

### **City of Appleton**

100 North Appleton Street Appleton, WI 54911-4799 www.appleton.org

### **Meeting Agenda - Final**

### **Community & Economic Development Committee**

Wednesday, December 14, 2022

4:30 PM

Council Chambers, 6th Floor

- 1. Call meeting to order
- 2. Roll call of membership
- Approval of minutes from previous meeting

22-1517 CEDC Minutes from 11-9-22

Attachments: CEDC Minutes 11-9-22.pdf

### 4. Public Hearings/Appearances

#### 5. Action Items

22-1518 Request to approve recommended funding of \$15,000 for 2023

sponsorships for Appleton Downtown Inc. (ADI) programs as outlined in the

attached document

Attachments: Memo to CEDC on ADI Sponsorships 2023.pdf

ADI Sponsorship Proposal to City 2023.pdf

22-1554

Request to approve the Development Agreement with EP Development Inc. for an 8 unit townhouse condominium project located on E. John Street (Tax Id #31-1-0772-02) (Phase 3 of the former Foremost Farms property) in Tax Increment Financing District No. 8

Attachments: Eagle Ridge DA Memo 12-14-22.pdf

0994 - Eagle Ridge - Dev Agrm - 12.09.2022.pdf

#### 6. Information Items

### 7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.



### **City of Appleton**

100 North Appleton Street Appleton, WI 54911-4799 www.appleton.org

# Meeting Minutes - Final Community & Economic Development Committee

Wednesday, November 9, 2022

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order

Vice Chair Wolff called the meeting to order at 4:33 p.m.

2. Roll call of membership

Present: 3 - Thao, Wolff and Jones

Excused: 2 - Alfheim and Del Toro

Others present: Chip Wood, Rebuilding Together Fox Valley Lisa Strandberg, Pillars Colleen Bies, WWBIC John Weyenberg, Habitat for Humanity Amy McGowan, Habitat for Humanity

3. Approval of minutes from previous meeting

22-1436 CEDC Minutes from 10-26-22

Attachments: CEDC Minutes 10-26-22.pdf

Jones moved, seconded by Thao, that the Minutes be approved. Roll Call. Motion carried by the following vote:

Aye: 3 - Thao, Wolff and Jones

Excused: 2 - Alfheim and Del Toro

- 4. Public Hearings/Appearances
- 5. Action Items

22-1437

Request to approve the Preliminary 2023-2024PY Community Development Block Grant (CDBG) Community Partner Funding Allocation Recommendations as specified in the attached documents

Attachments:

Alloc Recs Memo to CEDC 11-9-22.pdf

2023 CDBG Advisory Board Membership.pdf

2023 CDBG Community Partner Award Recommendations.pdf 2023 CDBG Simple Summary Award Recommendations.pdf

Approved CDBG Policy 11-17-2021.pdf

Thao moved, seconded by Jones, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 3 - Thao, Wolff and Jones

Excused: 2 - Alfheim and Del Toro

#### 6. Information Items

### 7. Adjournment

Jones moved, seconded by Thao, that the meeting be adjourned at 4:46 p.m. Roll Call. Motion carried by the following vote:

Ave: 3 - Thao, Wolff and Jones

Excused: 2 - Alfheim and Del Toro



### MEMORANDUM

"...meeting community needs...enhancing quality of life."

TO: Community & Economic Development Committee (CEDC)

FROM: Karen Harkness, Director

Matt Rehbein, Economic Development Specialist

DATE: December 14, 2022

RE: Request to approve 2023 Sponsorships for Appleton Downtown Inc. (ADI) Programs

The Council approved 2023 Budget includes funding in the Marketing & Business Services Business Unit of the Community & Economic Development Department to support small business and workforce development initiatives, as well as promoting Appleton to the broader public, businesses, and visitors.

As in the past, Appleton Downtown Inc. (ADI) has presented the City with a sponsorship proposal for 2023 (attached) that would allow the City to invest in numerous programs for both our existing residents and businesses as well as visitors and potential investors in Downtown. These programs align with the updated Comprehensive Plan 2010-2030, especially Chapter 14 Downtown Plan.

