

Project Plan  
For  
Tax Incremental District Number No. 126  
City of Milwaukee  
(Field House Flats)

Public Hearing Held:  
Redevelopment Authority Adopted:  
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 126, City of Milwaukee, Field House Flats (“District” or “TID”) is comprised of five parcels totaling approximately 94,935 square feet, or 2.17 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”** illustrates how the property in the District meets this statutory criteria for tax incremental financing districts. The project proposed for the District will contain approximately 40,000 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. 48 (Park East III) and Tax Increment District No. 84 (W. McKinley and W. Juneau), as shown in **Map No. 5, “TID 48 (Park East III) and TID 84 (W. McKinley and W. Juneau).”**

### C. Project Plan Goals & Objectives

Property within the District is currently “in need of rehabilitation and conservation work” and is comprised of five parcels bounded by West Juneau Avenue, West McKinley Avenue, North Vel R. Phillips Avenue and North Martin L. King Jr. Drive. The following is a description of the planned project for the District:

The developer for the Property is J. Jeffers & Company (“Developer”). The Developer is proposing the construction of a new mixed-use building, which will contain 269 residential rental units, and 40,000 square feet of commercial space (the “Project”).

*Connecting MKE – Downtown Plan 2040*, the City of Milwaukee’s area plan for downtown, which includes goals to increase the supply of housing, provide housing choices for all income levels, provide a range of housing opportunities to meet the needs of a diverse population, preserve and restore Downtown’s historic buildings, and improve the quality of life in downtown and surrounding neighborhoods. Key priorities of the plan are to double the downtown population to 40,000 by 2040 and to increase the number of downtown housing units by 15,000 units at average rate of 5% per year, with at least 20% of all downtown housing units being affordable units by 2040.

The main purpose of the District is to improve affordable housing options in Downtown Milwaukee for low-income residents and 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 and commercial use.
2. Increase the density and diversity of housing options in downtown.
3. Support past and future investment in the neighborhood through the redevelopment of property that is currently vacant and underutilized.
4. Create and retain employment opportunities in the City.
5. Increase the tax base of the City by promoting new construction.

#### **D. Existing Land Uses & Conditions in the District**

The District is comprised of five parcels containing 94,935 square feet, or 2.17 acres. The property in the District is currently assessed at \$0 as all parcels are currently tax exempt and is zoned PD (Planned Development). Currently, the District is 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 2, “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 \$6,770,000 is reimbursed to Developer by such payments plus an interest rate of up to 6% over a period not to exceed 18 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 an estimated \$6,770,000 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, “Economic 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: <ul style="list-style-type: none"><li>• Grant to Project (Monetary Obligation to Developer)</li></ul>	\$6,770,000
B	Other: Administrative Costs (\$7,500/year for 16 years)	\$ 120,000
	<b>Total Estimated Project Costs (excluding financing)</b>	<b>\$6,890,000</b>
C	Financing: Interest on the Grant to Developer (Monetary Obligation to Developer), interest on borrowing / payment of bonds	\$5,090,471

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

All expenditures are expected to be incurred during the period from 2025 through 2042.

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 Ehlers Public Finance Advisors and dated August 5, 2025 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 2042. 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. 3, “Structure Condition,”** and **Exhibit 5, “Property Owners,”** attached to this Project Plan.

**F. “Map Showing Proposed Improvements and Uses.”**

See **Map No. 2, “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 a Detailed Planned Development. 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 in conformity with *Connecting MKE – Downtown Plan 2040*, the City of Milwaukee’s area plan for downtown. The plan is one of the 14 geographically specific area plans that make up the City of Milwaukee’s overall comprehensive plan. It includes goals to increase the supply of housing, provide housing choices for all income levels, provide a range of housing opportunities to meet the needs of a diverse population, and improve the quality of life in downtown and surrounding neighborhoods. Key priorities of the plan are to double the downtown population to 40,000 by 2040 and to increase the number of downtown housing units by 15,000 units at average rate of 5% per year, with at least 20% of all downtown housing units being affordable units by 2040.

The District will also result in the development of underutilized property for appropriate residential and commercial use, increase the density and diversity of housing options in downtown, support past and future investment in the neighborhood through the redevelopment of a property that is currently vacant and underutilized, retain employment opportunities in the City, 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**

<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	Proposed Improvements & Uses
Map 3	Structure Condition
Map 4	Existing Zoning
Map 5	Overlapping TID #48 (Park East III) and TID #84 (W McKinley and W Juneau)

## Exhibit 1

### Boundary Description

**PARCEL A (1244 N VEL R PHILLIPS):** Lot 1, in Block 4, and part of vacated alleys adjacent, in Park East on the West Side of the Milwaukee River, being a division of part of Lots 6 and 7 and Lots 10 thru 13 and all of Lots 1 thru 5 and Lots 8, 9, 14, 15 and 16 in Block 37, also all of Lots 1 thru 16 in Block 38, also part of Lot 13 and all of Lots 1 thru 12 and Lots 14 and 15 in Block 39, also part of Lot 5 and all of Lots 6 thru 10 in Block 40, also part of Lots 1 thru 14 in Block 129 and vacated alleys and streets adjacent in Plat of the Town of Milwaukee on the West Side of the River, also part of Lots 1 thru 13 and Lot 39 and all of Lots 14 thru 38 in Block 131 and vacated alleys adjacent in Plat of Block 131 and Lands in the Southwest 1/4 of the Southeast 1/4 and the Southeast 1/4 of the Southwest 1/4 of Section 20, and the Northwest 1/4 of the Northeast 1/4 of Section 29, all in Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

