



CITY OF APPLETON

MEMORANDUM

Date: February 12, 2025
To: Community Development Committee
From: Kara Homan, AICP, Community Development Director
Lily Paul, Economic Development Specialist
Subject: Cost Reimbursement Agreement with Thrivent Financial for Lutherans; and
Request to Award Contract to Ehlers for TID and Fiscal Consulting Services

Background & Analysis:

Thrivent recently created a master plan for their campus north of I-41 and west of Ballard Road, involving significant input from the community and coordination with various City departments. Thrivent's master developer, Land by Label, and their consultants have been coordinating with staff as they work to implement their plan. Implementation of their plan has progressed as follows: campus zoning amendments have been approved (see action items [24-0928](#) , [24-0930](#) and [24-0932](#)), design work has commenced for initial phases of development, the site has been branded as Wilden Portfolio Park, and development opportunities are being marketed to potential development partners. We anticipate a preliminary plat for the southern portion of the property will be submitted soon.

The Thrivent development team approached the City about funding needed to support infrastructure and other aspects of the project, in particular via Tax Incremental District (TID) creation / financing. In response to their request, the City determined it was prudent to take a cautious and thorough approach in considering new TID creation and evaluating whether, and to what extent, development incentive may be needed; and how any future TID district creation may be mutually beneficial to the needs of the City and its long term needs.

Given the complexity of the project and need for consultants, the City has negotiated a cost reimbursement agreement with Thrivent, providing funds (an initial \$100,000) for this and other City-consulting services deemed necessary for the evaluation and planning phase of the project. The agreement is structured to fund TID/fiscal consulting and engineering-related consulting services and allows the City to independently hire consultants to represent the City's best interests.

The City issued a Request for Proposal (RFP) related to TID creation and fiscal analysis services. Proposals were solicited in accordance with the City's Procurement and Contract Management Policy. The City received 4 proposals in response to the RFP.

The 4 proposals were evaluated by a Community Development and Finance Department team consisting of Kara Homan, Director of Community Development; Jeri Ohman, Director of Finance; David Kress, Deputy Director of Community Development; and Lily Paul, Economic Development Specialist to shortlist two proposals for interviews.

The two proposals were evaluated and interviewed by the same team as above. The evaluation consisted of internal technical review of their proposal and interview, reference checks, and a follow-up written question and answer.

After internal review and determination of the firm's qualifications and ability to perform the desired work, the evaluation team selected Ehlers in the amount of \$14,000 for TID creation and further fiscal analysis services (such as for pro forma review and developer negotiations) will be billed at a rate of \$325 per hour. This project has the potential to exceed \$25,000. Thrivent will reimburse the City for all expenses related to this contract. A cost reimbursement agreement must be approved by Common Council and signed before agreements with Ehlers are signed.

Per the City's organizational structure and procurement policies, contracts for services in excess of \$25,000 by the Community Development Department fall under the jurisdiction of the Community Development Committee (CDC) for review and recommendation to Common Council for final award.

A related budget amendment will be considered by the Finance Committee pertaining to accepting the \$100,000 in funding from Thrivent for consulting per the cost reimbursement agreement.

RECOMMENDATION

Staff recommends the following:

- Action Item #1 (25-0064): Approval of a cost reimbursement agreement with Thrivent Financial for Lutherans, for an initial amount of \$100,000.
- Action Item #2 (25-0046): Approval to award a contract to Ehlers in an amount of \$14,000 for TID creation services, and \$325/hour for fiscal consulting services, conditioned on approval of the cost reimbursement agreement with Thrivent Financial for Lutherans.