

TERM SHEET
SETZER PROPERTIES ZGBY LLC
2434 SOUTH 39TH STREET

The terms and conditions described herein shall be incorporated into 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 Parcel 052-836-303-010 (36.16 acres)
 - b. 2022 Total Assessed Value: \$19,300
2. Potential Parties:
 - a. Setzer Properties ZGBY LLC and/or their designee (Developer)
 - b. City of Manitowoc (City)
3. Development Description:
 - a. Initial construction of an 218,000 square foot distribution center as shown on the attached concept plan.
 - b. Construction cost of the initial phase of the facility is estimated at \$45,000,000.
 - c. Estimated employment at the facility is 200 jobs. The positions will have wages ranging from \$35,000 to \$95,000 per year.
 - d. Projected increase in assessed value upon completion of the project is estimated to be \$21,000,000.
4. Development Timetable:
 - a. Construction is projected to start with site preparation in the summer/fall of 2022 and completion in summer/fall of 2023.
5. City Assistance (subject to all required approvals and documentation):
 - a. Tax Incremental Financing
 - i. A \$537,746 (2.5%) TIF Incentive based upon assessed value increase of \$21,000,000 upon project completion.
 - ii. The \$537,746 in pay-go incentive structured in 5 payments of approximately \$107,500 per year being refunded to the developer starting in 2025.
 - 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.
6. 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

Setzer Properties ZGBY, LLC

Justin M. Nickels, Mayor

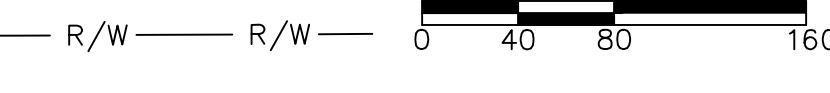
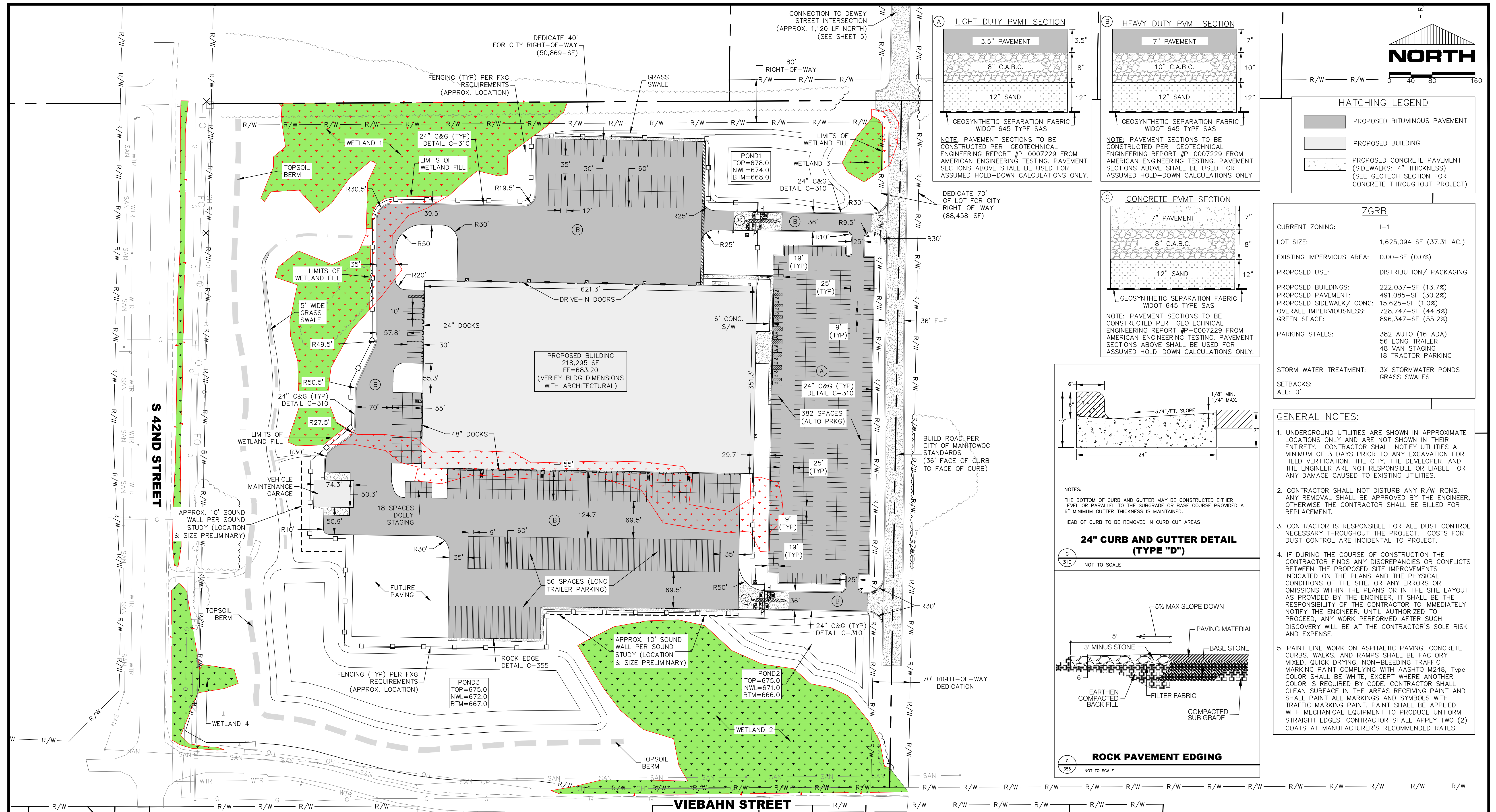
Brett Setzer, Co-President