**PARCEL B (1245 N MARTIN LUTHER KING JR):** Lot 2, in Block 4, and part of vacated alleys adjacent, in Park East on the West Side of the Milwaukee River, being a division of part of Lots 6 and 7 and Lots 10 thru 13 and all of Lots 1 thru 5 and Lots 8, 9, 14, 15 and 16 in Block 37, also all of Lots 1 thru 16 in Block 38, also part of Lot 13 and all of Lots 1 thru 12 and Lots 14 and 15 in Block 39, also part of Lot 5 and all of Lots 6 thru 10 in Block 40, also part of Lots 1 thru 14 in Block 129 and vacated alleys and streets adjacent in Plat of the Town of Milwaukee on the West Side of the River, also part of Lots 1 thru 13 and Lot 39 and all of Lots 14 thru 38 in Block 131 and vacated alleys adjacent in Plat of Block 131 and Lands in the Southwest 1/4 of the Southeast 1/4 and the Southeast 1/4 of the Southwest 1/4 of Section 20, and the Northwest 1/4 of the Northeast 1/4 of Section 29, all in Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

**PARCEL C (1225 N MARTIN LUTHER KING JR):** Lot 3, in Block 4, and part of vacated alleys adjacent, in Park East on the West Side of the Milwaukee River, being a division of part of Lots 6 and 7 and Lots 10 thru 13 and all of Lots 1 thru 5 and Lots 8, 9, 14, 15 and 16 in Block 37, also all of Lots 1 thru 16 in Block 38, also part of Lot 13 and all of Lots 1 thru 12 and Lots 14 and 15 in Block 39, also part of Lot 5 and all of Lots 6 thru 10 in Block 40, also part of Lots 1 thru 14 in Block 129 and vacated alleys and streets adjacent in Plat of the Town of Milwaukee on the West Side of the River, also part of Lots 1 thru 13 and Lot 39 and all of Lots 14 thru 38 in Block 131 and vacated alleys adjacent in Plat of Block 131 and Lands in the Southwest 1/4 of the Southeast 1/4 and the Southeast 1/4 of the Southwest 1/4 of Section 20, and the Northwest 1/4 of the Northeast 1/4 of Section 29, all in Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

**PARCEL D (1224 N VEL R PHILLIPS):** Lot 4, in Block 4, and part of vacated alleys adjacent, in Park East on the West Side of the Milwaukee River, being a division of part of Lots 6 and 7 and Lots 10 thru 13 and all of Lots 1 thru 5 and Lots 8, 9, 14, 15 and 16 in Block 37, also all of Lots 1 thru 16 in Block 38, also part of Lot 13 and all of Lots 1 thru 12 and Lots 14 and 15 in Block 39, also part of Lot 5 and all of Lots 6 thru 10 in Block 40, also part of Lots 1 thru 14 in Block 129 and vacated alleys and streets adjacent in Plat of the Town of Milwaukee on the West Side of the River, also part of Lots 1 thru 13 and Lot 39 and all of Lots 14 thru 38 in Block 131 and vacated alleys adjacent in Plat of Block 131 and Lands in the Southwest 1/4 of the Southeast 1/4 and the Southeast 1/4 of the Southwest 1/4 of Section 20, and the Northwest 1/4 of the Northeast 1/4 of Section 29, all in Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

**PARCEL E (300 W JUNEAU):** Lots 13 and 16, in Block 39 and vacated alleys and streets adjacent in the Plat of the Town of Milwaukee on the West Side of the River in the Southeast 1/4 of Section 20, and the Northwest 1/4 of the Northeast 1/4 of Section 29, all in Town 7 North, Range 22 East, in the City of Milwaukee, County of Milwaukee, State of Wisconsin.

## 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. Note: all parcels are currently tax exempt.

<b>Tax Key</b>	<b>Owner Name</b>	<b>Land Assessment</b>	<b>Improvement Assessment</b>	<b>Total Assessment</b>	<b>Lot SF</b>	<b>In Need of Rehabilitation or Conservation Work</b>
3620471100	Milwaukee County	\$0	\$0	\$0	28,622	28,622
3620470100	Milwaukee County	\$0	\$0	\$0	21,809	21,809
3610409110	RACM	\$0	\$0	\$0	8,391	8,391
3620469100	Milwaukee County	\$0	\$0	\$0	14,862	14,862
3620468100	Milwaukee County	\$0	\$0	\$0	21,251	21,251
				<b>Total:</b>	94,935	94,935
					<b>Total Percentage:</b>	100%

