



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Agenda - Final Community & Economic Development Committee

Wednesday, July 14, 2021

4:30 PM

Council Chambers, 6th Floor

1. Call meeting to order
2. Roll call of membership
3. Approval of minutes from previous meeting

[21-0985](#) CEDC Minutes from 7-7-21

Attachments: [CEDC Minutes 7-7-21.pdf](#)

4. Public Hearings/Appearances

5. Action Items

[21-0986](#) Request to amend the Development Agreement for the Zuelke Project located at 103 W. College Avenue in Tax Increment Financing District No. 11 and approve the associated Houdini Plaza Lease Agreement

Attachments: [Memo to CEDC 1st Amendment to Zuelke Project Dev Agrmt 7-8-21.pdf](#)

[Zuelke - Fully Executed Dev Agrm.pdf](#)

[MemotoCouncil TaxReformBill 12-18-17.pdf](#)

[First Amendment to Dev Agrm - Zuelke-City - FINAL.pdf](#)

[Zuelke - Houdini Plaza Lease Agreement - FINAL_.pdf](#)

[TID No. 11 Project Plan Amendment_FINAL.pdf](#)

6. Information Items

7. Adjournment

Notice is hereby given that a quorum of the Common Council may be present during this meeting, although no Council action will be taken.

Any questions about items on this meeting are to be directed to Karen Harkness, Director, Community and Economic Development Department at 920-832-6468.

Reasonable Accommodations for Persons with Disabilities will be made upon Request and if Feasible.



City of Appleton

100 North Appleton Street
Appleton, WI 54911-4799
www.appleton.org

Meeting Minutes - Final Community & Economic Development Committee

Wednesday, July 7, 2021

6:15 PM

Council Chambers, 6th Floor

SPECIAL

1. Call meeting to order

Meeting called to order at 6:15 p.m.

2. Roll call of membership

Present: 5 - Reed, Firkus, Thao, Alfheim and Wolff

Others present:

Aldersperson Joe Martin, District #4

Aldersperson Sheri Hartzheim, District #13

Karen Harkness, Community & Economic Development Director

Colleen Rortved, Library Director

City Attorney Chris Behrens

3. Approval of minutes from previous meeting

[21-0930](#)

CEDC Minutes from 6-9-21

Attachments: [CEDC Minutes 6-9-21.pdf](#)

Alfheim moved, seconded by Thao, that the Minutes be approved. Roll Call.

Motion carried by the following vote:

Aye: 5 - Reed, Firkus, Thao, Alfheim and Wolff

4. Public Hearings/Appearances

5. Action Items

[21-0931](#)

Request to award the project for the College Avenue North Neighborhood Plan in an amount not to exceed \$100,000 to RDG Planning & Design

Attachments: [CollegeAveNorthNeighborhood PlanMemotoAwardContract.pdf](#)
[RFP_CollegeAveNorthNeighPlan_FinalDRAFT_5-19-21.pdf](#)

Wolff moved, seconded by Firkus, that the Report Action Item be recommended for approval. Roll Call. Motion carried by the following vote:

Aye: 5 - Reed, Firkus, Thao, Alfheim and Wolff

6. Information Items

7. Adjournment

Thao moved, seconded by Wolff, that the meeting be adjourned at 6:19 p.m. Roll Call. Motion carried by the following vote:

Aye: 5 - Reed, Firkus, Thao, Alfheim and Wolff



MEMORANDUM

TO: Community and Economic Development Committee (CEDC)

FROM: Karen Harkness, Director of Community & Economic Development

DATE: July 8, 2021

RE: Request Approval of the First Amendment to Zuelke Project Development Agreement

On December 19, 2017, the Council approved the original Development Agreement (attached) between Zuelke Building, LLC (Prior Developer) and the City of Appleton (COA) for the intended redevelopment of the historic Zuelke Building located at 103 W. College Avenue on Parcel #31-2-0070-00 in Tax Increment Financing District #11.

The Prior Developer and Zuelke Flats, LLC (Developer) entered into a purchase and sale agreement to convey 103 W. College Avenue for redevelopment as a mixed-use property comprised of residential and retail. The Developer and the COA have amended the original Development Agreement in order to retain tax rules that were in place with the December 2017 approval. See attached memo dated December 17, 2017 for details.

The Developer plans to redevelop approximately 750 sq. ft. of retail space on the first floor, along with the leasing office, business center, game room, dog wash and fitness center. Floors 2 - 12 would be 66 residential units comprised of studio and 2-bedroom apartments. Portions of the basement will become tenant and bicycle storage and a lounge for tenants.

The Developer will build a patio facing Houdini Plaza, which will be accessible to the public, but the primary use will be by the tenants. The Houdini Plaza Lease Agreement for this patio area is attached to the Amended Development Agreement as Schedule 2. This area was previously vacated and conveyed to the Prior Developer for ingress and egress to planned underground parking. Now, the Developer plans to use the close and convenient City-owned parking structures. The Developer has agreed to re-convey the vacated area to the City and, in exchange and to enhance the overall development, the City will enter a long term lease with the Developer. A copy of the lease is provided.

City staff is comfortable with this lease structure in recognition of the re-conveyance of land contiguous to Houdini Plaza; the area will not have a commercial sales use and will be available to the public.

Construction costs for the project is approximately \$17,608,000 and will create an anticipated assessed property value of not less than \$8,703,000. The base value of this site is \$1,922,100. The estimated increment created will be approximately \$6,780,900.

The COA TIF investment will be 90% of the property taxes paid on the incremental value created by the development for a period of 15 years beginning August 15, 2024 and ending on August 15, 2038.

I can be reached at Karen.Harkness@Appleton.org or 920-209-9520 for further assistance.

Staff Recommendation:

The First Amendment to the Zuelke Project Development Agreement between the City of Appleton and Zuelke Flats, LLC and associated Houdini Plaza Lease Agreement **BE APPROVED.**

DEVELOPMENT AGREEMENT

TAX INCREMENT DISTRICT NO. 11 (Development Area #4)

THIS DEVELOPMENT AGREEMENT is dated as of the 19th day of December, 2017 by and between ZUELKE BUILDING, LLC, a Wisconsin limited liability company (the "Developer") and CITY OF APPLETON, a Wisconsin municipal corporation (the "City").

RECITALS:

The Developer and the City, acknowledge the following:

A. In 2017, the City created Tax Increment District No. 11 (the "District") pursuant to Section 66.1105, Wis. Stat. (the "Tax Increment Law") and approved a plan for the redevelopment of the District, as depicted on Exhibit A. On August 9, 2017, the Joint Review Board approved the creation of the District and the adoption of the Project Plan.

B. Developer is proposed to redevelop a portion of the area of the District identified as "Development Area #4". Specifically, the Developer intends to undertake the following project that will increase the value of the Zuelke Building, located at 103 West College Avenue (the "Property") and provide other tangible benefits to the surrounding neighborhoods, the downtown and to the City as a whole:

1. Redevelopment of the historic Zuelke Building into a Class A Mixed Use Property including residential, office, retail and parking (the "Project").

2. The Project will include elimination of the secondary elevator currently servicing floors 10 - 12. The main elevator will be modernized and extended to the top three floors. Floors 11 and 12 will be redeveloped into five (5), two-story luxury apartments with an average of 1,951 square feet. Floor 10 would be redeveloped into five (5) market rate apartments with an average 975 square feet. Floors 4 - 9 would be redeveloped into office (4,690 sq. ft.) and will target full or half floor tenants. Floor 3 would be redeveloped into office (4,110 sq. ft.) targeting full or half floor tenants. The Mezzanine may be redeveloped into commercial space at about 3,955 square feet. The first floor would be a total of 3,080 square feet of retail. Parking access (as identified in Exhibit C) for 13 underground stalls would reduce the existing first floor square footage. Lighting in the first floor lobby would be upgraded to highlight historic features. All bathrooms will be upgraded as well. The entire building will be upgraded to include new HVAC, plumbing and electrical.

3. A landscaped green buffer shall be provided behind the building facing Houdini Plaza.

4. This redevelopment initiative (the "Project") shall be subject to final design and final construction budget as approved by the City of Appleton and the Developer.

