,442	25,212,898	19,142,456	428,511	(7,500)	421,011
13	2037	2038	6,070,442	25,404,323	19,333,881	432,796	(7,500)	425,296
14	2038	2039	6,070,442	25,597,662	19,527,220	437,124	(7,500)	429,624
15	2039	2040	6,070,442	25,792,934	19,722,492	441,495	(7,500)	433,995
16	2040	2041	6,070,442	25,990,159	19,919,717	445,910	(7,500)	438,410
17	2041	2042	6,070,442	26,189,356	20,118,914	450,370	(7,500)	442,870
18	2042	2043	6,070,442	26,390,545	20,320,103	454,873	(7,500)	447,373
19	2043	2044	6,070,442	26,593,746	20,523,304	459,422	(7,500)	451,922
20	2044	2045	6,070,442	26,798,979	20,728,537	464,016	(7,500)	456,516
						7,317,921	(135,000)	7,182,921
Annual appreciation		1.00%						3,232,921
Discount Rate		5.85%						
Base Value		6,070,442						
Projected Value		23,737,202						
Property Tax rate		2.2385380%						
Developer Financed Costs		3,950,000						

Exhibit 5

Property Owners

Property Address	Tax Key	Owner Name	Owner Address
5825 West Hope Avenue	2490841000	AFS MILWAUKEE LLC	1851 Madison Ave, Unit 300 Council Bluffs, IA 51503