Changes to last year's programming include the addition of a Night Market and Cultural Cuisine. The funds allocated to these events were re-allocated from Small Business Saturday to stay within the established \$15,000 total allocation from the City. Please note that Small Business Saturday sponsorship also includes the Appleton Northside Business Association (ANBA) membership area as well.

### **Staff Recommendation:**

Request to approve \$15,000 for 2023 sponsorships for Appleton Downtown Inc. (ADI) programs as outlined in the attached document **BE APPROVED**.



# **Sponsorship Support Agreement**

City of Appleton

City of Appleton will be acknowledged as a support sponsor of the following events and programs, as part of this sponsorship package: Business Retention/Residential Outreach Program, Avenue of Ice, Annual Meeting, Downtown Night Market, Cultural Cuisine Walk, Summer Support/ Farm Market, Downtown Creates Walk Events, Light Up Appleton, Small Business Saturday, and Annual Awards Celebration.

Items listed are specific to that event and are showcased under the event title. Opportunities available with each event sponsorship includes the following:

- Social media mentions leading up to the event and City of Appleton logo recognition on each event page.
- The inclusion of the City of Appleton logo will be featured on the ADI website for one full year and can be linked back to the City of Appleton website.
- Logo inclusion on all promotional materials, including tickets, posters, banners, flyers, print ads,
- Facebook exposure on the Appleton Downtown Facebook page as a Favorite page. Page currently has 20,900+ followers and is a great way to engage and interact with the community.
- Additional acknowledgement in ADI's weekly public E-blast communication.

# **Sponsorship Benefits:**

### Downtown Business Retention/ Residential Outreach \$2,000

- City of Appleton link and logo inclusion on our website supporting the downtown property search tool and business recruitment information. Website updates happening in 2023 will include City staff recommendations and resources to share.
- Downtown resident and new employee Welcome Packet inclusion with City website/resources QR code. ADI staff will create the card.
- Support for year-round business retention visits and new business attraction efforts
- Co-host of an annual Downtown Development breakfast

### Avenue of Ice – ice carving \$ Included

- -Promotion of Art through varieties of carved ice, while attracting customers to walk the Downtown District
  - Signage designating sponsor of event and ice carving.

### Annual Meeting ADI, BID, and CDA \$500

- -Report to Stakeholders
  - Invitation as speaker to present a few City updates.

### Night Market \$2,500

-A variety of offerings under the streetlights! Food vendors, art and craft vendors, hands on activities, a pop up street dinner, street performers, live music, glow lights, and more.

• The city of Appleton would have the option of a booth 10x10 or two 10x10 booths available for promotion of various programs, such as: Appleton Public Library, Appleton Police Department, Park and Recreation Programs, etc.

### Cultural Cuisine Walk \$1,000

- -Walk event featuring cultural food tasting from each participating location.
  - Signage designating sponsor of event.

### Sustaining Summer Support with Farm Market \$2,500

-Promoting Eat Local, Shop Local - includes Downtown Businesses and Farm Market Vendors

- Support for infrastructure needs to effectively produce the Farm Market for a full season.
- Occasional booth space available for City of Appleton promotion: Appleton Public Library,
   Appleton Police Department, Park & Recreation, etc. Schedule to be worked out with ADI Staff.
- Facebook exposure on the Downtown Appleton Farm Market Facebook page as a Favorite page. The current page has 21,200+ fans and is a great way to engage and interact with the community.

### Downtown Creates Walk Events & Placemaking Initiatives: \$2,000

-Promotion of Local Artists through Music, Art & Culture, while attracting customers to walk the Downtown District

- Three summer dates: June 17, July 15, and August 19
- Opportunity to participate during each event, perhaps each department could have a chance to share information with the public such as: *Open Office Hours with the City of Appleton*. This would be a great time to share updates on the library project or educate people on how to use Valley Transit. ADI staff can help coordinate with City departments.
- Supports additional placemaking and public art initiatives.

### Light Up Appleton: \$2,500

-Free Family event to Celebrate the Light of the Season through Music, Art & Culture, while attracting customers to Downtown District for the Holidays

- City of Appleton logo on all Light up Appleton promotional material.
- Mayor is invited to help with the light up ceremony.
- Activities such as: FREE treat walk, community entertainment stage, handcrafted Market, wagon rides and so much more!