5. The Developer has represented that the construction cost of this Mixed Use Redevelopment of the historic Zuelke Building would be approximately \$15,000,000 and will create property taxable value of not less than \$10,000,000. The Property's current base value is \$1,922,100.

C. The City desires to encourage economic development including the elimination of slum and blight, expand its tax base, and create new jobs within the City, the District and the Property. The City finds that the development of the Property as described above and the fulfillment, generally, of the terms and conditions of this Agreement are in the vital and best interests of the City and its residents and serve a public purpose in accordance with state and local law.

D. The Project would not occur without the use of Tax Incremental Financing and for the fact that the Developer anticipates being awarded Federal and State Historic Tax Credits.

E. The Property is located within the boundaries of the Tax Increment Financing District #11 ("TIF #11").

F. TIF #11 Project Plan includes parcels of real property owned by the Developer located in the City and described on Exhibit B, attached hereto, consisting of the following:

1. Property located at 103 West College Avenue, parcel number 31-2-0070-00.

G. Developer desires to obtain a permanent access easement for a small portion of the right-of-way located in Houdini Plaza described as a portion of the public alley in Block 5 of Appleton Plat (a/k/a Second Ward Plat) adjacent to the following described parcel: E62.15' of the N120' of Lot 3 Less the W20' and Less the S10'. Developer and City agree to work toward a mutually agreeable means of lower level access to the Property via the permanent access easement.

H. The City, pursuant to Common Council Action on December 19, 2017, will review, approve and ratify this Agreement.

I. The Developer has approved this Agreement and the representatives have the authority to execute this Agreement on behalf of the respective entity.

J. All terms that are capitalized but not defined in this Agreement and that are defined under the Tax Increment Law shall have the definitions assigned to such terms by the Tax Increment Law.

K. This Agreement shall be subject to, and contingent upon, the Appleton Common Council's review and approval on December 19, 2017.

ARTICLE 1 PURPOSE

1.1 Purpose of Agreement. The parties have agreed upon a general plan for redevelopment of the Property. The purpose of this Agreement is to formalize and record the understandings and undertakings of the parties and to provide a framework within which the redevelopment of the Property will take place.

ARTICLE 2 DESCRIPTION OF PROJECT

2.1 The Development Area depicted on Exhibit A will be redeveloped and improved with site improvements as generally depicted on the attached Exhibit B.

2.2 The Development Area is zoned CBD, and the Project shall be consistent with that zoning designation under the Zoning Code.

2.3 The City and Developer shall cooperate in any efforts to secure other governmental funding sources for the Project.

ARTICLE 3 UNDERTAKINGS OF THE CITY

The City agrees that it shall:

3.1 The City shall provide financial assistance in the form of a "City Investment" (pay as you go) through the creation the TIF District #11 pursuant to the Project Plan and shall appropriate sufficient funds for the performance of the City's obligations under this Agreement.

3.2 As the sole source for payment of the City Contribution, the City agrees to pay Developer annually by August 15 of each year an amount that shall not exceed eighty percent (80%) of the property tax increment and any City portion of a Payment in Lieu of Taxes (PILOT) Agreement contributions attributable to the Property pursuant to the Agreement, based on tax accrued through a date (the "Expiration Date") which shall be the earliest to occur of: (i.) the date on which the City Contribution has been paid in full; or (ii.) August 2044.

- 3.3 The City shall cooperate with Developer throughout the implementation of the Project Plan and shall promptly review and/or process all submissions and applications in accordance with applicable City ordinances.
- 3.4 The City will provide payments to the Developer as reimbursement for a portion of their developer cost, as provided in this Agreement.
- 3.5 The City will provide payments to the Developer solely from future Tax Increment Revenue from the Property as a reimbursement for Developer Costs. The City and the Developer agree that there will be no reimbursement for any activities prior to the creation of the District. The Developer shall submit to the City's Director of Finance a summary of Developer Costs on a periodic basis as the development progresses.
- 3.6 The City will provide an investment to the Developer (the "City Investment") that shall not exceed \$2,019,500 plus interest thereon. Interest on the City's Investment shall begin to accrue effective the date Developer closes on the final financing for the project. The interest rate shall be the lesser of: (i.) The interest rate charged to the Developer by the Developer's lender, evidenced by the note indicating the rate of loan amount; or (ii.) Four and one-half percent (4.5%).
- 3.7 If the project does not generate \$10,000,000 in assessed value by January 1, 2024, the City reserves the right to reduce the maximum City Investment set forth in Sec. 3.6. The reduction to the maximum City Investment shall be an amount proportional to the January 1, 2024 assessed value compared to \$10,000,000 and shall be retroactive to the date of this agreement.
- 3.8 The City shall recommend approval for all necessary rezoning, permits, site plans and other Project plans necessary for the construction of the Project in accordance to Federal, State and local rules and regulations and will utilize standard approvals by committee and Council.

**ARTICLE 4
UNDERTAKINGS OF OFFICE DEVELOPER**

- 4.1 Developer will rehabilitate 103 West College Avenue into a Class A Mixed Use Property including residential, office, retail and parking.
- 4.2 Developer will obtain all necessary zoning, permits and approvals and complete construction of the Project in accordance with the plans approved by City. To extent any public improvements are included with the scope of work for the Project, complete the installation of same per City specifications and dedicate same to the City upon completion.

- 4.3 Complete project in accordance with approved plans.

**ARTICLE 5
TAX STATUS**

- 5.1 As long as the District is in existence, the Project including the land and all buildings and improvements thereon, shall be owned and taxable for real estate tax, special assessment purposes and personal property taxes. The City may waive the above restriction, in whole or in part, upon execution of a payment in lieu of taxes (PILOT) agreement, in a form acceptable to the City, made between the City and the owner or lessee of the applicable portion of the Property.

**ARTICLE 6
NO PARTNERSHIP OR VENTURE**

- 6.1 Developer, and their affiliates and successors, and their contractors or subcontractors, shall be solely responsible for the completion of the Project. Nothing contained in this Agreement shall create or effect any partnership, venture or relationship between the City and Developer or any contractor or subcontractor employed by them in the construction of the Project.

**ARTICLE 7
CONFLICT OF INTEREST**

- 7.1 No member, officer or employee of the City, during his/her tenure or for one year thereafter, will have or shall have had any interest, direct or indirect, in this Agreement or any proceeds thereof.

**ARTICLE 8
WRITTEN NOTICES**

- 8.1 Any written notice required under this Agreement shall be sent to the following individuals:

FOR THE CITY:

City of Appleton
Community and Economic Development Department
100 North Appleton Street
Appleton, WI 54911-4799
Attn: Karen E. Harkness

With a copy to:

City of Appleton
City Attorney's Office
100 North Appleton Street
Appleton, WI 54911-4799
Attn: Attorney James P. Walsh

DEVELOPER:

Zuelke Building, LLC
Attn: Anuj Rastogi
225 E. St. Paul Ave. Suite 200
Milwaukee, WI 53202

ARTICLE 9 ASSIGNMENT

- 9.1 No party to this Agreement may assign any of its interest or obligations hereunder without first obtaining the written consent of all other parties except as otherwise provided for in this Agreement. This Agreement shall be binding on future owners of the Property and the obligations set forth herein shall remain in effect and enforceable until satisfied in full. A notice of this Agreement shall be recorded with the Outagamie County Register of Deeds. In addition, Developer may assign its rights under this Agreement to any lender providing financing for any portion of the Project and shall notify the City of any such assignment. The City shall not be bound to any such assignment until it has received written notice, including whether the Agreement has been assigned in whole or in part, the portion of the Property affected and which rights and obligations have been assigned. Developer may assign its rights and obligations hereunder without corresponding assignment of its right to collect the Contribution.

[SIGNATURES BEGIN ON THE FOLLOWING PAGE]

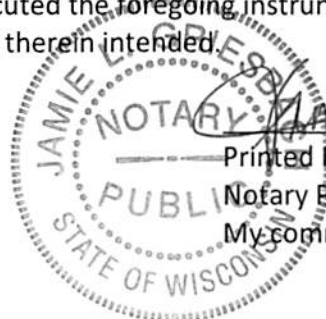
DEVELOPER:

Zuelke Building, LLC

By: [Signature]
Steve Schneider, Partner

STATE OF WISCONSIN)
: ss.
BROWN COUNTY)

Personally came before me this 19th day of December, 2017, Steve Schneider, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.