Exhibit 6

City Attorney Letter

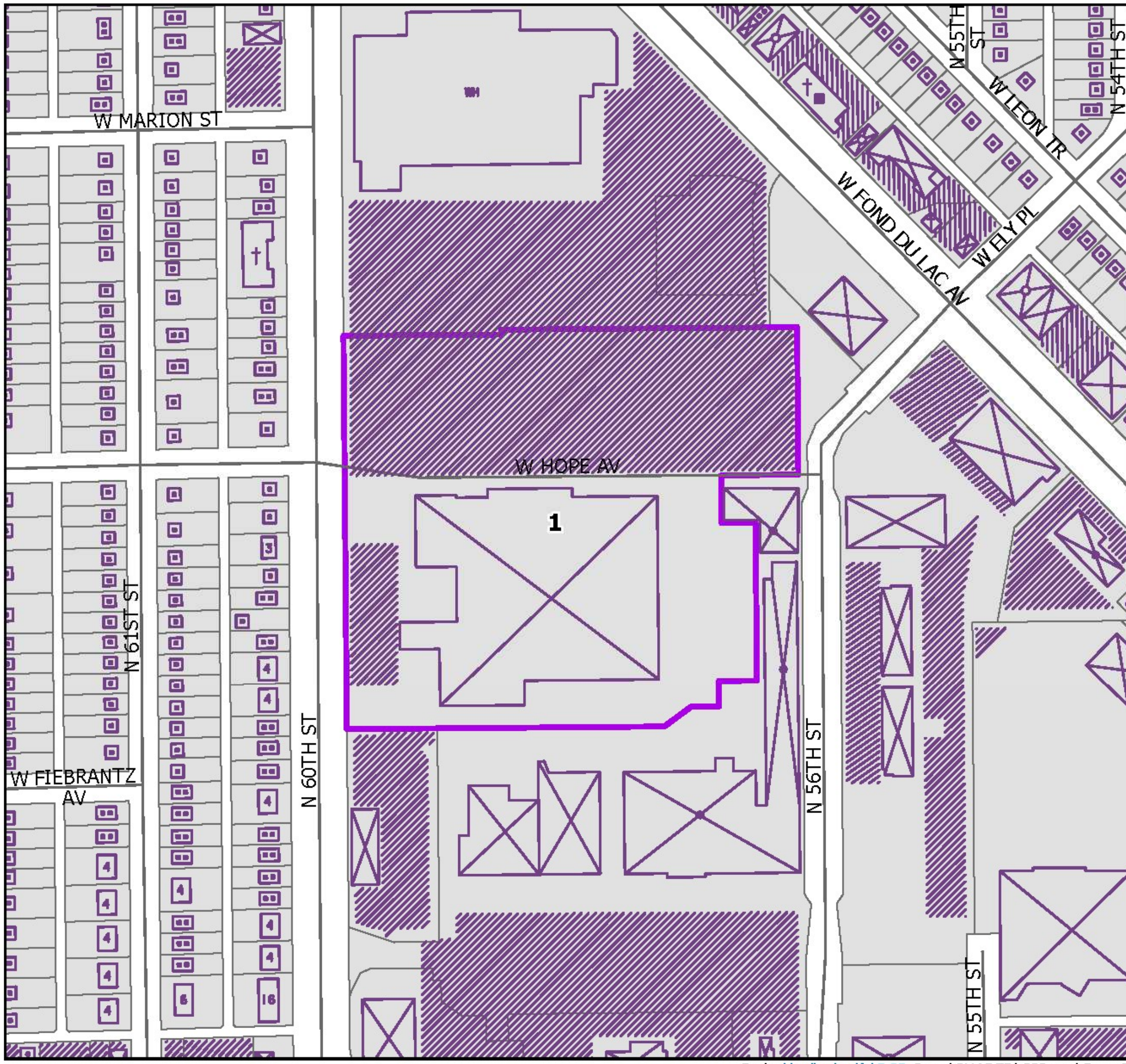
TID 132: Midtown Commons, Map 1

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

0 0.02 0.04 0.07 0.11 Miles

N



Property List

No.	Tax Key	Address
1	2490841000	5825 W Hope Ave

Map Legend

TID 132 Boundary

Parcel Boundaries

Current Land Use

- SINGLE FAMILY RESIDENTIAL
- TWO FAMILY RESIDENTIAL
- 4 MULTI-FAMILY RESIDENTIAL
- 4 C CONDOMINIUM
- D DORMITORY
- R ROOMING HOUSE
- H HOTEL / MOTEL
- COMMERCIAL WITH RESIDENCE
- COMMERCIAL
- MIXED COMMERCIAL
- OFFICE OR PROFESSIONAL SERVICES
- M MANUFACTURING AND WAREHOUSING
- U UTILITY COMPANY
- T STORAGE TANK
- A ACCESSORY BUILDING
- HOSPITAL
- SKILLED CARE FACILITY / GROUP HOME
- PLACE OF WORSHIP
- NON - PUBLIC EDUCATION
- GOVERNMENTAL OR QUASI-PUBLIC BUILDING
- P POLICE STATION
- F FIRE STATION
- P.S. PUBLIC SCHOOL
- P.G. PLAYGROUND
- PARK
- CEMETERY
- PARKING
- BASKETBALL COURT
- TENNIS COURT
- FENCE
- ELECTRICAL LINE TRANSMISSION TOWER
- ELECTRICAL LINE
- U.C. UNDER CONSTRUCTION

Path: \\ad\mkedfs\DCD Snap\SHARED\GIS and Data Projects\2026 Projects\01_21_26_TIDMidtownCommons\

