



# MEMORANDUM

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TO: Community and Economic Development Committee (CEDC)

FROM: Karen Harkness, Director of Community & Economic Development

DATE: October 27, 2021

RE: Request Approval of the Development Agreement between the City of Appleton and MF Housing Partners, LLC in TIF #11

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MF Housing Partners, LLC (Developer) is requesting assistance to support a proposed 43-unit WHEDA Sec. 42 apartment project (RISE).

The proposed project would be on the following parcels, all zoned CBD Central Business District: 31-2-0441-00, 31-2-0443-00, 31-2-0437-00, 31-2-0536-00, 31-2-0534-00, and 31-2-0529-00.

Thirty-six (36) of the forty-three (43) units will be available to low-income persons with the rents restricted for an estimated thirty (30) years.

The proposed project will include separate buildings and parking areas divided by E. Harris Street. The northern parcel will have 5 three-bedroom townhouses and 3 two-bedroom townhouses with attached garages. The southern parcel will include 4 three-bedroom townhouses, 5 one-bedroom apartments, 25 two-bedroom apartments, and 1 three-bedroom apartment. This building will also include a community service facility and lobby.

The proposed project would include 38 surface parking spaces, 30 covered parking spaces, and 13 attached garages.

No building plans were submitted, and the square footage of each apartment living space is unknown.

The cost to develop the project is stated at \$10.5 million. The Developer and Assessor estimate the assessed value of the project once completed to be approximately \$3.4 million.

Developer requests a Pay-As-You-Go TIF support at 20% (\$611,920).

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 twenty percent (20%) or \$611,920 of the Tax Increment Value as of January 1, 2024, plus interest thereon to support the construction work for MF Housing Partners, LLC.

## **Staff Recommendation:**

The Development Agreement between the City of Appleton and MF Housing Partners, LLC **BE APPROVED.**