[Signature]
Printed Name: Jamie Greber
Notary Public, State of Wisconsin
My commission is/expires: 11/11/2021

DEVELOPER:

Zuelke Building, LLC

By: _____
Lindsey Bovinet, Partner

STATE OF WISCONSIN)
: ss.
MILWAUKEE COUNTY)

Personally came before me this 19th day of December, 2017, Lindsey Bovinet, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.

Printed Name: _____
Notary Public, State of Wisconsin
My commission is/expires: _____

DEVELOPER:

Zuelke Building, LLC

By: _____
Steve Schneider, Partner

STATE OF WISCONSIN)
 : ss.
BROWN COUNTY)

Personally came before me this 19th day of December, 2017, Steve Schneider, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.

Printed Name: _____
Notary Public, State of Wisconsin
My commission is/expires: _____

DEVELOPER:

Zuelke Building, LLC

By: _____
Lindsey Bovinet, Partner

STATE OF WISCONSIN)
 : ss.
MILWAUKEE COUNTY)

Personally came before me this 19th day of December, 2017, Lindsey Bovinet, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.



Printed Name: Marisa Eichstaedt
Notary Public, State of Wisconsin
My commission is/expires: 7/25/21

EXHIBIT A

City Created Tax Increment District No. 11— Approved Plan for Redevelopment

See attached.

FINAL DRAFT 8-2-17



**PROJECT PLAN
FOR THE CREATION OF
TAX INCREMENTAL FINANCING DISTRICT #11
EAST COLLEGE AVENUE
CITY OF APPLETON, WISCONSIN**

DATE ADOPTED BY COMMON COUNCIL:
DATE ADOPTED BY JOINT REVIEW BOARD:
EXPENDITURE DEADLINE:
TID EXPIRATION DATE:

AUGUST 2, 2017
AUGUST 9, 2017
AUGUST 2039 (22 YEARS)
AUGUST 2044 (27 YEARS)

TAX INCREMENT DISTRICT #11 PROJECT PLAN

CITY OF APPLETON OFFICIALS & STAFF

Timothy M. Hanna	Mayor
William Siebers	Aldersperson District 1
Vered Meltzer	Aldersperson District 2
Curt J. Konetzke	Aldersperson District 3
Joe A. Martin	Aldersperson District 4
Edward Baranowski	Aldersperson District 5
Greg E. Dannecker	Aldersperson District 6
Kathleen S. Plank	Aldersperson District 7
Matthew Reed	Aldersperson District 8
Bob Baker	Aldersperson District 9
Christine Williams	Aldersperson District 10
Patti S. Coenen	Aldersperson District 11
Cathy M. Spears	Aldersperson District 12
Kyle Lobner	Aldersperson District 13
Christopher W. Croatt	Aldersperson District 14
Keir Dvorachek	Aldersperson District 15
James P. Walsh	City Attorney
Kami L. Lynch	City Clerk
Tony Saucerman	Finance Director
Karen E. Harkness	Community & Economic Development Director

PLANNING COMMISSION

Mayor Timothy M. Hanna	Chair
Tanya Rabec	Member
Adrienne Palm	Member
Steve Uslabar	Member
Joe Martin	Aldersperson/Member
Ross Buetow	Member/Deputy Director of Public Works

JOINT REVIEW BOARD

Tony Saucerman	City Representative
Brian Massey	Outagamie County
Faith Schiedermayer	Fox Valley Technical College
Don Hietpas	Appleton Area School District
Peter Stueck	Public Member

**TAX INCREMENT DISTRICT #11
PROJECT PLAN**

TABLE OF CONTENTS

1. Intent and Purpose of Tax Increment Financing District #11	4
2. Statement of Kind, Number and Location of Proposed Public Works and Improvement Projects Within the District or the ½ Mile Buffer Zone	16
3. Qualification Based on City Valuation	19
4. List of Project Costs	20
5. List of Non-Project Costs.....	21
6. Economic Feasibility Study	22
7. Description of the Methods of Financing and the Time When Such Costs or Monetary Obligations are to be Incurred.....	27
8. Proposed Changes in Zoning Ordinances, Master Plan, Building Codes, Maps and City Ordinances.....	31
9. Orderly Development of the City of Appleton	32
10. Estimate of Property to be Devoted to Retail Use	33
11. Proposed Relocation Plan for Displaced Persons or Businesses	34
12. Map of TIF District #11 Boundaries and TIF District #11 Boundaries with Half Mile Buffer Zone	35
13. Map of Existing Uses and Conditions.....	37
14. Map of Proposed Improvements and Public Works Projects by Development Area	38
15. Parcel List & Legal Description.....	39
16. Opinion of the City Attorney on the Compliance of the Project Plan with Wisconsin Statute.....	46

1

INTENT AND PURPOSE OF TAX INCREMENT FINANCING DISTRICT #11

Tax Increment Financing District Number 11 (the “District”) is being created by the City of Appleton under the authority provided by Wisconsin Statute Section 66.1105 “Tax Increment Law” to eliminate blight and stimulate the redevelopment of East College Avenue approximately from Drew Street to just west of Superior Street, South to Water Street and North to E. Washington Street. A map of the proposed District boundaries is found in Section 12.

This area is primarily characterized by a large blighted and vacant commercial site and a mixture of small businesses, office space, and housing which have the potential to, and in some cases already have, created a blighting influence on the surrounding area. The District consists of approximately 59.68 acres of land with the vast majority currently zoned Central Business District. A minority of parcels in TIF #11 are currently zoned Planned Development Multi-Family, Public Institution, Single-Family Residential, and Multi-Family Residential.

The District is being 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 described below. The map exhibit in Section 13 illustrates existing uses and conditions of the District.

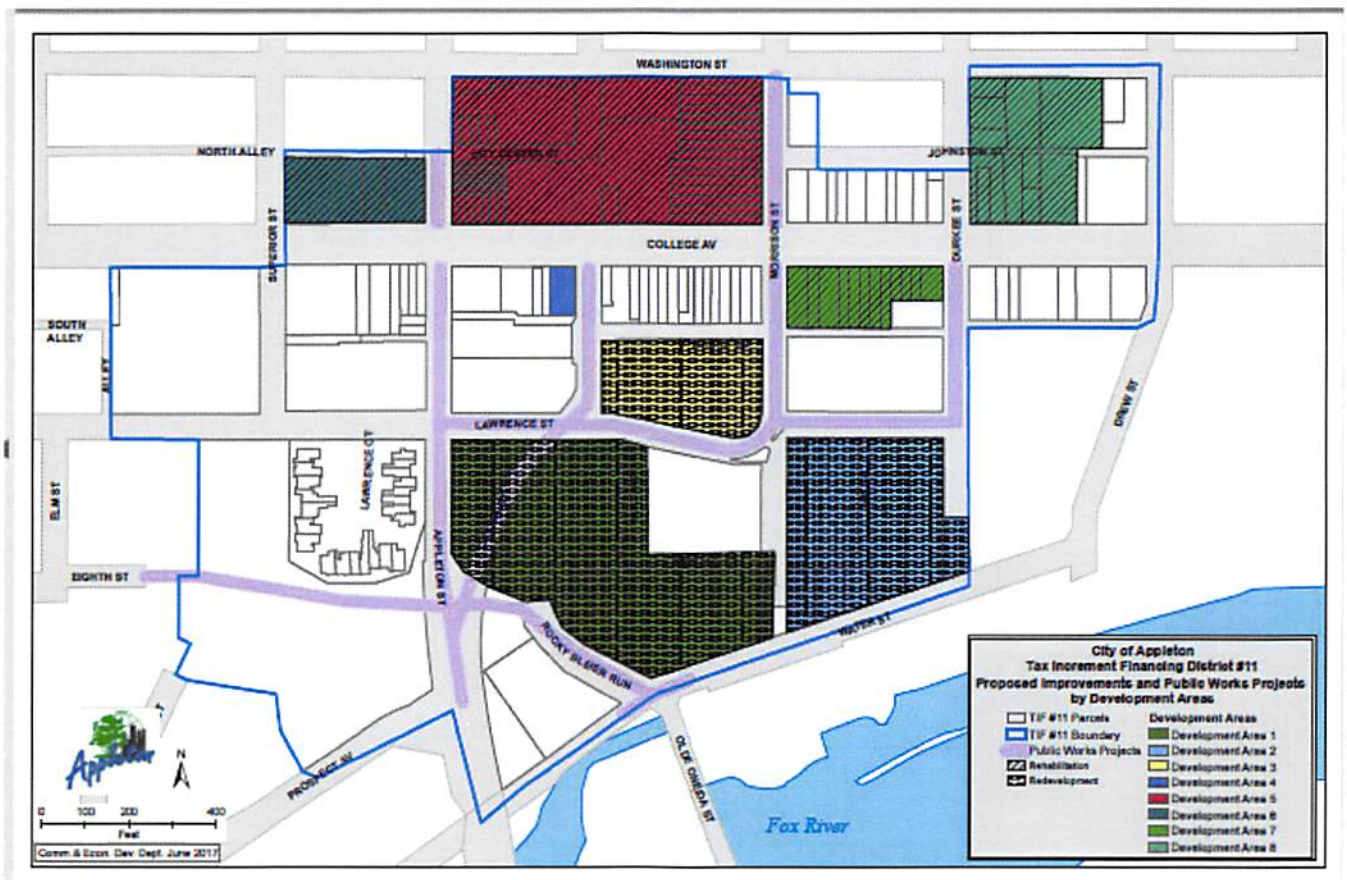
Blight is described as: *the presence of a substantial number of substandard or deteriorating structures or site improvements; inadequate street layout or faulty lot layout in relation to size, adequacy, accessibility or usefulness, or conditions which endanger life or property by fire and other causes, or any combination of such factors that impairs or arrests the sound growth of a city. This definition also includes land upon which building or structures have been demolished and which because of obsolete platting, diversity of ownership or deterioration of structures or site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.*