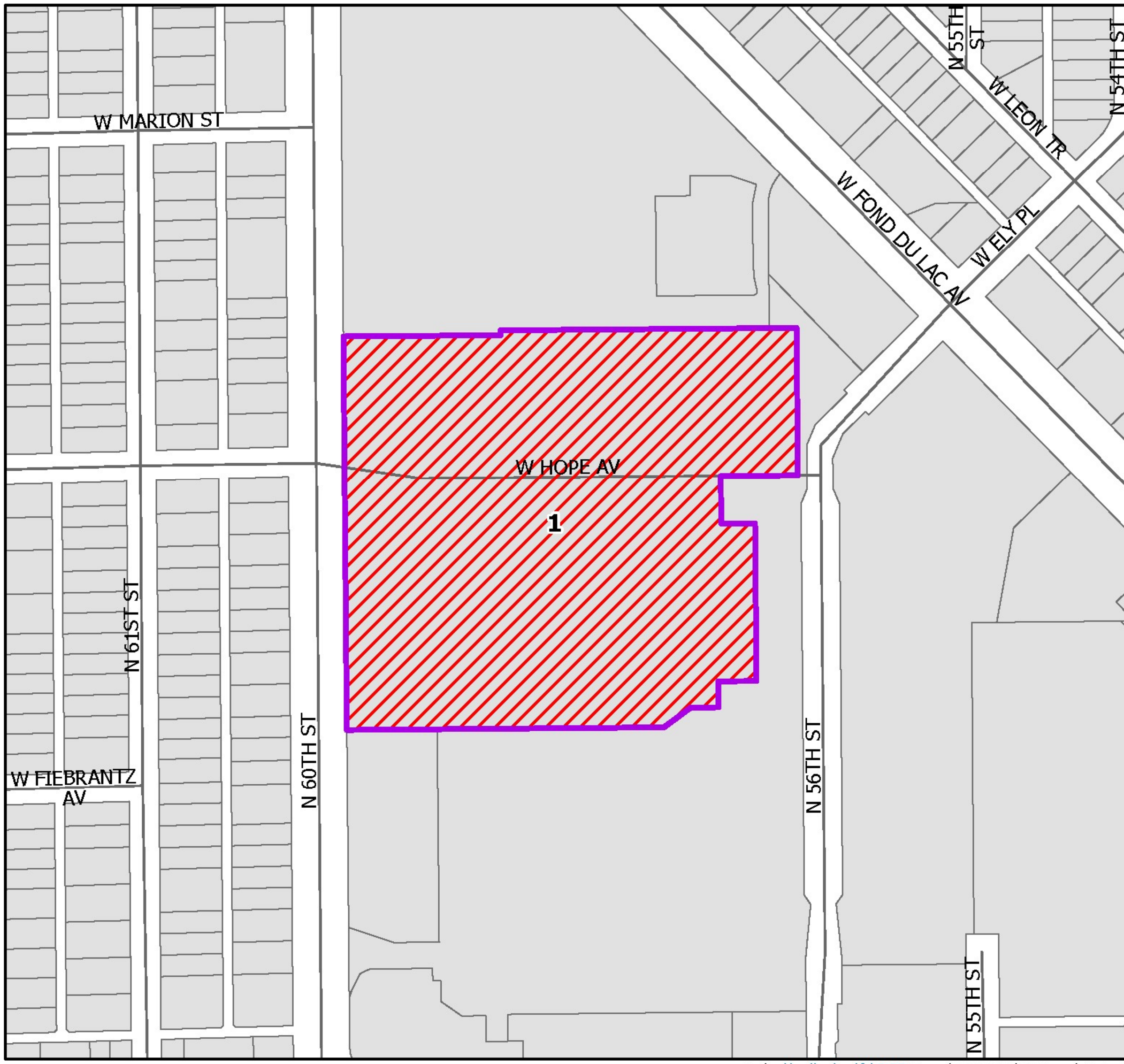
TID 132: Midtown Commons, Map 2

Structure Condition

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

0 0.02 0.04 0.07 0.11 Miles

N



Property List

No.	Tax Key	Address
1	2490841000	5825 W Hope Ave

Map Legend

- In Need of Conservation or Rehabilitation
- TID 132 Boundary
- Parcel Boundaries

Path: \\ad\mkedfs\DCD Snap\SHARED\GIS and Data Projects\2026 Projects\01_21_26_TIDMidtownCommons\