#### **Small Business Saturday \$1,500**

- -City wide Shop Local promotion event
  - Support for the cooperative marketing effort with ADI and ANBA to promote shopping local with small businesses throughout the city.

#### Downtown Business Awards Celebration table: \$500

- -Celebration to Acknowledge Downtown Businesses for their Achievements
  - Reserved table for eight. \*
  - Recognition in the program and from the stage.

Note: All in-person events are subject to permit approval.



### 2023 Downtown Sponsorship Agreement City of Appleton

As part of the sponsorship package, the City of Appleton will be acknowledged as a sponsor of the following events with a sponsorship total of \$15,000, and breakdown is as follows:

Sponsorship total is \$15,000 and breakdown is as follows:

Downtown Business Retention & Attraction and Development breakfast Avenue of Ice – ice carving Annual Meeting Cultural Cuisine Walk Summer Support/ Farm Market Downtown Creates Walk Events Downtown Business Award Celebration Night Market Small Business Saturday Light Up Appleton	\$2,000 \$ Included \$ 500 \$1,000 \$2,500 \$2,000 \$ 500 \$2,500 \$1,500 \$2,500
Meghan Warner Community Partnership Director Appleton Downtown Inc.	Date:



### MEMORANDUM

"...meeting community needs...enhancing quality of life."

TO: Community & Economic Development Committee (CEDC)

FROM: Matt Rehbein, Economic Development Specialist

DATE: December 14, 2022

RE: Eagle Ridge Development Agreement

EP Development purchased the former Foremost Farms property comprised of 3 parcels totaling approximately 8.3 acres from the Appleton Redevelopment Authority in March of 2017. Subsequently, Eagle Point Senior Living was constructed on the first parcel, providing 100 new riverfront senior residential units and creating just over \$15 million in assessed value. In addition, Pelican's Nest was constructed on the second parcel, creating an additional \$5 million in assessed value with 28 memory care units.

EP Development is planning to construct an 8-unit townhouse condominium project on the final remaining parcel, Lot 3 (Eagle Ridge). It is estimated this will create an assessed value of \$4 million when complete.

Based on the analysis of current value of the property, projected value of the property, and review of proposed expenses, TIF District #8 would invest the lesser of \$595,750 or 25% of the Tax Increment Value as of January 1, 2024, plus interest thereon, to support the construction work for EP Development Inc.

### **Staff Recommendation:**

The Development Agreement between EP Development Inc. and the City of Appleton **BE APPROVED**.

# TAX INCREMENT DISTRICT NO. 8 DEVELOPMENT AGREEMENT

**RECITALS** 

("Developer") and the City of Appleton, a Wisconsin municipal corporation (the "City").

THIS DEVELOPMENT AGREEMENT (the "Agreement") is dated as of the \_\_\_\_\_ day of

\_, 20\_\_\_, by and among EP Development, Inc., a Wisconsin corporation

Developer and the City acknowledge the following:
A. Developer owns the real property located on East John Street, Lot 3 of CSM 7281, (Parcel 31-1-0772-02) Appleton, WI more particularly described in Exhibit A, attached hereto (hereafter the "Property").
B. The Property is located within the City in Tax Increment District #8 (the "District") which was created in 2009 pursuant to Section 66.1105, Wis. Stats. along with a plan for the redevelopment of the District (the "District Plan") that provides for, among other things, the financial assistance set forth in this Agreement.
C. Subject to obtaining the financial assistance set forth herein, Developer has proposed improvements to the Property to create an eight (8) unit townhouse condominium project on site (the "Project"). Each of the units in the Project are intended for sale to unrelated 3 <sup>rd</sup> parties. All references to the Project include the Property.
D. Developer will create single-purpose entity ("Affiliate") to develop the Project. Any action by the Affiliate to fulfill any obligations under this agreement shall be treated as if they were completed by Developer for purposes of this Agreement.
E. The City has determined that the Project will spur economic development, expand the City's tax base and create new jobs; that such financial assistance is a Project Cost under the Tax Incremental Law; that the amount of financial assistance provided pursuant to this Agreement is the amount necessary to induce development of the Project; and, that the Project will not proceed without the financial assistance set forth in this Agreement.
F. Subject to obtaining financial assistance as set forth herein, Developer intends to undertake a redevelopment of the property that will increase the value of the Property and provide other tangible benefits to the surrounding neighborhoods and to the City as a whole, consistent with the District Plan. The City finds that this redevelopment of the Property and the fulfillment, generally, of the terms and conditions of this Agreement are in the vital and best interests of the City and its residents and serves a public purpose in accordance with state and local law.
G. The City, pursuant to Common Council Action dated December, 2022 has approved this Agreement and authorized the execution of this Agreement by the proper City officers on the City's behalf.
H. The Developer has approved this Agreement and authorized the appropriate officers to execute this Agreement on the Developer's behalf.