Mackenzie Reed, Clerk

Date

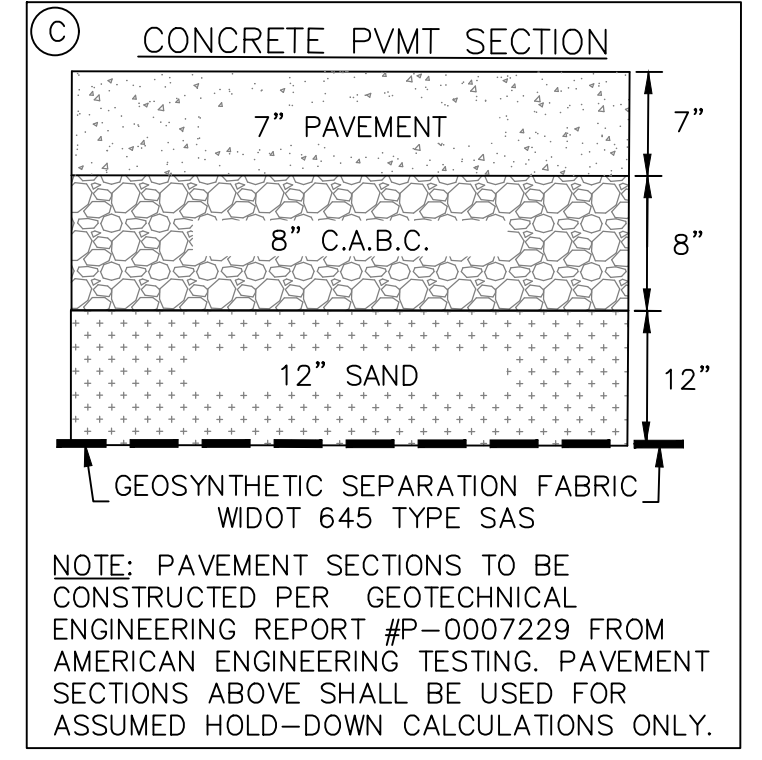
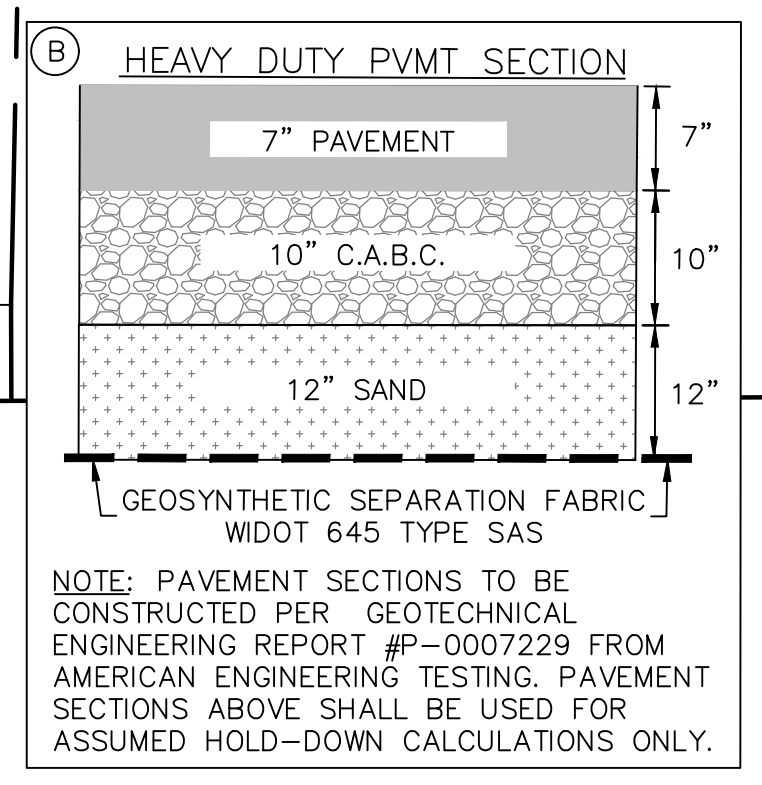
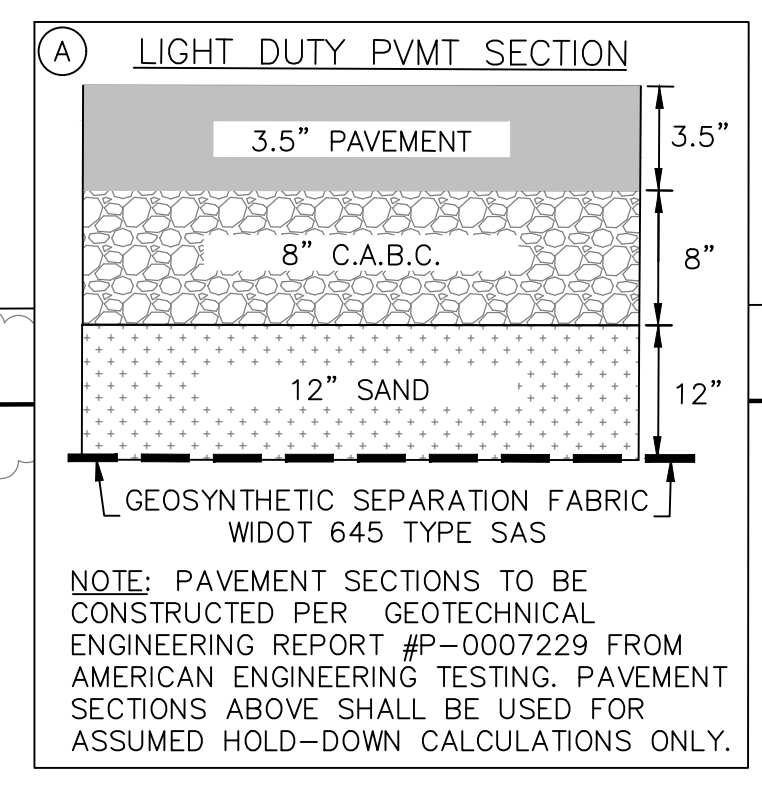
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DRAFT



HATCHING LEGEND

- PROPOSED BITUMINOUS PAVEMENT
- PROPOSED BUILDING
- PROPOSED CONCRETE PAVEMENT (SIDEWALKS: 4" THICKNESS) (SEE GEOTECH SECTION FOR CONCRETE THROUGHOUT PROJECT)



ZGRB

CURRENT ZONING: I-1

LOT SIZE: 1,625,094 SF (37.31 AC.)