This Project Plan outlines the City of Appleton’s role in assisting with the redevelopment of vacant, blighted, and underutilized properties and rehabilitation/conservation of existing properties as needed to support the urban renewal of this area. The investment in this District will:

- eliminate blight and foster urban renewal through public and private investment
- enhance the development potential of private property within and adjacent to the District
- stabilize and increase property values in the area

- promote retention, expansion, attraction and reuse through the development of an improved area thereby facilitating the creation of new jobs and increased tax base
- improve the overall appearance of public and private spaces
- strengthen the economic well-being and economic diversity of the area
- provide appropriate financial incentives to encourage business expansion
- maximize the Districts strategic location in Downtown Appleton

There are eight identified development areas within the District that include a combination of redevelopment and rehabilitation sites. The following map and narrative highlights the key development areas targeted for redevelopment and rehabilitation/conservation in this District that would not happen otherwise but for the creation of this District.



Development Area #1: The largest site in this Development Area is commonly known as “The Bluff Site”. This site is comprised of Trinity Lutheran Church and Michiels Fox Banquet Rivertyme Catering.

Trinity Lutheran Church is located at 209 Allen Street and is approximately 1.86 acres. This site originally consisted of several residential lots. In 1924, Trinity English Lutheran Church was constructed on the northwest corner of Allen Street and Kimball Street. In 1954, a parish center was built on the north end of the property. The church and parish center were connected via an addition in 1963, which greatly expanded the church sanctuary. Another addition was completed in 1996 on the northwest side to create a lobby with an elevator. The building is currently vacant as the parish relocated to another site in December of 2016, and the site was purchased in January, 2017 by local developers intending to demolish the site for redevelopment. Future possible uses for this site include mixed use, public parking, public library, medical clinic, multi-family apartments and/or condos. The timing for this redevelopment is 2017-2021, and the proposed construction costs are estimated at \$57 million. Potentially, a portion of this would be exempt from property taxes if owned by a not-for-profit or tax exempt entity.

Michiels Fox Banquet Rivertyme Catering is located at 111 Kimball Street and is approximately 2.15 acres. This site originally consisted of several residential lots. In 1917, the Appleton Vocational School was constructed on the southwest corner of Allen Street and Kimball Street. The school was the precursor to the Fox Valley Technical College. In 1935, the portion of Allen Street south of Kimball Street was vacated, and the Appleton Vocational School built a second building to the southeast of the original building. An addition was built onto the south end of the original building in 1952. The auto mechanics shop was expanded in 1954. The Appleton Vocational School moved to Grand Chute in 1972 and became the Fox Valley Technical Institute. The school buildings on this site were razed in 1975. The Elks Club built the present building on the site in 1982. The building and property were sold to Michiels Fox Banquet in the late 1980’s. Michiels operated a banquet and catering business from this facility until December of 2016 when they moved operations to their Menasha facility, vacated this site and sold the property to a local developer in January, 2017. The local developer intends to demolish the site for redevelopment. Future possible uses for this site include public parking, commercial office building, and/or multi-family housing and condos. The timing for this redevelopment is 2017-2021, and the proposed construction costs are estimated at \$80 million. Potentially, a portion of this would be exempt from property taxes if owned by a not-for-profit or tax exempt entity.

The Bluff Site is highly visible from the Oneida Street Bridge, a primary gateway into the City of Appleton and Appleton’s Downtown. Redevelopment of this site would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this site. This development area would benefit from increased commercial activity from Development Area #2 and along College Avenue.

This information was largely taken from a Phase 1 Environmental Site Assessment conducted by Omni in June, 2016.

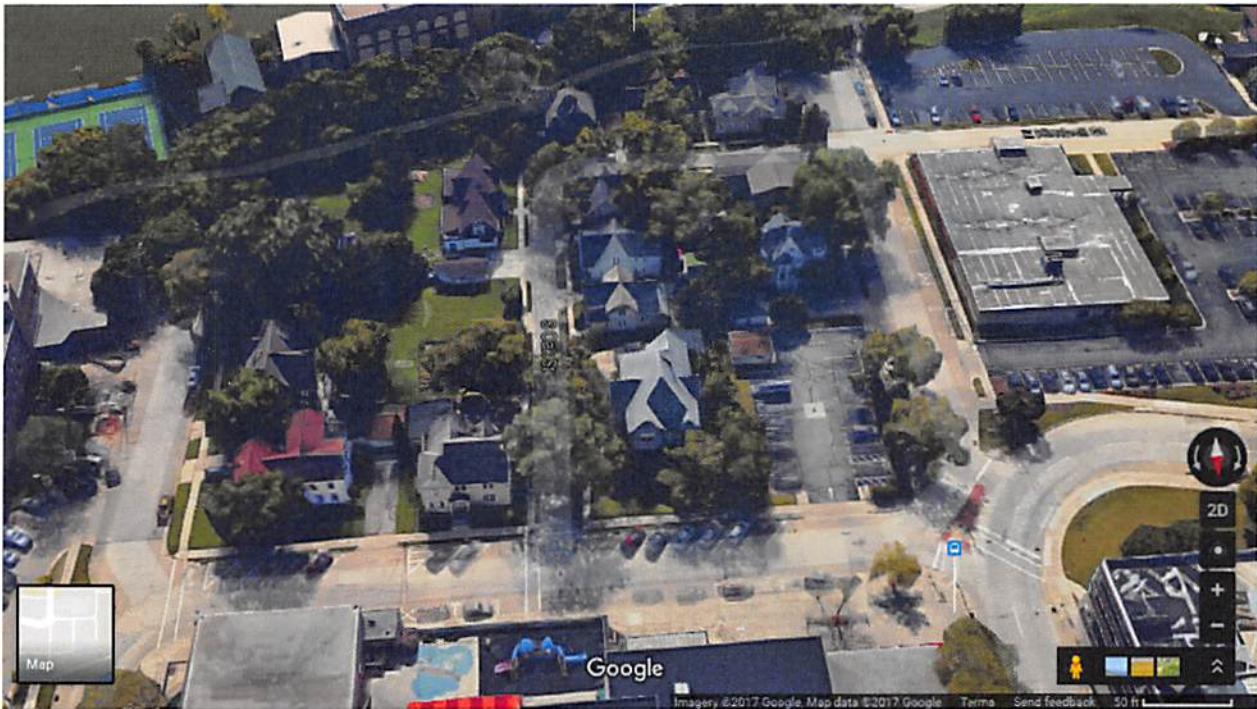


An aerial view of the bluff site.