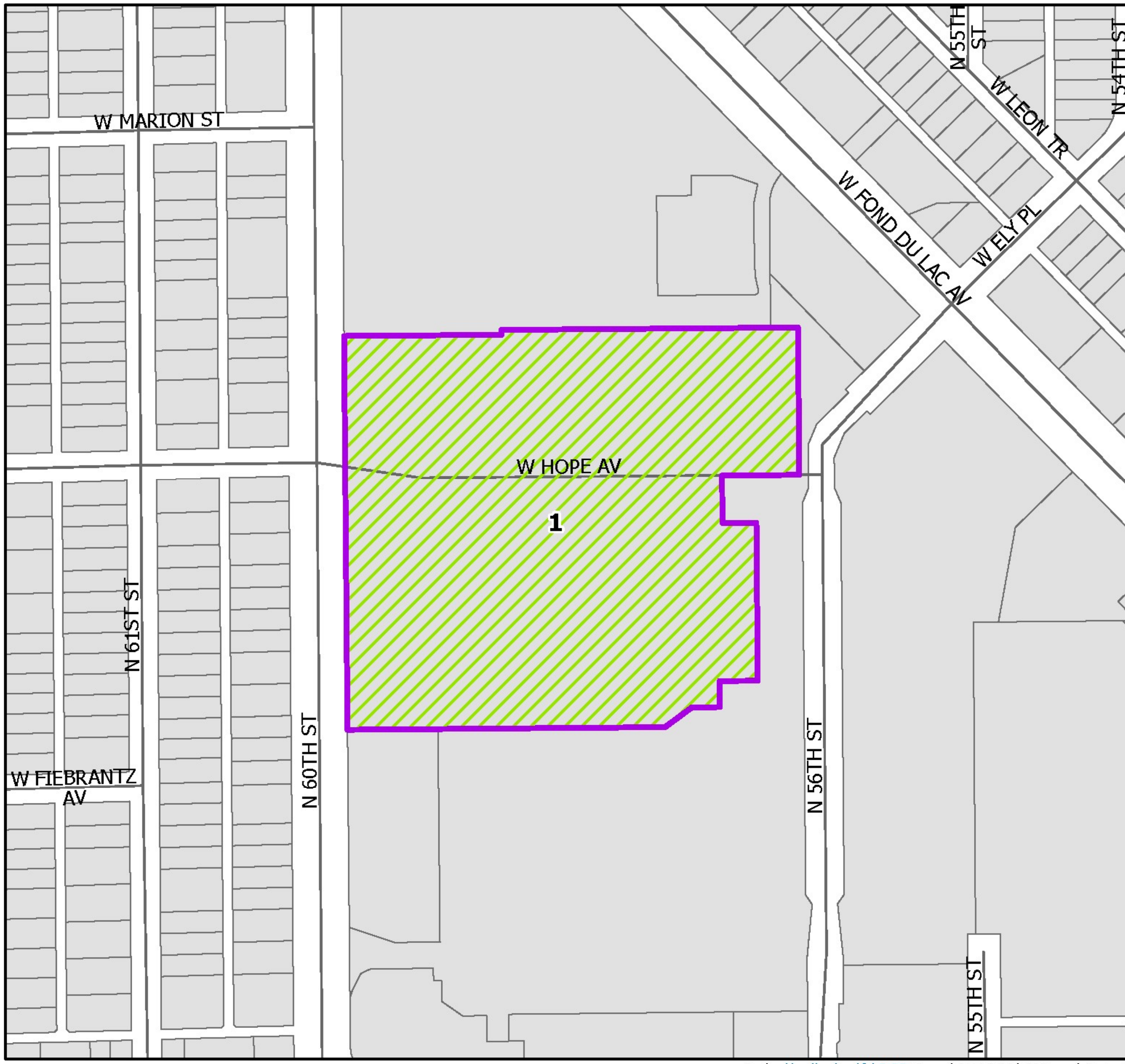
TID 132: Midtown Commons, Map 3

Proposed Uses and Improvements

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

0 0.02 0.04 0.07 0.11 Miles

N



Property List

No.	Tax Key	Address
1	2490841000	5825 W Hope Ave

Map Legend

- Project
- TID 132 Boundary
- Parcel Boundaries

Path: \\ad\mkedfs\DCD Snap\SHARED\GIS and Data Projects\2026 Projects\01_21_26_TIDMidtownCommons\