EXISTING IMPERVIOUS AREA: 0.00-SF (0.0%)

PROPOSED USE: DISTRIBUTION/ PACKAGING

PROPOSED BUILDINGS: 222,037-SF (13.7%)

PROPOSED PAVEMENT: 491,085-SF (30.2%)

PROPOSED SIDEWALK/ CONC: 15,625-SF (1.0%)

OVERALL IMPERVIOUSNESS: 728,747-SF (44.8%)

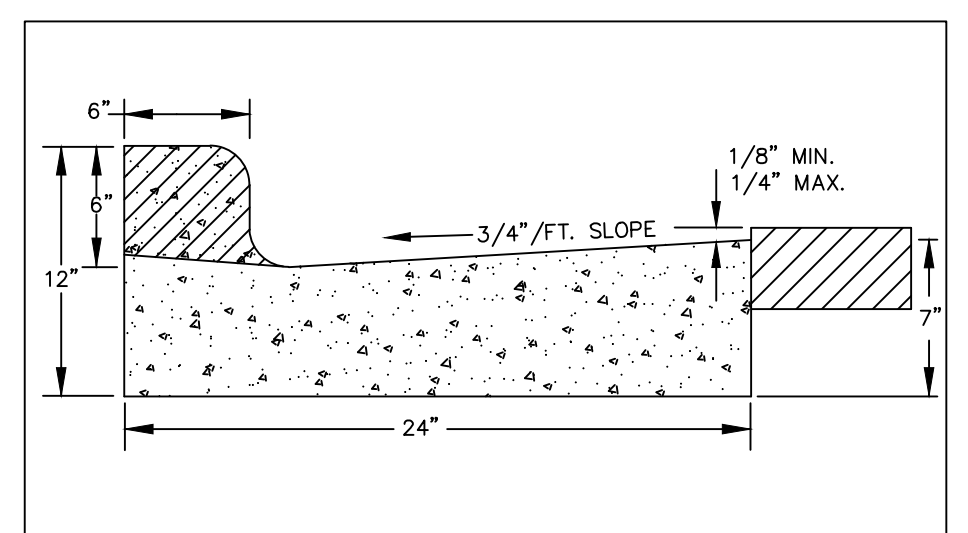
GREEN SPACE: 896,347-SF (55.2%)

PARKING STALLS:

- 382 AUTO (16 ADA)
- 56 LONG TRAILER
- 48 VAN STAGING
- 18 TRACTOR PARKING

STORM WATER TREATMENT: 3X STORMWATER PONDS GRASS SWALES

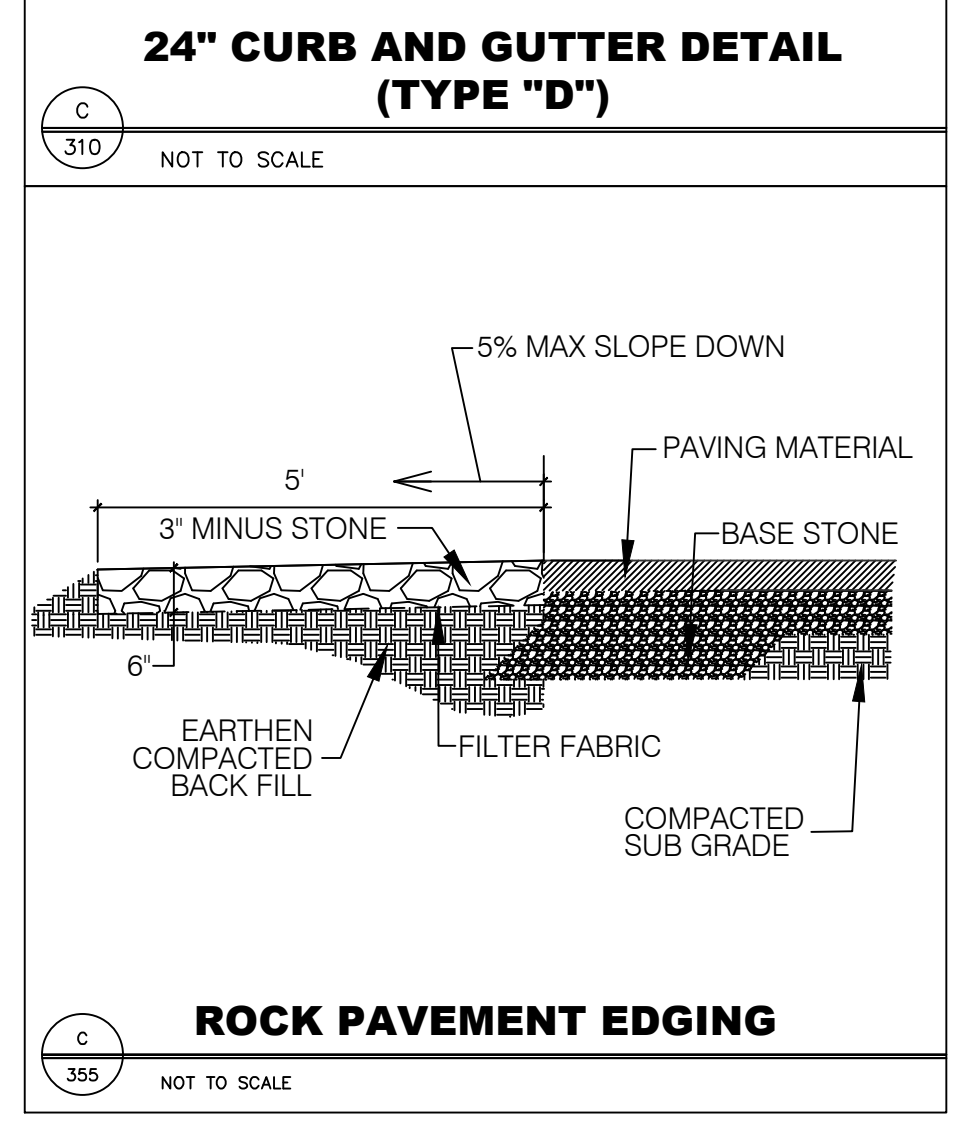
SETBACKS: ALL: 0'



NOTES:

THE BOTTOM OF CURB AND GUTTER MAY BE CONSTRUCTED EITHER LEVEL OR PARALLEL TO THE SUBGRADE OR BASE COURSE PROVIDED A 6" MINIMUM GUTTER THICKNESS IS MAINTAINED.