Development Area #2: This is the site south of Lawrence Street, north of Water Street, east of S. Morrison Street and west of S. Durkee Street and is commonly referred to as “Bluff Site 2”. This site is comprised of 16 separate parcels with several owners. The YMCA of the Fox Cities owns 7 of the 16 parcels. The 7 parcels are comprised of 1 vacant lot, 2 vacant homes, 3 occupied rentals and 1 surface parking lot. Five (5) of the 7 parcels are on the tax rolls.

Other owners and uses are as follows: Housing Partnership of the Fox Cities owns one duplex which is tax exempt, and they use this property for transitional housing. Gary Trofka, et al owns one parcel which is used as a duplex. CJ Properties of the Fox Cities LLC owns one parcel, and the use is a four-plex. 220 Morrison LLC owns three parcels which are rentals (two single family and one multiple units). The remaining 3 parcels are owner-occupied, single-family residential homes.

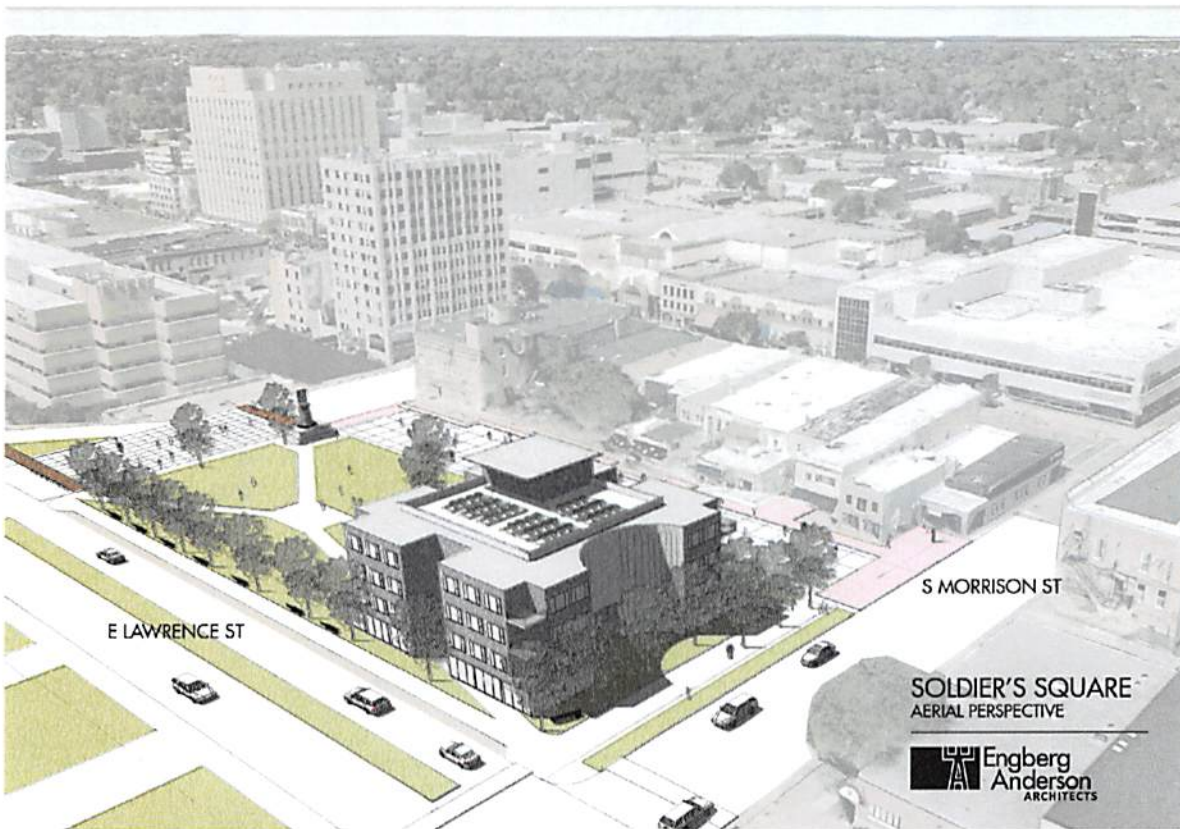
This blighted area could benefit from redevelopment, rehabilitation and conservation or be incorporated in part or in whole into a larger site for future redevelopment. This Development Area would benefit from increased commercial activity from Development Area #1 and along College Avenue.



An aerial view of bluff site 2.

Development Area #3: The Solider Square Ramp located at 120 S. Oneida Street was built in 1966, has 424 stalls, and is a blighted parcel in very poor condition. The YMCA purchased this ramp from the City of Appleton on February 1, 1996 for \$1. The Purchase Agreement contains a reversionary and other use clause. This development area is shown in the recently adopted Comprehensive Plan as mixed use and green space. It is acknowledged that the current use of this site as parking is imperative to the continued success of the YMCA, and the lost parking stalls, due to demolition of this structure, will need to be replaced in close proximity to this site. Development Area #3 has negatively impacted other properties due to being blighted, is not aesthetically pleasing, is structurally challenging, and needs to be redeveloped to enhance the overall area and provide a positive impression.

This blighted area could benefit from redevelopment as a stand-alone project or be incorporated into a larger site for future redevelopment. This Development Area would benefit from increased commercial activity from Development Areas #1 and #2 and along College Avenue.



SOLDIER'S SQUARE/YMCA PARKING LOT PERSPECTIVE

Development Area #4: The historic Zuelke Building located at 103 W. College Avenue was built in 1931 with 5 additional floors built in 1951. There are approximately 76,540 sq.ft., and the vacancy rate is 41%.

The building has a total of 12 floors with two elevator shafts, one elevator services the original 7 floors and later serviced up to the 10th floor. The second elevator services the addition of the 11th and 12th floors. The inability of the main elevator to access the 11th and 12th floors is a significant burden and will require extensive engineering and updating to facilitate correction.

The first seven floors in the original 1931 building were largely constructed from marble designed for a church in Milwaukee. Due to the depression, the church was unable to accept delivery of the marble. The quality and uniqueness of the marble provides much character and status to the building. However, preservation of the marble makes it difficult to update the HVAC and plumbing systems, many of which are original to a 1950-1953 renovation of the building.

The building was considered “fireproof” when constructed, however new NFPA 1 rules would require installation of sprinklers throughout the entire building with any substantial renovation. The marble once again makes this endeavor very costly.

This neo-gothic high rise building, named for Irving Zuelke a local businessman and philanthropist, was added to the National Register of Historic Places in 1982 as part of the College Avenue Historic District.

The owners of this building are interested in rehabilitation into mixed use by utilizing TIF and/or Federal and State Historic Tax Credits, but they recognize the challenges of this blighted site. They have a desire to preserve the historic nature of the building, including the marble, but they recognize that the antiquated infrastructure upgrades, parking challenges, and the high cost of construction/rehab will require several layers of funding and support from the City.

Rehabilitation of this development area would further enhance the entire area by increasing commercial activity along College Avenue. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area. The timing for this redevelopment is undetermined based on proposed changes to the Historic Tax Credits Federally and State wide. The proposed construction costs are estimated at \$6.5 million.



100 West College Avenue (south side) Zuelke Building to Houdini Plaza

Development Area #5: This area is comprised of City Center Plaza, the Blue Ramp, and the vacant land where Washington Place once stood.

10 College Avenue, City Center Plaza, was constructed in 1986 and is located in the heart of Appleton's Business District. This 3-story, 190,000 sq. ft. multi-use building contains both retail and office spaces. Major tenants include Appleton Area School District, Total Med Staffing, West Corporation, ThedaCare, Air Wisconsin, Joseph's Shoes and Murray Photos. The current vacancy rate is 20%, and the property is for sale. The local owners may use TIF to assist with conservation and renovations for tenants of approximately \$1,000,000 within the next three years.

122 E. College Avenue, City Center East Office Condo, was constructed in 1974 as Gimbals Department Store and was converted to office condo in 2003. This 150,000 sq. ft. building contains office space with major tenants that include: ThedaCare, Appleton Area School District, and Hoffman Planning Design and Construction. The current vacancy rate is 15%. The local owners may use TIF to assist with conservation and renovations for tenants of approximately \$2,000,000 within the next three years.