### Exhibit 3

#### TERM SHEET Field House Flats TID No. 126

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 Field House Flats project (the “Project”) involves the construction of a new mixed-use building which will include residential and commercial uses in the Deer District located in downtown Milwaukee. The Project site is comprised of five parcels totaling approximately 94,935 square feet, or 2.17 acres, and is bounded by West Juneau Avenue, West McKinley Avenue, North Vel R. Phillips Avenue and North Doctor Martin Luther King, Jr. Drive (collectively, the “Property”). In order to complete the Project, Developer will have to acquire title to all 5 parcels that make up the Project site. Four of the parcels are currently owned by Milwaukee County. One of the five parcels, with an address of 300 West Juneau Avenue, and is owned by RACM (the “RACM Parcel”). Pursuant to Section 3.3.A of a Cooperation, Contribution and Development Agreement between City, RACM and Deer District LLC (the “Bucks Agreement”), RACM is required to convey the RACM Parcel to Deer District LLC or its affiliate at no cost, other than closing costs, by quit claim deed within 30 days after the date that Milwaukee County conveys its parcels to Deer District LLC or its affiliate. Developer is shall be responsible for obtaining ownership of all 5 parcels that make up the Project site.

The Project will involve the construction of an affordable housing development containing 269 residential rental units with rents ranging from 50%-80% AMI. See **Attachment 1** for the specific unit set asides and targeted income levels. The Project will have a mix of studios, one-bedroom, and two-bedroom units.

Also, the Project will contain approximately 40,000 square feet of ground floor commercial space including a 27,000 square foot athletic facility and field house for students at the Milwaukee Area Technical College. Finally, a publicly accessible plaza (the “Plaza”) will be constructed including an ice-skating rink.

The Project is consistent with *Connecting MKE – Downtown Plan 2040*, the City of Milwaukee’s area plan for downtown, which includes goals to increase the supply of housing,

provide housing choices for all income levels, provide a range of housing opportunities to meet the needs of a diverse population, and improve the quality of life in downtown and surrounding neighborhoods. Key priorities of the plan are to, by 2040, double the downtown population to 40,000, increase the number of downtown housing units by 15,000 units at an average rate of 5% per year, and increase the number of affordable units with at least 20% of all downtown housing units being affordable units.

The Project is consistent with existing zoning, which is an approved Detailed Planned Development.

### **Development Team**

The Project is being developed by J. Jeffers & Company (the “Developer”). The Developer has been involved in various projects in the City of Milwaukee including the Milwaukee Athletic Club, Huron Building, Mackie Flats, Mitchell Building, Historic Garfield Apartments, The Griot, American Block Holocaust Museum, and Journal Commons. Developer has worked with the City of Milwaukee to utilize tax increment financing on multiple projects in the past.

### **Project Budget:**

Total Project costs for the development are estimated at approximately \$115,536,000. In addition to TID No. 126 funding, the financing structure includes a first mortgage by Freddie Mac, LIHTC equity, developer equity, and a TIA loan.

Estimated total project sources include:

First Mortgage (Freddie MAC)	\$ 48,395,422
4% Fed LIHTC Equity	\$ 41,560,195
Equity	\$ 5,310,611
Deferred Developer Fee	\$ 10,000,000
MATC TIA Loan	\$ 3,500,000
<b>City Tax Incremental Financing</b>	<b><u>\$ 6,770,000</u></b>
Total	\$115,536,228

### **Development Schedule**

Developer shall commence construction of the Project on or before December 31, 2025, and substantially complete the Project by December 31, 2027.

### **Tax Incremental District**

The City intends to create Tax Incremental District No. 126 (“TID No. 126”) to assist in funding a portion of the costs of the Project as set forth in the Project Plan. The Property is currently in Tax Incremental District No. 84 and will be removed from that TID when TID No. 126 is created, which will require an amendment to the Bucks Agreement to remove the Property from

the terms of that agreement. Everything in this Term Sheet is conditioned upon Deer District LLC agreeing to such amendment to the Bucks Agreement.

### **TID Funding & the Conditional Monetary Obligation**

RACM will provide the Developer with a grant funded by a limited and conditional monetary obligation of the City (the “Monetary Obligation”), in an amount not to exceed \$6,770,000 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 up to \$6,770,000 (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 6%<sup>1</sup> in addition to the Grant.

After creation of TID No. 126 and determination of the base value of TID No. 126, City will deposit 100% of future tax revenue based on the incremental value of the property within TID No. 126 actually received by City from TID No. 126, less Annual Expenses<sup>2</sup>, into a special fund established for TID No. 126 (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 1<sup>st</sup> of each year, provided the Developer has paid its property tax bill in full prior to January 31<sup>st</sup> each year and there is sufficient Incremental Revenue to fund the Grant payment.

The Monetary Obligation, 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. 126 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 2041 tax levy, payable in 2042, whichever occurs first.

The Developer shall have the right to 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 shall have a reasonable opportunity to review the applicable assignment documentation and approve any documentation to which it is a signatory.

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<sup>1</sup> The interest rate on the Loan reflects the preliminary interest rate on the Developer’s underlying financing and is subject to change, based on the final closing date on the permanent first mortgage for the Project. In no event, shall the interest rate on the Loan exceed 6.1%. If the final interest rate exceeds 6.0%, the amount of the Monetary Obligation will decrease accordingly.