- I. The base value of the Property for purposes of this Agreement, including calculating increment generated by the Project, is Seventy-one Thousand Five Hundred Dollars (\$71,500). The Developer estimates the project will create up to an additional Three Million Nine Hundred Twenty-eight Thousand Five Hundred Dollars (\$3,928,500) in incremental value.
- J. All terms that are capitalized but not defined in this Agreement and that are defined under the Tax Increment Law shall have the definitions assigned to such terms by the Tax Increment Law.

### **AGREEMENT**

NOW, THEREFORE, in consideration of the Recitals and the promises and undertakings set forth herein, the parties mutually agree and covenant as follows:

### ARTICLE I UNDERTAKINGS OF THE DEVELOPER

- 1.1 Developer's Project shall include improvements to, and development of, the Property as set forth in Exhibit B that will result in an increase in the Property's assessed value. All aspects of the Project shall be in accordance with all applicable City zoning and building codes, ordinances and regulations.
- 1.2 Project Costs shall include, without limitation, costs incurred after approval of this agreement for the construction of improvements (including infrastructure improvements), environmental remediation costs, demolition, interior remodeling and development of the project.
- 1.3 Developer warrants and represents to the City that but for the assistance provided by the City under Article II, herein, Developer would not be able to proceed with the Project.
- 1.4 Developer and City acknowledge that several of the specific undertakings of the parties may require approvals from directors, boards or the City Council as applicable. The parties' agreements are conditioned upon the obtaining of all such approvals in the manner required by law. The parties cannot assure that all such approvals will be obtained; however, they agree to use their best good faith efforts to obtain them on a timely basis.

### ARTICLE II UNDERTAKINGS OF THE CITY

- 2.1 The City shall appropriate sufficient funds for the performance of the City's obligations under this Agreement.
- 2.2 City shall cooperate with Developer throughout the Project and shall promptly review and/or process all submissions and applications in accordance with applicable City ordinances.
- 2.3 Subject to all of the terms, covenants and conditions of this Agreement and applicable provisions of law, and as an inducement by the City to Developer to carry out the Project, upon completion of the Project (which shall be defined as issuance of occupancy permits for all units of the Project (hereafter "completion")) the City will provide payments to Developer solely from the future Tax Increments (derived from both real and personal property) to assist with Developer's Project Costs. The City's total payment of Tax Increment Revenue to the Developer

shall not exceed the lesser of i) \$595,750 or ii) 25% of the Tax Increment Value as of January 1, 2024, plus interest thereon (the "Contribution").

The Contribution will be paid to Developer as follows:

- 2.3.1 As the sole source for payment of the Contribution, the City agrees to pay the Developer an amount equal to ninety percent (90%) of the Tax Increment Revenue attributable to, and actually received from, the Property during the calendar year.
- 2.3.2 Payments under this Agreement shall be due in annual installments on August 15 of the calendar year following the first tax year after completion of the Project and continuing on each August 15 thereafter for a period of time described in Sec. 4.2
- 2.3.3 Interest on the Contribution shall begin to accrue upon completion of the Project. The interest rate on the Contribution shall be lesser of 1) the interest rate paid by the Developer to the primary lender for the Project, as evidenced by the note indicating the loan amount; or, 2) six percent (6%).
- 2.3.4 The Contribution shall be a special and limited obligation of the City and not a general obligation. Payments shall first apply to accrued interest and then to the principal balance of the Contribution. Unpaid interest in any year shall be added to the principal balance of the Contribution and accrue interest. The City may prepay the Contribution, in its sole discretion, at any time, with no prepayment penalty.
- 2.4 This Agreement fully evidences the City's obligation to pay the Contribution. No separate instrument will be prepared to evidence the City's obligation to pay the Contribution. The Contribution shall not be included in the computation of the City's statutory debt limitation because the Contribution is limited and conditional and no taxes will be levied or pledged for its payment. Nothing in this Agreement shall be deemed to change the nature of the City's obligation from a limited and conditional obligation to a general obligation.
- 2.5 The City covenants to Developer that until the Contribution plus interest thereon has been paid in full, the City shall not close the District prior to its statutory expiration date.
- 2.6 The City shall, upon Developer's request, provide to Developer an accounting of the status of the District including, but not limited to, the outstanding principal balance of the Contribution and annual Tax Increments received from the District.
- 2.7 Developer hereby acknowledges that, as a result of the special and limited nature of the City's obligation to pay the Contribution, Developer's recovery of the full amount of the Contribution depends on factors including, but not limited to, future mill rates, changes in the assessed value of the Property, the failure of the Property to generate the Tax Increments at the rate expected by Developer, reduction in Tax Increments caused by revenue-sharing, changes in the Tax Increment Law, and other factors beyond the City's and/or Developer's control.

# ARTICLE III PAYMENT OF TAXES

3.1 Developer shall include in its condominium documents language such that each unit shall be responsible for paying ad valorem property taxes or an equivalent PILOT payment during the life of the District.

# ARTICLE IV CONDITIONS TO PAYMENT: TERMINATION OF AGREEMENT

- 4.1 The City shall have no obligation to pay any portion of the Contribution to Developer unless and until all of the following conditions shall have been met:
  - 4.1.1 The Project's completion on or before December 31, 2023 subject to reasonable extensions, not to exceed six (6) months each, for Force Majeure which shall include, but not be limited to, any delays caused by pandemic or other acts beyond the reasonable control of the Developer. Such extensions shall be by mutual written agreement and, in considering any requested extension, the City and Developer agree that each will act in good faith, cooperate in expeditious and timely approvals, and said extensions shall not be unreasonably withheld, conditioned or delayed by City.
- 4.2 This Agreement, and the City's obligation to make, or continue, any payments of the Contribution, shall terminate when any of the following shall have occurred:
  - 4.2.1 The conditions in Section 4.1 are not met.
  - 4.2.2 The Contribution is paid in full or August 15, 2036, whichever occurs first.

# ARTICLE V CONFLICT OF INTEREST

5.1 No member, officer or employee of the City, during his/her tenure or for one year thereafter, will have or shall have had any interest, direct or indirect, in this Agreement or any proceeds thereof.

#### ARTICLE VI WRITTEN NOTICES

6.1 Any written notice required under this Agreement shall be sent to the following individuals:

#### FOR THE CITY:

City of Appleton Community and Economic Development Department 100 North Appleton Street Appleton, WI 54911-4799 Attention: Director

With a copy to:

City of Appleton City Attorney's Office 100 North Appleton Street Appleton, WI 54911-4799 Attn: City Attorney

#### FOR DEVELOPER:

The Alexander Company, Inc. Attn: Colin Cassady 2450 Rimrock Road, Suite 100 Madison, WI 53713

AND

TUKK Attn: Tom Plentka 901 Deming Way, Suite 102 Madison, WI 53717-1920

With a copy to:

Michael Best Attn: Kevin Martin One South Pinckney Street, Suite 700 Madison, WI 53703

### ARTICLE VII ASSIGNMENT

7.1 No party to this Agreement may assign any of its interest or obligations hereunder without first obtaining the written consent of the other party except as provided herein. Developer shall have the right to collaterally assign this agreement to a lender.