100 N. Appleton Street, City Center West Office Condo, was constructed in 1960 as HC Prange Company and was converted to office condo units in 1996. The City of Appleton owns the top two floors and space on the first floor. The Pfefferle group owns the balance of the condo units consisting of 62,318 sq. ft. The current vacancy rate is 5%. The local owners may use TIF for renovation and/or remodeling of tenant space of approximately \$1,000,000 within the next three years.

The Blue Ramp, located at 120 N. Appleton Street, was built in 1963, with 7 ½ post-tension decks replacing original reinforced decks in 1986, has 401 stalls, and will be demolished by 2019 as it is blighted, is a substandard and/or deteriorating structure, and an inadequate layout for today's parking needs.

The vacant land located at 103 E. Washington Street was most recently Washington Place. This blighted building was demolished in 2013, and this is a prime site for redevelopment.

This blighted Development Area #5 could benefit from rehabilitation and conservation and/or incorporate portions into a larger site for future redevelopment. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area. Potentially, a portion of this would be exempt from property taxes if owned by a not-for-profit or tax exempt entity.



100 West College Avenue (north side) Hoffman/ThedaCare to The Building for Kids Children's Museum/City Center

Development Area #6: This area includes Chase Bank, a parklet, and the 222 Building.

Chase Bank, located at 200 W. College Avenue, is a 45,000 sq. ft. building currently listed for sale. This is a prime redevelopment opportunity with JP Morgan Chase Bank remaining as the ground floor tenant. Located on College Avenue, the main street leading from the interstate into a vibrant Downtown, this site is in close proximity to Lawrence University, City and County municipal buildings, and many other attractions. The site encompasses half of a city block with access on three of the surrounding streets. Potential uses could be office, residential, and hospitality. The Downtown Mobility Study, adopted by Council in 2016, recommends converting Appleton Street from one-way southbound to two-way, creating improved access and visibility to the property.

The parklet (small parcel currently decorated with lights, tables and chairs) is owned by Pfefferle Management and located between two vibrant businesses. Use as a parklet is via a month-to-month lease with the City of Appleton.

222 Building, located at 222 W. College Avenue, was originally constructed in 1952, and then an addition on the west side was constructed in 1964. Pfefferle Group purchased the building in 2003. The current vacancy rate is 25%. The owners may use TIF for renovating the vacant floors and/or a possible restaurant on the first floor for an estimated cost of \$2,000,000.

This blighted Development Area #6 could benefit from rehabilitation and conservation and/or incorporate portions into a larger site for future redevelopment. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.



200 West College Avenue (north side) Chase Bank to 222 Building

Development Area #7: This area encompasses Gabriel Furniture and businesses in the 200 E. block of College Avenue.

The Gabriel Furniture building has been on the corner of College Avenue and Morrison Street for over 100 years. Built in 1888 by the Konemic Lodge, International Order of the Odd Fellows, it became the first home for several local organizations including The Knights of Pythius, Elks Lodge 337, Loyal Order of the Moose, and Appleton Eagles. In 1928, Joseph Gabriel opened Gabriel Furniture at 201 E. College Avenue. Over the next 60 years, the business flourished and grew. In the 1960's, a metal covering was put on the façade to make the property "look more modern". In 1988, the current owners, Joe and Ruby Wells, bought the business and in 1990, they purchased 201 and 207 E. College Avenue. In the early 1990's, the Wells then purchased 209 and 211 E. College Avenue (former Shirley's Children's Shop) combining all the sites with interior connections. Today, the four buildings are used as a retail furniture store utilizing approximately 35,000 sq.ft. for showroom with additional basement space for storage. There currently are no vacancies in this property. The owners have no specific plans at this time but support efforts to make this blighted area more aesthetically pleasing through redevelopment, rehabilitation, and/or conservation.

Additional buildings in this area were built from 1870 thru 1978. Development Area #7 is characterized by small parcels with historic/older buildings and could be redeveloped individually. Rehabilitation of the existing buildings and property would further enhance the entire area. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.



200 East College Avenue (south side) Lou's Brews to Gabriel Furniture

Development Area #8: Includes the 300 block of E. College Avenue, North of Johnson Street, between N. Durkee Street and N. Drew Street. In the recently updated Comprehensive Plan approved unanimously by the Appleton Common Council on March 15, 2017, the 300 block of E. College Avenue is conceptually identified as a site for new multi-family residential development over a mix of commercial/office space which could serve the needs of existing property owners, including but not limited to, Heid Music and Lawrence University. The goal would be to fill a housing demand, transition to the small scale neighborhoods, and enhance the immediate surroundings with small commercial space to pull foot traffic north of College Avenue.

Narrative taken from Comprehensive Plan 2010-2030.

This blighted area deals with parking challenges, ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. This area is characterized by small parcels with historic/older buildings and could be redeveloped individually or in groups. Rehabilitation of the existing buildings and property would further enhance the entire area. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.



300 East College Avenue (north side) History Museum at the Castle to Heid Music



THE CONCEPTUAL SITE PLAN SHOWS PARKING BEHIND THE PROPOSED DEVELOPMENT JUST NORTH OF JOHNSTON STREET, BETWEEN N. DURKEE STREET AND N. DREW STREET



**PERSPECTIVE OF CONCEPTUAL REDEVELOPMENT OF 300 BLOCK OF E. COLLEGE AVENUE
VANTAGE POINT IS LOOKING SOUTHWEST TOWARD THE FOX RIVER FROM THE CORNER OF
N. DREW STREET AND E. WASHINGTON STREET.**

2

STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND IMPROVEMENT PROJECTS WITHIN THE DISTRICT OR THE 1/2 MILE BUFFER ZONE

The following is a list of proposed public works and improvement projects the City either directly, or through other entities, may implement in conjunction with this District. Any costs directly or indirectly related to the public works and improvements are considered “project costs” and eligible to be paid with tax increment revenues of the tax incremental district. The map exhibit in Section 14 Proposed Improvements and Public Works Projects by Development Area illustrates the proposed public works and improvement projects locations.

A. Municipal Infrastructure Improvements

- Construction and/or reconstruction of the streets, bridges, pedestrian connections and parking to facilitate development and rehabilitation projects within the District. Scope of work may include right-of-way acquisition, land assembly, grading, gravel, curb and gutter, asphalt, streetlights, traffic signals, walkways, concrete paving, lighting, signage, and related appurtenances.
- Construction and/or reconstruction of a sanitary sewer collection system to facilitate development and rehabilitation projects within the District. The scope of work may include sewer mains, manholes, laterals, force main, lift stations, and related appurtenances.
- Construction and/or reconstruction of the water distribution system to facilitate development and rehabilitation projects within the District. Projects may include water mains, valves, hydrants, service connections, laterals and other related appurtenances.
- Construction and/or reconstruction of storm water drainage facilities to support development and rehabilitation projects within the District. Projects may include retention or detention basins, biofilters, conveyance systems, storm sewer mains, manholes, inlets, drains and related appurtenances.
- Installation of electric and/or natural gas service or the relocation of existing services to facilitate blight elimination and redevelopment or rehabilitation in the District and provide better service. Acquisition of equipment to service the District.
- Installation of telephone, fiber, and cable or the relocation of existing services to facilitate blight elimination and redevelopment or rehabilitation in the District and provide better service. Acquisition of equipment to service the District.
- The costs associated with the design, implementation, purchase and maintenance of streetscape amenities to improve the aesthetic appearance of this District, including but not limited to, decorative lighting, banners and/or flags, public art, landscaping and/or planters, benches and other pedestrian elements to encourage the viability of the businesses in the district and attract high quality development.