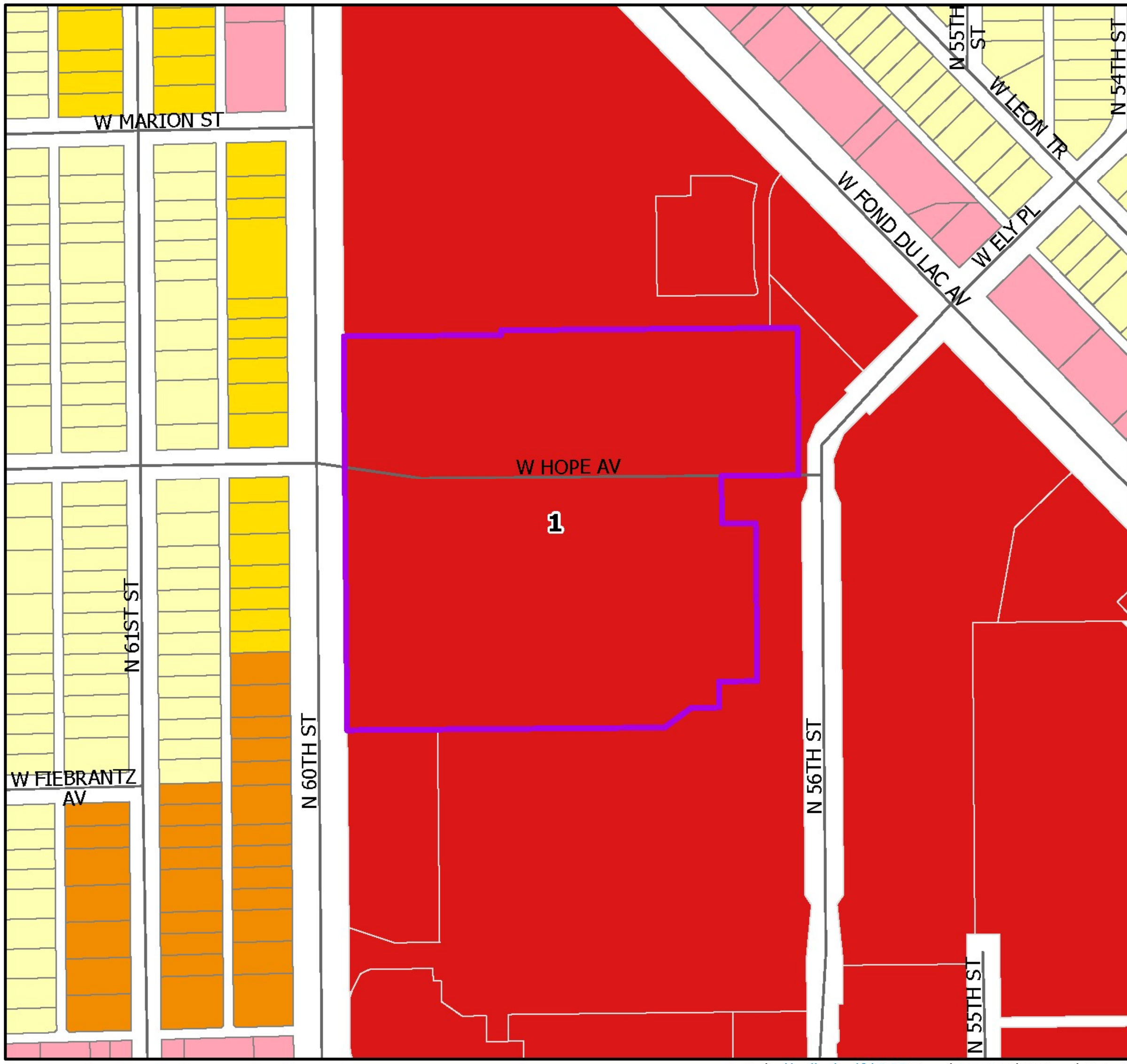
TID 132: Midtown Commons, Map 4

Current Zoning

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

0 0.02 0.04 0.07 0.11 Miles

N



Property List

No.	Tax Key	Address
1	2490841000	5825 W Hope Ave

Map Legend

TID 132 Boundary

Zoning Type

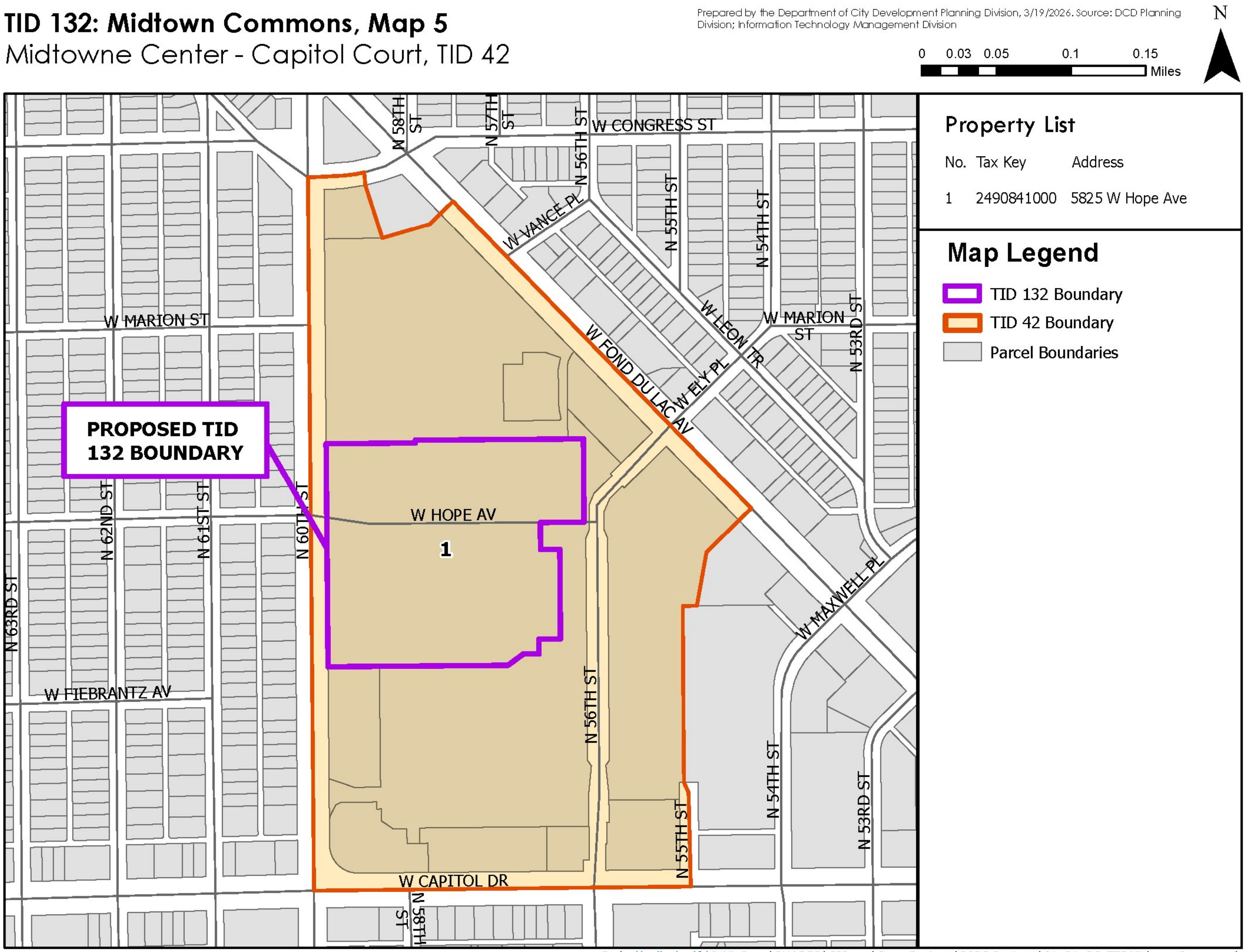
- Residential - Single-Family
- Residential - Two-Family
- Residential - Multi-Family
- Commercial - Local Business
- Commercial - Regional Business

Path: \\ad\mkedfs\DCD Snap\SHARED\GIS and Data Projects\2026 Projects\01_21_26_TIDMidtownCommons\

TID 132: Midtown Commons, Map 5

Midtowne Center - Capitol Court, TID 42

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



Property List

No.	Tax Key	Address
1	2490841000	5825 W Hope Ave

Map Legend

- TID 132 Boundary
- TID 42 Boundary
- Parcel Boundaries

Path: \\ad\mkedfs\DCD Snap\SHARED\GIS and Data Projects\2026 Projects\01_21_26_TIDMidtownCommons\