<sup>2</sup> “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. 126.

### **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 / Claw Back**

If at Substantial Completion, total Project costs submitted to the Commissioner for certification are less than the \$115,536,228 estimated in the 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.

### **Public Easement**

Developer and City shall enter into a public plaza easement for the Plaza to be located on the northeast corner of the Property. Developer shall design, construct, operate, and maintain the Plaza, but will allow access to the Plaza for the general public for pedestrian and recreational uses that are normal and customary for a plaza of similar size in the downtown area. Developer shall retain the right to control any and all commercial use of the Plaza and has the right to close off the Plaza to public access for a limited number of special events annually.

### **Material Disturbance**

If the Developer does not reach Substantial Completion by December 31, 2027, unless caused in substantial part by an event of *Force Majeure*<sup>3</sup> (a "Material Disturbance"), then City shall have the right (but not the obligation) to terminate the Development Agreement, 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

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<sup>3</sup> "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.

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 filing 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.

### **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 the funding).
- Obtain title to the five parcels to be developed as part of the Project, if not already owned and combine them as appropriate for the Project using a certified survey map.
- Guaranty 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 or until termination of TID No. 126, whichever is longer, and comply with the monitoring requirements established as part of the Project financing provided by WHEDA.

### **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.

### **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 for the Property ("PILOT Agreement").

### **Development Agreement:**

Developer, RACM and City shall enter into the Development Agreement, 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 the Development Agreement have been fully discharged, Developer may not, without City consent:

- Merge with another entity;
- Sell, lease or transfer the Property, or any portions of 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	Number of Bedrooms			
	Total Units	Studios	1-bdrm	2-bdrm
50%	88	48	38	2
60%	137	63	72	2
80%	44	13	20	11
Total Units	269	124	130	15

## **Exhibit 4 Economic Feasibility Study**

### **Overview**

The Field House Flats project (the “Project”) involves the new construction of a seven-story mixed-use development in the Downtown neighborhood. The Project will include a total of 269 residential units for households earning between 50-80% of the Area Median Income.

The Project is being developed by J. Jeffers & Company (the “Developer”).

### **Financing Structure**

In addition to the proposed TID contribution of \$6,770,000, each component of the project will have its own distinct funding sources.

Total estimated costs for the Project are approximately \$115.5 million. Funding for the Project includes a first mortgage, 4% Low Income Housing Tax Credits, equity, a TIA loan, and deferred developer fee.

### **Current Property Value**

The property in the district consists of 5 parcels with a total assessed value of \$0 which is the current base value of the District.

### **Projected Completed Value**

The projected value of the Project upon completion is \$33,817,576. Construction completion is anticipated by late 2027.

### **Other Assumptions**

- Tax Rate: 2.2216%
- Interest Rate on Payments to Developer: 6%.
- Maximum Term of Payments: 18 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 \$6,770,000 of costs, plus 6% interest, through future incremental revenue.

As shown in the projections on Table 1, forecasted tax incremental revenues are sufficient for the Developer to recover the proposed TID amount of \$6,770,000 plus interest in tax levy year 2043 (budget year 2044).

**Table 1**

<b>TID Feasibility - Developer Financed</b>								
<b>5-Aug-25</b>								
No.	Assessment Year	Budget Year	Base Value	Projected Value	TID Incremental Value	Increment	Admin Costs	Net Increment
1	2024	2025	-	-	-	-	-	-
2	2025	2026	-	-	-	-	-	-
3	2026	2027	-	8,454,394	8,454,394	187,820	(7,500)	180,320
4	2027	2028	-	25,363,182	25,363,182	563,459	(7,500)	555,959
5	2028	2029	-	33,817,576	33,817,576	751,278	(7,500)	743,778
6	2029	2030	-	34,155,752	34,155,752	758,791	(7,500)	751,291
7	2030	2031	-	34,497,309	34,497,309	766,379	(7,500)	758,879
8	2031	2032	-	34,842,282	34,842,282	774,043	(7,500)	766,543
9	2032	2033	-	35,190,705	35,190,705	781,783	(7,500)	774,283
10	2033	2034	-	35,542,612	35,542,612	789,601	(7,500)	782,101
11	2034	2035	-	35,898,038	35,898,038	797,497	(7,500)	789,997
12	2035	2036	-	36,257,019	36,257,019	805,472	(7,500)	797,972
13	2036	2037	-	36,619,589	36,619,589	813,527	(7,500)	806,027
14	2037	2038	-	36,985,785	36,985,785	821,662	(7,500)	814,162
15	2038	2039	-	37,355,643	37,355,643	829,879	(7,500)	822,379
16	2039	2040	-	37,729,199	37,729,199	838,177	(7,500)	830,677
17	2040	2041	-	38,106,491	38,106,491	846,559	(7,500)	839,059
18	2041	2042	-	38,487,556	38,487,556	855,025	(7,500)	847,525
						11,980,951	(120,000)	11,860,951
Annual appreciation		1.00%						
Discount Rate		6.00%						
Base Value		-						
Projected Value		33,817,576						
Property Tax rate		2.2215615%						
Developer Financed Costs		6,770,000						

