

TERM SHEET
The Row at River Point
1101 River Point Drive

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. Tax Parcels 000-170-010 and 000-148-010
 - b. 1.4 acres
 - c. 2026 Total Assessed Value: \$0
2. Potential Parties:
 - a. Row, Row, Row, LLC (Radue Homes) or their assigns (Developer)
 - b. City of Manitowoc (City)
3. Development Description:
 - a. Construction of a new approximately 1,500 square foot restaurant/retail space and five, 4-unit residential side by side duplex homes ranging from 3 to 4 bedrooms.
 - b. The total project construction cost is estimated at \$13,500,000
 - c. Projected assessed value range is \$12,000,000 to \$12,500,000
4. Development Timetable:
 - a. Construction from Fall/Winter of 2026 – Fall/Winter of 2028 (estimated and subject to demand for the units)
5. City Assistance (subject to all required approvals and documentation):
 - a. Tax Incremental Financing
 - i. An estimated \$2,200,000 (18%) pay-go cash grant based upon assessed value increase of at least \$12,000,000 upon project completion (estimated at the end of 2028).
 - ii. Pay-go cash grant of up to \$2,200,000 payable at a rate of 65% of increment created per year with an expected payback by the end of the district and payments starting in 2029. Yearly payments are adjusted based upon increment created in each year.
 - 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. Sale of Property
 - i. Sale of parcel 000-170-010 and 000-148-010 encompassing 1.4 acres of property at a cost of \$56,000 (\$40,000 per acre).

- ii. In the event the project is not completed, the City shall have the option to purchase the undeveloped portion of the property back at \$40,000 per acre with the developer paying all closing costs.
- iii. Authorize staff to work with the developer on the sale of the property.
- iv. 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. If requested the City will work with the developer on options on allowing docking along the adjacent portions of the river.

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 and legal changes.

City of Manitowoc

Row, Row, Row, LLC

Justin M. Nickels, Mayor

Ryan Radue

Mackenzie Reed, Clerk

Steve Schenian

Date

Date