- B. Administrative Costs:** These include, but not limited to, a portion of the salaries of the City employees, professional fees, and others directly involved in the projects for the District over the implementation of the project plan. Audit expenses, state filing fees, and any expenses associated with dissolving the District are also eligible costs.
- C. Organizational Costs:** These include, but are not limited to, publication and printing costs in connection with this Project Plan as well as the fees for the financial consultants, attorney, engineers, planners, surveyors, and other contracted services.
- D. Professional Services:** These include, but are not limited to, those costs incurred for architectural, planning, engineering and legal advice and services.
- E. Financing Costs:** Interest, finance fees, bond discounts, redemption premiums, legal opinions, credit ratings, capitalized interest, insurance and other expenses related to financing. This would also include interest on advances made by the City of Appleton.
- F. Land Assembly, Clearance, and Real Estate Acquisitions:** In order to eliminate blight and promote rehabilitation and redevelopment, it may be necessary to assist developers or for the City to acquire and demolish blighted or underutilized properties within the District. These may include but are not limited to, the cost of acquisitions, clearance/demolition, titles, easements, appraisals, consultant fees, closing costs, surveying and mapping, and the lease and/or the sale of property at or below market price to encourage or make feasible an economic development project that is consistent with the intent of this District.
- G. Relocation Costs:** In the event any property is acquired for the projects, expenses including the cost of the relocation plan, director, staff, publications, appraisals, land and property acquisition costs and relocation benefits as required by Wisconsin Statutes Section 32 are considered eligible project costs.
- H. Development Incentives (Cash Grants and/or Loans):** As a partner in the future redevelopment and rehabilitation/conservation of this District, the City of Appleton may enter into agreements with property owners, lessees, or developers for the purpose of sharing costs to encourage the desired kind of improvements based on the purpose of this District and assure tax base is generated sufficient to recover project costs. This assistance is regularly needed in rehabilitation and redevelopment projects to offset the additional costs in re-use versus greenfield development. Not every project will demand the same level of funding. These payments would be negotiated on a project basis in order to attract new taxable property or rehabilitate existing property in the District. No cash grants or loans will be provided until the Common Council adopts a development agreement and a copy of such agreement will be retained in the City's official records for the TID.
- I. Environmental Audits and Remediation:** Costs related to all environmental assessments and remediation will be considered eligible project costs.
- J. Promotion and Development:** Promotion and development of the District including professional services or marketing, recruitment, realtor commissions and fees in lieu of commissions, marketing services and materials, advertising costs, administrative costs and support of development organizations.
- K. Project Outside the Tax Increment District:** Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the city may undertake projects within territory located within one-half (1/2) mile of the boundary of the district provided that (1) the project is located within the City's corporate boundaries, and (2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible Project Costs and may

include any project cost that would otherwise be eligible if undertaken within the District. Specific Public Works projects at the time of the District creation in the ½ mile boundary area of this District are not included at this time. Refer to Section 14 for a map of proposed improvements and Public Works projects by development area.

- L. Payments Made at the Discretion of the Common Council:** These payments may include but are not limited to payments which are found to be necessary or convenient to the creation of the District or the implementation of the Project Plan that support the goals of the District as outlined in Section 1.

The above-identified lists of proposed public works projects are the projected activities at this time that may be required in the District. Future development and rehabilitation of this area as it begins to occur may dictate additions or deletions from the above list. The City of Appleton reserves the right to such additions or deletions to the project list to the full extent allowed by the law.

In the event any of the projects are not reimbursable out of the TIF fund under Wisconsin Statutes Section 66.1105, in the written opinion of nationally recognized bond counsel or a court of record so rules in a final order, then such project or projects shall be deleted herefrom and the remainder of the projects hereunder shall be deemed the entirety of the projects for purposes of the project plan.

The City reserves the right to implement only those projects that remain economically viable as the project period proceeds.

Project costs as outlined in this Project Plan include any eligible expenditure made or estimated to be made or monetary obligations incurred or estimated to be incurred by the City or by the Developer. Project costs incurred by developer must be in accordance with a development agreement as approved by the Common Council. Any income, special assessments, or other revenues, including user fees or charges, will diminish project costs. To the extent the project costs benefit the municipality outside the District, a proportionate share of the cost is not a project cost. Specific Public Works projects identified at the time of the District creation in the ½ mile boundary area of this District are not included in this Project Plan. Costs identified in this plan are preliminary estimates made prior to design considerations and are subject to change after planning is completed. Prorations of costs in this plan are also estimates and subject to change based upon implementation, future assessment policies, and user fee adjustments.

3

QUALIFICATION BASED ON CITY VALUATION

The following calculations demonstrate the City is in compliance with Wisconsin Statute Section 66.1105(4)(gm)4.c, which requires the equalized value of the taxable property in the proposed District, plus the value increment of all existing Tax Increment Districts, does not exceed 12% of the total equalized value of taxable property within the City.

STEP 1: Calculation of Maximum Equalized Property Value Allowed within Tax Increment Districts in the City of Appleton

Equalized Value (as of January 1, 2016)		Maximum Allowable TIF Property Value
\$4,938,725,300	x 12% =	\$592,647,036

STEP 2: Calculation of Equalized Property Value Currently Located and Proposed to be Located within Tax Increment Districts

Tax Incremental Districts	Equalized Value
TIF District #3 Increment	41,515,600
TIF District #6 Increment	92,707,700
TIF District #7 Increment	17,197,100
TIF District #8 Increment	13,802,500
TIF District #9 Increment	1,763,000
TIF District #10 Increment	1,548,000
Proposed Base of TIF District #11 Creation*	78,547,500
Proposed Base of TIF District #12 Creation*	21,717,000
Total Existing Increment Plus Proposed Bases	\$ 268,798,400

**Note: 2017 Base Values are final Assessed Values. The final equalized value ratio will be determined in August. The estimated ratio is 95%. 2017 TID 12 base includes two state assessed personal property full values.*

The equalized value of the increment of existing Tax Incremental Districts within the City, plus the base value of the proposed District, totals **\$268,798,400**. This value equals **5.44%** of the City total equalized value and is substantially less than the maximum of **\$592,647,036** in equalized value permitted for the City of Appleton. The City is, therefore, in compliance with the statutory equalized valuation test and may proceed with creation of this district.

4

LIST OF PROJECT COSTS

All costs are based on 2017 prices and are preliminary estimates that are based on best information available. The plan is not meant to be a budget nor an appropriation of funds for specific projects, but a framework within which to manage projects understanding the District can be in effect for a twenty-seven year period allowed by Wisconsin Statute. The City of Appleton reserves the right to increase these costs to reflect inflationary increases and other uncontrollable circumstances between 2017 and the time of construction. The City retains the right to delete projects or change the scope and/or timing of projects implemented as the Common Council individually authorizes them, without amending the Plan.

Project/Activity	Total Cost	Estimated Timing
• Municipal Infrastructure Improvements	\$3,234,600	2018-2023
• Municipal Infrastructure within the ½ Mile Boundary	None included at this time	
• Development Incentives & Property Grants	\$14,847,560	2018-2034
• Other Costs - Administrative, Professional, Environmental, and Promotion Services Costs. Filling fees and fees charged by State. Audit Costs.	\$124,750	2017-2039
• Financing Costs* <ul style="list-style-type: none"> ○ General Fund Advance Interest Expense \$359,374 ○ General Obligation \$1,168,909 	\$1,528,283	2017-2035
TOTAL:	\$ 19,735,193	2017-2044

***NOTE:** The financing costs do not include potential interest reimbursement to the developers but an allowance is included in the financial forecast (chart 5) in the line Development contractual payments. The financing costs associated with the proposed project costs for this District are incorporated into the financing schedules for the District. See *Section 7: Description of the Methods of Financing and the Time When Such Costs or Monetary Obligations are to be Incurred* for financing details for the District.

5

LIST OF NON-PROJECT COSTS

There are no anticipated “non-project costs” associated with this Plan.

6

ECONOMIC FEASIBILITY STUDY

The charts and tables on the following pages show the City of Appleton will be able to obtain the necessary funds to implement the proposed projects and revenue from the District will be sufficient to pay for them. Chart 1 presents the City’s equalized value and Chart 2 provides the full faith and credit borrowing capacity of the City. Equalized valuation projections were made using two methods as detailed in Chart 1. The straight-line method was chosen for purposes of this analysis to be conservative. Chart 2 projects the general obligation borrowing capacity of the City taking into account the existing debt of the City, the five-year Capital Improvement Plan, and assuming a 1% increase per year beyond the five-year plan. As shown, the debt balance projected is well below the net borrowing capacity.