**Exhibit 5**

**Property Owners**

<b>Property Address</b>	<b>Tax Key</b>	<b>Owner Name</b>
1224 N Vel R Phillips Ave	<b>3620471100</b>	<b>Milwaukee County</b>
1225 N Martin L King Jr Dr	<b>3620470100</b>	<b>Milwaukee County</b>
300 W Juneau Ave	<b>3610409110</b>	<b>RACM</b>
1245 N Martin L King Jr Dr	<b>3620469100</b>	<b>Milwaukee County</b>
1244 N Vel R Phillips Ave	<b>3620468100</b>	<b>Milwaukee County</b>

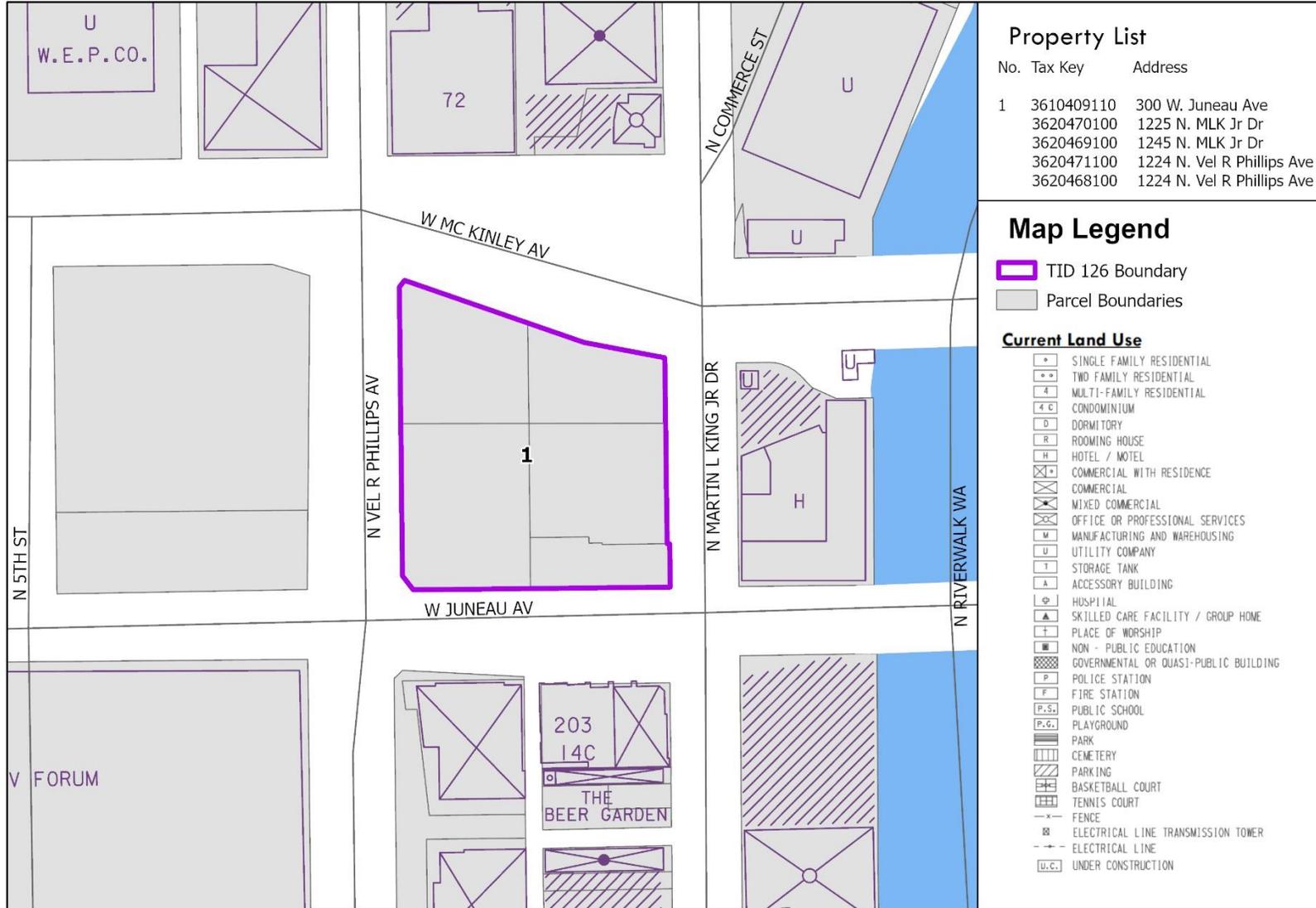
**Exhibit 6**

**City Attorney Letter**

# Map 1 Boundary and Existing Land Use

## TID 126, Map 1: Field House Flats Boundary and Existing Land Use

Prepared by the Department of City Development Planning Division, 6/20/2025. Source: DCD Planning Division; Information Technology / Management Division