HEAD OF CURB TO BE REMOVED IN CURB CUT AREAS



- GENERAL NOTES:**
- UNDERGROUND UTILITIES ARE SHOWN IN APPROXIMATE LOCATIONS ONLY AND ARE NOT SHOWN IN THEIR ENTIRETY. CONTRACTOR SHALL NOTIFY UTILITIES A MINIMUM OF 3 DAYS PRIOR TO ANY EXCAVATION FOR FIELD VERIFICATION. THE CITY, THE DEVELOPER, AND THE ENGINEER ARE NOT RESPONSIBLE OR LIABLE FOR ANY DAMAGE CAUSED TO EXISTING UTILITIES.
 - CONTRACTOR SHALL NOT DISTURB ANY R/W IRONS. ANY REMOVAL SHALL BE APPROVED BY THE ENGINEER, OTHERWISE THE CONTRACTOR SHALL BE BILLED FOR REPLACEMENT.
 - CONTRACTOR IS RESPONSIBLE FOR ALL DUST CONTROL NECESSARY THROUGHOUT THE PROJECT. COSTS FOR DUST CONTROL ARE INCIDENTAL TO PROJECT.
 - IF DURING THE COURSE OF CONSTRUCTION THE CONTRACTOR FINDS ANY DISCREPANCIES OR CONFLICTS BETWEEN THE PROPOSED SITE IMPROVEMENTS INDICATED ON THE PLANS AND THE PHYSICAL CONDITIONS OF THE SITE, OR ANY ERRORS OR OMISSIONS WITHIN THE PLANS OR IN THE SITE LAYOUT AS PROVIDED BY THE ENGINEER, IT SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR TO IMMEDIATELY NOTIFY THE ENGINEER. UNTIL AUTHORIZED TO PROCEED, ANY WORK PERFORMED AFTER SUCH DISCOVERY WILL BE AT THE CONTRACTOR'S SOLE RISK AND EXPENSE.
 - PAINT LINE WORK ON ASPHALTIC PAVING, CONCRETE CURBS, WALKS, AND RAMPS SHALL BE FACTORY MIXED, QUICK DRYING, NON-BLEEDING TRAFFIC MARKING PAINT COMPLYING WITH AASHTO M248, Type COLOR SHALL BE WHITE, EXCEPT WHERE ANOTHER COLOR IS REQUIRED BY CODE. CONTRACTOR SHALL CLEAN SURFACE IN THE AREAS RECEIVING PAINT AND SHALL PAINT ALL MARKINGS AND SYMBOLS WITH TRAFFIC MARKING PAINT. PAINT SHALL BE APPLIED WITH MECHANICAL EQUIPMENT TO PRODUCE UNIFORM STRAIGHT EDGES. CONTRACTOR SHALL APPLY TWO (2) COATS AT MANUFACTURER'S RECOMMENDED RATES.

PRICING SET

SETZER PROPERTIES
354 WALLER AVENUE,
SUITE 200
LEXINGTON, KY 40504



NO.	DATE	REVISIONS	DRAFTED BY	DESIGN BY	CHECKED

PROJ. NO. 21059

AEC

ADVANCED ENGINEERING CONCEPTS
1360 INTERNATIONAL DR, SUITE #1
EAU CLAIRE, WI 54701
PH: 715-552-0330
info@aec.engineering
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PRELIMINARY SITE PLAN

ZGRB SETZER PROPERTIES S 42ND & VIEBAHN ST. MANITOWOC, WI 54220	DWG NAME 21059 PG2 SITE PLAN	2
DATE 12/2021		5

City of Manitowoc

Tax Increment Financing District 23

Cash Flow Proforma Analysis

TID #23 PROJECT FedEx - \$537,746 on \$21M

Assumptions	
Annual Inflation During Life of TID.....	0.00%
Annual Deflation of Tax Rate During Life of TID.....	0.50%
2023 Net Tax Rate (per \$1000 equal. value).....	\$19.80
Amount of Bond Issue.....	\$ -
Interest Rate on Bonds.....	0.00%
Amortization of Bonds Issue (in years).....	12

