



MEMO

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

TO: Community & Economic Development Committee
CC: Director Harkness, Director Saucerman, Deputy City Attorney Behrens
FROM: Monica Stage, Deputy Director
DATE: December 4, 2019
RE: Request Approval of the Development Agreement between the City of Appleton and Bela Development, LLC in TIF District #12

Tax Increment Financing District Number 12 (TIF District #12) was created by the City of Appleton in August 2017 under the authority provided by Wisconsin Statute Section 66.1105 "Tax Increment Law" to eliminate blight and stimulate the rehabilitation and conservation of this urban corridor located along West College Avenue. TIF District #12 was created as a "Rehabilitation District" based upon the finding that at least 50%, by area of the real property within the District, is blighted and/or is in need of rehabilitation and/or conservation work within the meaning of Wisconsin Statute Section 66.1337 "Urban Renewal" described below.

TIF District #12 is located along West College Avenue from approximately the Badger Avenue/Story Street intersection to Walnut Street. A map of TIF District #12 is included on the following page.

Bela Development, LLC has requested assistance to support the rehabilitation of 513 W. College Avenue (previously owned by Riverview Gardens) into an event center and office space. A conceptual site plan is included as Exhibit B of the Development Agreement.

Based on the analysis of current value of the property, projected value of the property, and review of proposed expenses, TIF District #12 could make available the lesser of: i) \$306,000 or ii) eighteen percent (18%) of the Tax Increment Value as of January 1, 2022, plus interest thereon to support the rehabilitation of the building by Bela Development, LLC. The TIF investment would be payable over the next approximately 18 years based on the increased property tax payments with payments terminating when the Contribution is paid in full or August 15, 2039, whichever occurs first.

Staff Recommendation:

The Development Agreement between the City of Appleton and Bela Development, LLC BE APPROVED.