### Property List

No.	Tax Key	Address
1	3610409110	300 W. Juneau Ave
	3620470100	1225 N. MLK Jr Dr
	3620469100	1245 N. MLK Jr Dr
	3620471100	1224 N. Vel R Phillips Ave
	3620468100	1224 N. Vel R Phillips Ave

### Map Legend

- TID 126 Boundary
- Parcel Boundaries

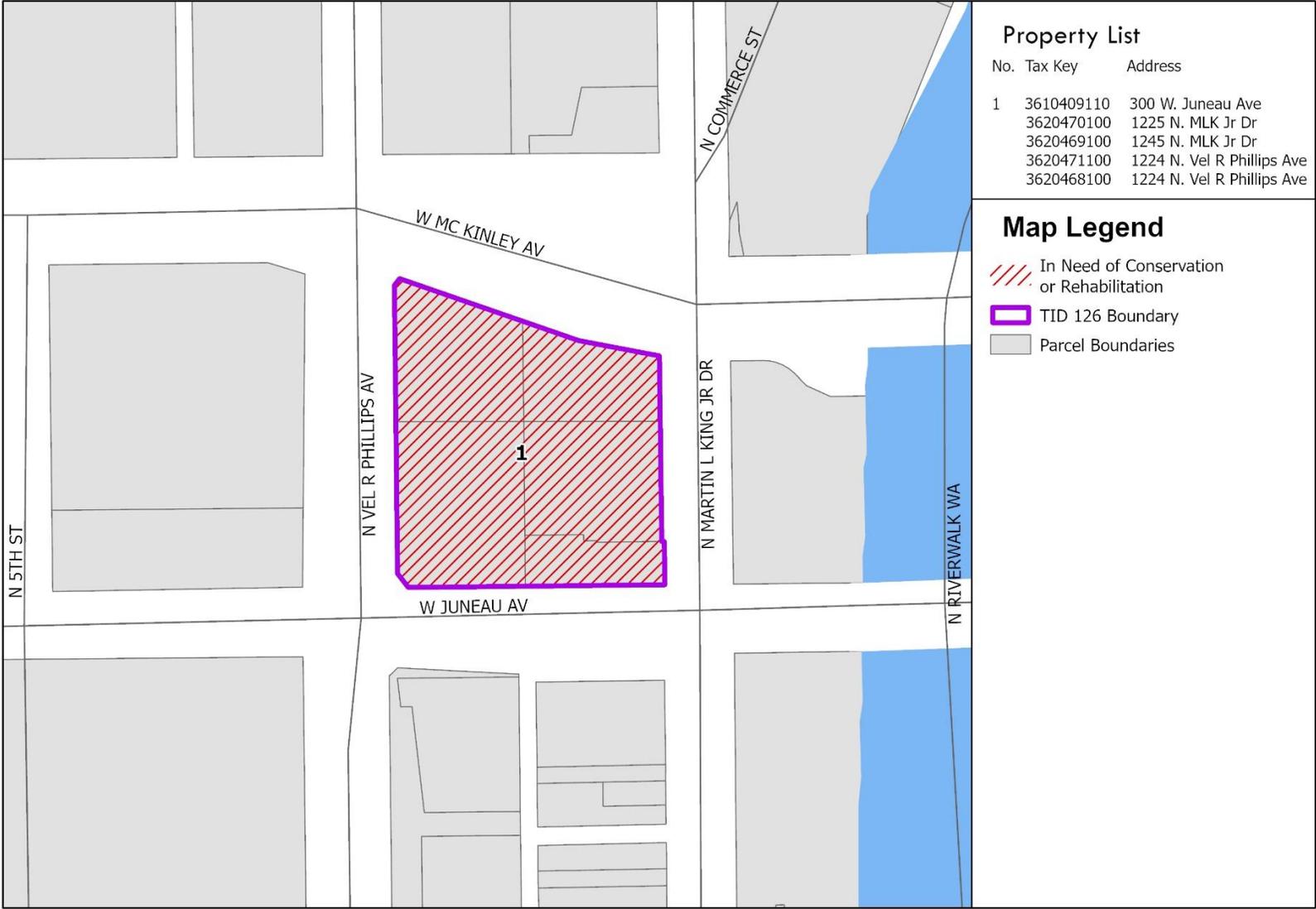
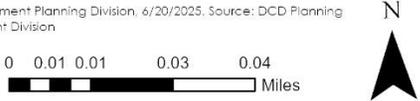
### Current Land Use

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

# Map 2 Structure Condition

## TID 126, Map 2: Field House Flats Structure Condition

Prepared by the Department of City Development Planning Division, 6/20/2025. Source: DCD Planning Division; Information Technology Management Division



### Property List

No.	Tax Key	Address
1	3610409110	300 W. Juneau Ave
	3620470100	1225 N. MLK Jr Dr
	3620469100	1245 N. MLK Jr Dr
	3620471100	1224 N. Vel R Phillips Ave
	3620468100	1224 N. Vel R Phillips Ave

