



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

# MEMORANDUM

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TO: Community and Economic Development Committee (CEDC)

FROM: Karen Harkness, Director of Community & Economic Development  
Matt Rehbein, Economic Development Specialist

DATE: August 11, 2021

RE: Request Approval of the Development Agreement between the City of Appleton and Merge, LLC in TIF District #11

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Tax Increment Financing District Number 11 (TIF District #11) 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 redevelopment of this urban corridor. TIF District #11 was created as a "Blighted District" based upon the finding that at least 50%, by area of the real property within the District, is blighted within the meaning of Wisconsin Statute Section 66.1105 and 66.1333. The Project Plan was amended in September 2020.

TIF District #11 is located along East College Avenue from approximately Drew Street to just west of Superior Street, south to Water Street, and north to East Pacific Street.

Merge LLC (Developer) is requesting assistance to support a mixed-use project. The parcel, located on the southeast corner of E. Washington Street and N. Oneida Street is owned by the City of Appleton. The proposed concept is for a 5-story development which would include a mix of 56 residential units and ground floor commercial uses. A concept of proposed improvements is included as Exhibit B of the Development Agreement. This concept shows an anticipated Phase II at the location of the former Blue Ramp which will be brought forward as a separate Development Agreement.

This parcel has been vacant since the City demolished the Conway Hotel in 2013. This development will offer another opportunity for residential living in our Central Business District. This project is targeted to support the City's Comprehensive Plan goal of increasing the quantity and variety of housing product offered in Downtown Appleton.

Based on the analysis of current value of the property, projected value of the property and review of proposed expenses, TIF District #11 would invest the lesser of eighteen percent (18%) or \$1,386,000 of the Tax Increment Value as of January 1, 2024, plus interest thereon to support the construction work for Merge, LLC.

## **Staff Recommendation:**

The Development Agreement between the City of Appleton and Merge LLC **BE APPROVED.**