



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: January 23, 2019
RE: Request Approval of the Development Agreement between the City of Appleton and Gabriel Lofts, LLC in TIF District #11

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.

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 E. Washington Street. A map of TIF District #11 is included on the following page.

Gabriel Lofts, LLC has requested assistance to support the rehabilitation of the historic building at 201 East College Avenue, in addition to the demolition and reconstruction of the buildings at 207-209 East College Avenue; to create a cohesive mixed-used development with approximately twenty-one (21) residential units, first floor commercial space and parking. 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 #11 could make available the lesser of: i) \$900,000 or ii) twenty-one percent (21%) of the Tax Increment Value as of January 1, 2023, plus interest thereon to support the rehabilitation and construction work for Gabriel Lofts, LLC. The TIF investment would be payable over the next approximately 20 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 Gabriel Lofts, LLC BE APPROVED.