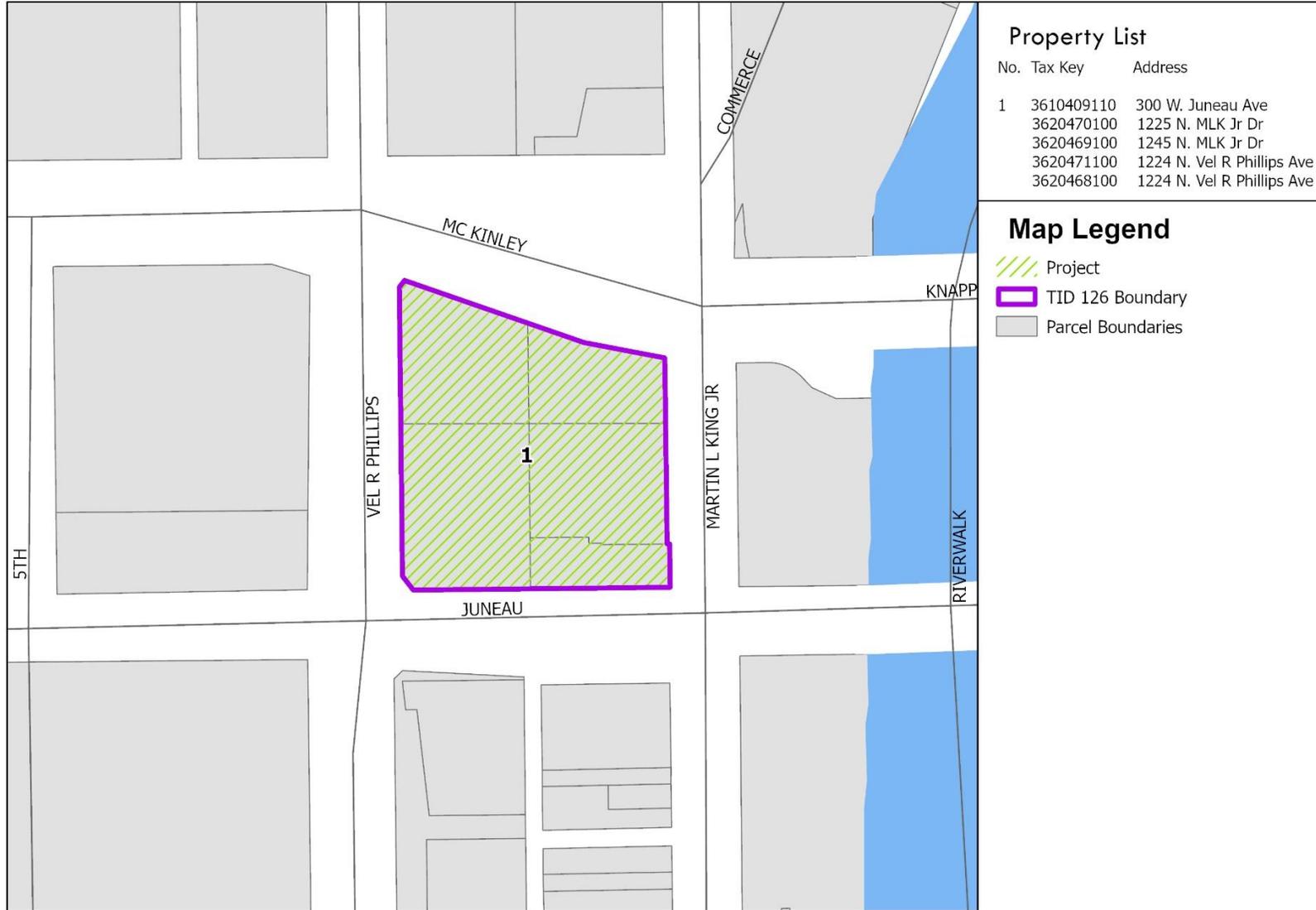
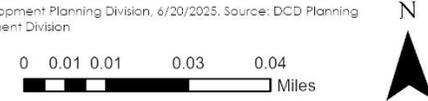
### Map Legend

- In Need of Conservation or Rehabilitation
- TID 126 Boundary
- Parcel Boundaries

# Map 3 Proposed Improvements & Uses

## TID 126, Map 3: Field House Flats Proposed Uses and Improvements

Prepared by the Department of City Development Planning Division, 6/20/2025. Source: DCD Planning Division; Information Technology Management Division



### Property List

No.	Tax Key	Address
1	3610409110	300 W. Juneau Ave
	3620470100	1225 N. MLK Jr Dr
	3620469100	1245 N. MLK Jr Dr
	3620471100	1224 N. Vel R Phillips Ave
	3620468100	1224 N. Vel R Phillips Ave

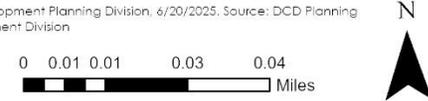
### Map Legend

-  Project
-  TID 126 Boundary
-  Parcel Boundaries

# Map 4 Existing Zoning

## TID 126, Map 4: Field House Flats Current Zoning

Prepared by the Department of City Development Planning Division, 6/20/2025. Source: DCD Planning Division; Information Technology / Management Division



