



MEMO

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

TO: Community & Economic Development Committee
CC: Deputy Director Stage, Director Saucerman, Deputy City Attorney Behrens
FROM: Karen Harkness, Director
DATE: May 15, 2019
RE: Request Approval of the Development Agreement between the City of Appleton and 320 East College, 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.

Tadych Investment Partners, LLC (TIP), on behalf of 320 East College LLC, is requesting assistance to support a 28 unit multi-family building with 2,600 square feet of commercial/retail space fronting College Avenue and 30 surface parking stalls on the back side of the site. A concept of proposed improvements is included as Exhibit B of the Development Agreement.

320 E. College Avenue is currently owned by Lawrence University and is used for storage. This development will focus on efficient unit layouts and offer another opportunity for residential living in our Central Business District. This project is targeted to support the City's 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 could make available twenty percent (20%) of the Tax Increment Value as of January 1, 2023, plus interest thereon to support the construction work for 320 East College LLC. The TIF investment would be payable over the next approximately 13 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 320 E. College Ave., LLC. BE APPROVED.

