

Term Sheet

This Term Sheet is entered into as of this XX day of XXXXXX, 2021 by and between **Habitat for Humanity of Waukesha County, Inc.** (Developer) and **City of Waukesha** (City) regarding the development of the approximately 0.81 acres of vacant land located at tax key WAKC 1302 631 on White Rock Ave. in Waukesha, Wisconsin (the Property).

The purpose of this Term Sheet is to set forth the economic terms on which the parties might be willing to enter into an agreement regarding the development of the Property, and this Term Sheet does not identify all matters that may be covered by a written development agreement to be drafted by the parties' respective counsel. The parties acknowledge that no binding agreement can exist without Common Council approval, which has not yet been given, and that this Term Sheet does not in any way create any binding obligations on the parties. It is possible that negotiations will not result in a binding agreement, and that the Common Council may not give approval to the proposed development or a final agreement.

1. Project. The project shall consist of 6 new residential units similar to the conceptual plan attached hereto as Exhibit A (the Concept Plan).

2. City Contribution.

- a. The City would provide grant funds (the City Contribution) to Developer to offset the cost of constructing certain development related costs, including, but not limited to property acquisition, site grading, driveways, utilities, and stormwater drainage.
- b. The City Contribution would be contributed as follows:
 - i. The City would contribute \$220,000 structured as a forgivable TIF loan. The City would provide this funding upon the issuance of the first building permit for the project. The City will forgive \$36,667 for each residential unit at the development site that gains occupancy prior to 2025.
 - ii. If 6 residential units have not gained occupancy by 12/31/24 the Developer shall repay the remaining unforgiven portion of the loan with 1% interest.
- c. City would waive the impact fees related to this development.
- d. The financial assistance described above would be contingent on the approval of a development agreement by the Common Council.

3. Developer Obligations. In connection with the City Contribution, Developer would do the following:

- a. Residential Development. Developer would commence construction of the new residential units on or before April of 2022. All residential units shall be sold to persons at or below 80% of the county median income and the cost of housing as defined by HUD shall not exceed 30% of the purchaser's income.
- b. Infrastructure. Developer would install the infrastructure improvements required to service the Property, including water lines, gas lines, sewer lines, stormwater retention facilities, private drives and parking lots, and other items typical of such development. The impact fees would be waived as a project expense from TID 24.
- c. Certified Survey Map. The Developer shall submit a new certified survey map that converts the existing Outlot into a Lot. Upon approval by the City of Waukesha, the Developer shall record the CSM at the Waukesha County Register of Deeds prior to the issuance of building permits.

4. **Further Conditions:** The Development Agreement shall contain such additional provisions and assurances as are customarily contained in similar agreements with the City.

5. **Successors and Assigns:** The Development Agreement may be assigned to the successors and assigns of the Developer.

6. **Tax Exempt Status:** The Development Agreement shall require an annual payment in lieu of taxes for all or any part of the Property that is or becomes exempt from property taxation, equal to the amount of property taxes that would be due if the Property were not tax exempt. This requirement shall be binding on all purchasers and other successors in interest.

CITY OF WAUKESHA

HABITAT FOR HUMANITY OF WAUKESHA COUNTY

By: _____
 Print: _____
 Title: _____

By: _____
 Print: _____
 Title: _____