# ARTICLE VIII NO PARTNERSHIP OR VENTURE

8.1 Developer and its contractors or subcontractors shall be solely responsible for the completion of the Project. Nothing contained in this Agreement shall create or effect any partnership, venture or relationship between the City and Developer or any contractor or subcontractor employed by Developer in the construction of the Project.

# ARTICLE IX MISCELLANEOUS

- 9.1 Under no circumstances shall any officer, official, director, member, manager, commissioner, agent, or employee of City or Developer have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.
  - 9.2 The laws of the State of Wisconsin shall govern this Agreement.
- 9.3 This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.
- 9.4 No modification, alteration, or amendment of this Agreement shall be binding upon any party until such modification, alteration, or amendment is reduced to writing and executed by all parties to this Agreement.

- 9.5 Any captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any of the provisions of this Agreement.
- 9.6 If any provisions of this Agreement shall be held or deemed to be inoperative or unenforceable as applied in any particular case in any jurisdiction because it conflicts with any other provision or provisions of this Agreement or any constitution or statute or rule of public policy, or for any other reason, then such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. To the maximum extent possible, this Agreement shall be construed in a manner consistent with the powers of the City, including but not limited to, the City's powers under the Blight Elimination and Slum Clearance Law and the Tax Increment Law, to achieve its intended purpose. Reference is made to Section 66.1333(17) of the Wisconsin Statutes and Chapter 105, Laws of 1975 § 4, which provide that the Blight Elimination and Slum Clearance Law and the Tax Increment Law should be construed liberally to effectuate their purposes.

[Signatures on following pages]

IN WITNESS WHEREOF, the parties ha first above written.	ive executed this Agreement on the day and year
	CITY OF APPLETON:
	By: Jacob A. Woodford, Mayor
ATTEST:	
By: Kami L. Lynch, City Clerk	
STATE OF WISCONSIN )	
OUTAGAMIE COUNTY )	
Personally came before me this Woodford, Mayor and Kami L. Lynch, City Clerk to be the persons who executed the foregoing capacity and for the purposes therein intended.	day of, 20, Jacob A., of the City of Appleton respectively, to me known instrument and acknowledged the same in the
	Printed Name:  Notary Public, State of Wisconsin My commission is/expires:
PROVISION HAS BEEN MADE TO PAY FOR OBLIGATIONS INCURRED PURSUANT TO THIS AGREEMENT:	
Jeri A. Ohman, Finance Director	
APPROVED AS TO FORM:	
Christopher D. Debrons, City Attamass	
Christopher R. Behrens, City Attorney Dated: December 9, 2022 By: Christopher R. Behrens City Law A22-0994	

				DEVELOPER:	
				EP Development, Inc.	
				By: Printed Name: Title:	
				By: Printed Name: Title:	
				By: Printed Name: Title:	
STATE OF		: ss.			
	came, b	efore m		day of, 20_	
	LC, to me k	known to	be the p	ersons who executed the foregoing instrument or the purposes therein intended.	each t and
				Printed Name: Notary Public, State of	
				My commission is/expires:	

### SCHEDULE OF EXHIBITS

- A. Legal Description of Property
- B. Proposed Improvements

#### **EXHIBIT A**

### **LEGAL DESCRIPTION OF THE PROPERTY**

LOT 3 OF CERTIFIED SURVEY MAP NO. 7281 RECORDED IN THE OFFICE OF THE REGISTER OF DEEDS FOR OUTAGAMIE COUNTY, WISCONSIN ON NOVEMBER 11, 2016 IN VOLUME 43 ON PAGE 7281 AS DOCUMENT NO. 2089713, SAID CERTIFIED SURVEY MAP BEING ALL OF LOT 1 CERTIFIED SURVEY MAP NO. 6728, RECORDED IN VOLUME 40 OF CERTIFIED SURVEY MAPS ON PAGE 6728 AS DOCUMENT NO. 2001520, BEING PART OF THE SOUTHWEST 1/4 OF SECTION 25 AND ALSO PART OF THE NORTHWEST 1/4 OF SECTION 36, TOWNSHIP 21 NORTH, RANGE 17 EAST, CITY OF APPLETON, OUTAGAMIE COUNTY, WISCONSIN.

# EXHIBIT B

### PROPOSED IMPROVEMENTS