Example New Issue
Amount of New Borrowing:
\$0

Background Data						Revenues	Expenditures			PAYGO	TID Status			
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)		(K)	(L)	(M)	(M)
Val. Date	TIF District Valuation	Inflation Increment	Construction Increment	TIF Increment Over Base	Tax Rate	Tax Revenue	Principal	Interest	TID Incentive Total	Annual Contribution	Annual Balance	Year End Cumulative Balance	Remaining Principal Balance	Cost Recovery
<i>(January 1)</i>														
2022	\$0													
2023	\$0		\$21,157,900	\$21,157,900	\$19.70	\$0						\$0		
2024	\$21,157,900	\$0	\$0	\$21,157,900	\$19.60	\$0						\$0		
2025	\$21,157,900	\$0	\$0	\$21,157,900	\$19.50	\$414,722			\$0	107,500	\$307,222	\$307,222		Expenditures Recovered
2026	\$21,157,900	\$0	\$0	\$21,157,900	\$19.41	\$412,649			\$0	107,500	\$305,149	\$612,371		Expenditures Recovered
2027	\$21,157,900	\$0	\$0	\$21,157,900	\$19.31	\$410,586	\$0		\$0	107,500	\$303,086	\$915,457		Expenditures Recovered
2028	\$21,157,900	\$0	\$0	\$21,157,900	\$19.21	\$408,533	\$0		\$0	107,500	\$301,033	\$1,216,490		Expenditures Recovered
2029	\$21,157,900	\$0	\$0	\$21,157,900	\$19.12	\$406,490	\$0		\$0	107,500	\$298,990	\$1,515,480		Expenditures Recovered
2030	\$21,157,900	\$0	\$0	\$21,157,900	\$19.02	\$404,458	\$0		\$0	107,500	\$404,458	\$1,919,937		Expenditures Recovered
2031	\$21,157,900	\$0	\$0	\$21,157,900	\$18.93	\$402,435	\$0		\$0		\$402,435	\$2,322,373		Expenditures Recovered
2032	\$21,157,900	\$0	\$0	\$21,157,900	\$18.83	\$400,423	\$0		\$0		\$400,423	\$2,722,796		Expenditures Recovered
2033	\$21,157,900	\$0	\$0	\$21,157,900	\$18.74	\$398,421	\$0		\$0		\$398,421	\$3,121,217		Expenditures Recovered
2034	\$21,157,900	\$0	\$0	\$21,157,900	\$18.64	\$396,429	\$0		\$0		\$396,429	\$3,517,646		Expenditures Recovered
2035	\$21,157,900	\$0	\$0	\$21,157,900	\$18.55	\$394,447	\$0		\$0		\$394,447	\$3,912,092		Expenditures Recovered
2036	\$21,157,900	\$0	\$0	\$21,157,900	\$18.46	\$392,475	\$0		\$0		\$392,475	\$4,304,567		Expenditures Recovered
2037	\$21,157,900	\$0	\$0	\$21,157,900	\$18.36	\$390,512	\$0		\$0		\$390,512	\$4,695,079		Expenditures Recovered
2038	\$21,157,900	\$0	\$0	\$21,157,900	\$18.27	\$388,560	\$0		\$0		\$388,560	\$5,083,639		Expenditures Recovered
2039	\$21,157,900	\$0	\$0	\$21,157,900	\$18.18	\$386,617	\$0		\$0		\$386,617	\$5,470,256		Expenditures Recovered
2040	\$21,157,900	\$0	\$0	\$21,157,900	\$18.09	\$384,684	\$0		\$0		\$384,684	\$5,854,939		Expenditures Recovered
2041	\$21,157,900	\$0	\$0	\$21,157,900	\$18.00	\$382,760	\$0		\$0		\$382,760	\$6,237,700		Expenditures Recovered
2042	\$21,157,900	\$0	\$0	\$21,157,900	\$17.91	\$380,846	\$0		\$0		\$380,846	\$6,618,546		Expenditures Recovered
2043	\$21,157,900	\$0	\$0	\$21,157,900	\$17.82	\$378,942	\$0		\$0		\$378,942	\$6,997,488		Expenditures Recovered
2044	\$0	\$0	\$0	\$0	\$17.73	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2045	\$0	\$0	\$0	\$0	\$17.64	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2046	\$0	\$0	\$0	\$0	\$17.55	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2047	\$0	\$0	\$0	\$0	\$17.47	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2048	\$0	\$0	\$0	\$0	\$17.38	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2049	\$0	\$0	\$0	\$0	\$17.29	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2050	\$0	\$0	\$0	\$0	\$17.21	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
2051	\$0	\$0	\$0	\$0	\$17.12	\$0	\$0		\$0		\$0	\$6,997,488		Expenditures Recovered
\$0						\$21,157,900	\$ -			\$ 537,500	92.87%		TIF CLOSED	

- 2022 TID Inception
- 2037 Final year to incur costs
- 2042 Maximum legal life of TID (20 Years)