

DRAFT

Porters Term Sheet

Developer will redevelop the Porters of Racine property at 301 Sixth Street and 608 Wisconsin Avenue as a mixed use development featuring 37 market rate apartments and ground floor commercial space. Redevelopment to have an estimated assessed value of \$3.2 million. Developer to provide the city with documentation of sufficient additional financing to complete the project. Developer will agree not to act in such a way as to reduce the taxable value of the property.

Developer will renovate the façade of the Porters of Racine property consistent with the city's downtown design guidelines.

Developer will agree to a "look back" provision. The grant agreement will provide for the city to share in project "profit" above a specified return on investment for the developer. Payments to the city will accelerate closeout of the TID.

City will provide the developer with a tax incremental financing grant of \$1.1 million for costs related to the renovation. City's funding shall be drawn during construction in proportion with the project's bank financing.

City will provide a special façade grant of \$160,000 to the developer for renovation of the building facades to a design approved by the city.

Terms and conditions of this financial assistance will be documented in a development agreement between the city and the developer.

City Development 022812