

TERM SHEET  
Movin' Out Maritime Flats Manitowoc, LLC  
900 South 16<sup>th</sup> Street

*The terms and conditions described in this agreement are part of a related development agreement between the parties, each element of which is consideration for the other elements and an integral aspect of the proposed agreements (defined below). This Term Sheet does not constitute an offer or a legally binding obligation of any party, or any other party in interest, nor does it constitute an offer of securities. The transactions contemplated by the Term Sheet are subject to conditions to be set forth in a definitive agreement, including without limitation a development agreement and other supporting documentation. Until publicly disclosed by the parties, this Term Sheet is strictly confidential and may not be shared by any party without the prior written consent of all parties unless otherwise required by Wisconsin law.*

1. Property Description
  - a. South Half of Tax Parcel 000-246-000
  - b. 2022 Total Assessed Value: \$0
  
2. Potential Parties:
  - a. Movin' Out Maritime Flats Manitowoc, LLC and/or their assigns (Developer)
  - b. City of Manitowoc (City)
  
3. Development Description:
  - a. Construction of a new 4 story apartment building with 59 dwelling units ranging from 1 to 3 bedrooms. Other amenities would include on-site parking, community room, and fitness center
  - b. The total project cost is estimated at just over \$14,000,000
  - c. Projected assessed value is \$1,800,000
  
4. Development Timetable:
  - a. Construction from Fall 2024 – Fall of 2025 (estimated)
  
5. City Assistance (subject to all required approvals and documentation):
  - a. Tax Incremental Financing
    - i. Up to a \$600,000 (33.3%) pay-go cash grant based upon assessed value increase of at least \$1,800,000 upon project stabilization (estimated at the end of 2025).
    - ii. Pay-go cash grant of up to \$600,000 payable starting in 2027.
    - iii. Uses of funds to include public or private utility or other infrastructure improvements, building construction, site preparation, architectural or engineering design fees, or other eligible building improvement related costs.
  - b. Affordable Housing and EPA Loan
    - i. A loan in the amount of \$1,391,000 directly to the project.
    - ii. The loan terms are: 20-year loan at 0% fixed rate interest with payments deferred 20 years, with the collateral being the development property.
    - iii. Acceptance of the loan is subject to receiving a WHEDA tax credit award.
    - iv. Repayment shall be revisited if actual cash flow exceeds \$60k in a consecutive two-year period after development completion.

- c. Sale of Property
  - i. Sale of 1.86 acres of property generally bounded by Washington Street on the South, 15<sup>th</sup> Street South on the East and 16<sup>th</sup> Street South on the West at a cost of \$1.
  - ii. Authorize staff to work with the developer on the sale of the property.
  - iii. Developer shall commence construction within 1 year from the date of the sale of the property.

6. Other Development Items:

- a. The City will continue to work towards closure on the site from the WDNR.
- b. The City will apply for an EPA Cleanup Grant to support cleanup and site preparation of the site.

7. Following Common Council authorization of this term sheet, a development agreement consistent with the terms and conditions herein shall be executed by the Mayor and Clerk subject to technical, legal changes.

**City of Manitowoc**

**Movin' Out Maritime Flats Manitowoc, LLC**

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Justin M. Nickels, Mayor

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David Juniel, Principal

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Mackenzie Reed, Clerk

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Date

\_\_\_\_\_  
Date