### Property List

No.	Tax Key	Address
1	3610409110	300 W. Juneau Ave
	3620470100	1225 N. MLK Jr Dr
	3620469100	1245 N. MLK Jr Dr
	3620471100	1224 N. Vel R Phillips Ave
	3620468100	1224 N. Vel R Phillips Ave

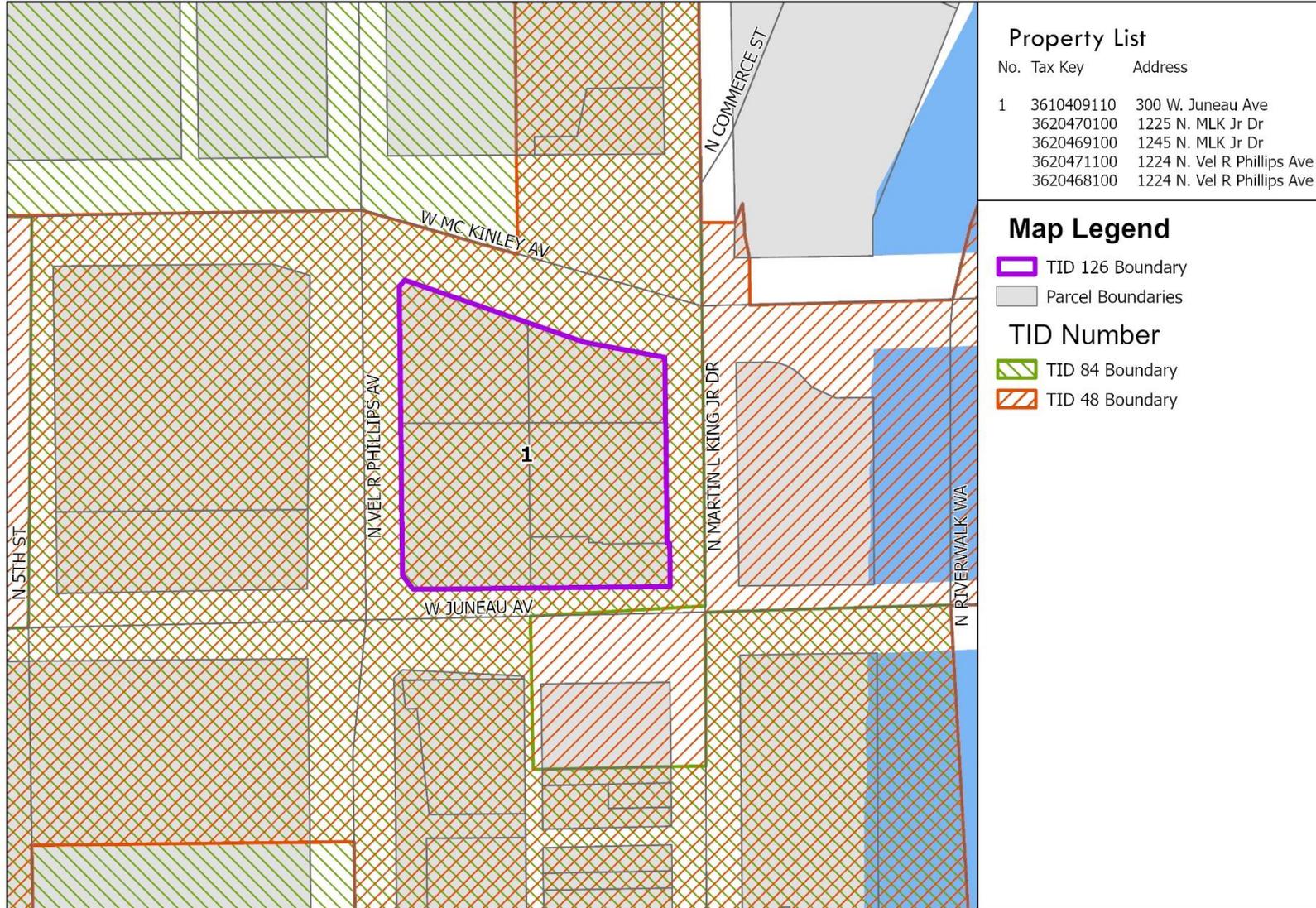
### Map Legend

- TID 126 Boundary
- Zoning Type**
- Central Business District - Warehousing and Light Manufacturing
- Industrial - Light
- Industrial - Mixed
- Special - Planned Development
- Special - Redevelopment District

# Map 5 Boundaries and Overlap

## TID 126, Map 5: Field House Flats Boundaries and Overlap

Prepared by the Department of City Development Planning Division, 6/20/2025. Source: DCD Planning Division; Information Technology Management Division



### Property List

No.	Tax Key	Address
1	3610409110	300 W. Juneau Ave
	3620470100	1225 N. MLK Jr Dr
	3620469100	1245 N. MLK Jr Dr
	3620471100	1224 N. Vel R Phillips Ave
	3620468100	1224 N. Vel R Phillips Ave

### Map Legend

-  TID 126 Boundary
-  Parcel Boundaries
- TID Number**
-  TID 84 Boundary
-  TID 48 Boundary