Chart 3 projects revenues sufficient to finance all of the projects of the District and Chart 4 presents the allocation of increment by taxing entity assuming similar weighted average components as the 2017 rate.

The pro forma is based on the following assumptions:

- The base value of the District is **\$78,547,500**.
- The tax rate is projected at \$24.2833 for 2017 and remaining at this amount for the life of the District.
- Valuations are projected to increase only .5% per year due to inflation.
- The base value of the District is estimated to increase **\$73,712,800** in new construction value based on the following schedule:

Year	Project Increment Added
2017 Base Value Real Estate & Personal Property	\$78,547,500
January 1, 2018	\$ -
January 1, 2019	\$ 73,712,800
January 1, 2020	\$ -
January 1, 2021	\$ -
January 1, 2022	\$ -
January 1, 2023	\$ -
Total Increment (net of base value):	\$ 73,712,800

**CITY OF APPLETON
EQUALIZED VALUATION PROJECTION**

<u>YEAR</u>	<u>VALUATION</u>	<u>CHANGE</u>
2011	4,797,103,500	
2012	4,651,408,600	(145,694,900)
2013	4,622,312,200	(29,096,400)
2014	4,696,660,500	74,348,300
2015	4,816,754,800	120,094,300
2016	4,938,725,300	121,970,500
		<u>\$141,621,800</u>

Straight Line Method
(Total change divided by 5) \$28,324,360

Percentage Method 0.59%
(Total percentage change from 2011
to 2016 divided by 5)

	<u>Projected Valuations Straight Line</u>	<u>Percentage</u>	<u>TIF Project Plan Increment Only</u>
2016	4,938,725,300	4,938,725,300	4,938,725,300
2017	4,967,049,660	4,967,863,779	4,938,725,300
2018	4,995,374,020	4,997,174,175	4,938,725,300
2019	5,023,698,380	5,026,657,503	5,012,438,100
2020	5,052,022,740	5,056,314,782	5,012,438,100
2021	5,080,347,100	5,086,147,039	5,012,438,100
2022	5,108,671,460	5,116,155,307	5,012,438,100
2023	5,136,995,820	5,146,340,623	5,012,438,100
2024	5,165,320,180	5,176,704,033	5,012,438,100
2025	5,193,644,540	5,207,246,587	5,012,438,100
2026	5,221,968,900	5,237,969,342	5,012,438,100
2027	5,250,293,260	5,268,873,361	5,012,438,100
2028	5,278,617,620	5,299,959,714	5,012,438,100
2029	5,306,941,980	5,331,229,476	5,012,438,100
2030	5,335,266,340	5,362,683,730	5,012,438,100
2031	5,363,590,700	5,394,323,564	5,012,438,100
2032	5,391,915,060	5,426,150,073	5,012,438,100
2033	5,420,239,420	5,458,164,358	5,012,438,100
2034	5,448,563,780	5,490,367,528	5,012,438,100
2035	5,476,888,140	5,522,760,696	5,012,438,100
2036	5,505,212,500	5,555,344,984	5,012,438,100
2037	5,533,536,860	5,588,121,519	5,012,438,100
2038	5,561,861,220	5,621,091,436	5,012,438,100
2039	5,590,185,580	5,654,255,875	5,012,438,100
2040	5,618,509,940	5,687,615,985	5,012,438,100
2041	5,646,834,300	5,721,172,919	5,012,438,100
2042	5,675,158,660	5,754,927,839	5,012,438,100
2043	5,703,483,020	5,788,881,913	5,012,438,100
2044	5,731,807,380	5,823,036,316	5,012,438,100

Chart 2

**CITY OF APPLETON
GENERAL OBLIGATION BORROWING CAPACITY**

Budget Year	Equalized Value	Gross Debt Limit	Debt Balance	Net G.O. Borrowing Capacity	
2016	4,938,725,300	246,936,265	45,374,327	201,561,938	0.1837
2017	4,938,725,300	246,936,265	53,366,582	193,569,683	0.2161
2018	4,938,725,300	246,936,265	64,850,375	182,085,890	0.2626
2019	5,012,438,100	250,621,905	97,694,521	152,927,384	0.3898
2020	5,012,438,100	250,621,905	109,333,929	141,287,976	0.4363
2021	5,012,438,100	250,621,905	111,859,231	138,762,674	0.4463
2022	5,012,438,100	250,621,905	112,978,000	137,643,905	0.4508
2023	5,012,438,100	250,621,905	114,108,000	136,513,905	0.4553
2024	5,012,438,100	250,621,905	115,249,000	135,372,905	0.4599
2025	5,012,438,100	250,621,905	116,401,000	134,220,905	0.4644
2026	5,012,438,100	250,621,905	117,565,000	133,056,905	0.4691
2027	5,012,438,100	250,621,905	118,741,000	131,880,905	0.4738
2028	5,012,438,100	250,621,905	119,928,000	130,693,905	0.4785
2029	5,012,438,100	250,621,905	121,127,000	129,494,905	0.4833
2030	5,012,438,100	250,621,905	122,338,000	128,283,905	0.4881
2031	5,012,438,100	250,621,905	123,561,000	127,060,905	0.4930
2032	5,012,438,100	250,621,905	124,797,000	125,824,905	0.4979
2033	5,012,438,100	250,621,905	126,045,000	124,576,905	0.5029
2034	5,012,438,100	250,621,905	127,305,000	123,316,905	0.5080
2035	5,012,438,100	250,621,905	128,578,000	122,043,905	0.5130
2036	5,012,438,100	250,621,905	129,864,000	120,757,905	0.5182
2037	5,012,438,100	250,621,905	131,163,000	119,458,905	0.5234
2038	5,012,438,100	250,621,905	132,475,000	118,146,905	0.5286
2039	5,012,438,100	250,621,905	133,800,000	116,821,905	0.5339
2040	5,012,438,100	250,621,905	135,138,000	115,483,905	0.5392
2041	5,012,438,100	250,621,905	136,489,000	114,132,905	0.5446
2042	5,012,438,100	250,621,905	137,854,000	112,767,905	0.5500
2043	5,012,438,100	250,621,905	139,233,000	111,388,905	0.5556
2044	5,012,438,100	250,621,905	140,625,000	109,996,905	0.5611

CITY OF APPLETON

Tax Incremental District # 11
Revenue Forecast

Chart 3

Base Value	78,547,500	Inflation Factor	0.50%
------------	------------	------------------	-------

Construction Year	Valuation Year	Revenue year	Inflation Increment	Value Added	Valuation Increment	Land Sales	Tax Rate	District Revenue
	2016	2017	2018	0	0	0	23.3889	0
1	2017	2018	2019	392,738	0	392,738	23.3889	9,186
2	2018	2019	2020	394,701	73,712,800	74,500,239	23.3889	1,742,479
3	2019	2020	2021	765,239	0	75,265,478	23.3889	1,760,377
4	2020	2021	2022	769,065	0	76,034,543	23.3889	1,778,364
5	2021	2022	2023	772,910	0	76,807,453	23.3889	1,796,442
6	2022	2023	2024	776,775	0	77,584,228	23.3889	1,814,610
7	2023	2024	2025	780,659	0	78,364,887	23.3889	1,832,869
8	2024	2025	2026	784,562	0	79,149,449	23.3889	1,851,219
9	2025	2026	2027	788,485	0	79,937,934	23.3889	1,869,660
10	2026	2027	2028	792,427	0	80,730,361	23.3889	1,888,194
11	2027	2028	2029	796,389	0	81,526,750	23.3889	1,906,821
12	2028	2029	2030	800,371	0	82,327,121	23.3889	1,925,541
13	2029	2030	2031	804,373	0	83,131,494	23.3889	1,944,354
14	2030	2031	2032	808,395	0	83,939,889	23.3889	1,963,262
15	2031	2032	2033	812,437	0	84,752,326	23.3889	1,982,264
16	2032	2033	2034	816,499	0	85,568,825	23.3889	2,001,361
17	2033	2034	2035	820,582	0	86,389,407	23.3889	2,020,553
18	2034	2035	2036	824,685	0	87,214,092	23.3889	2,039,842
19	2035	2036	2037	828,808	0	88,042,900	23.3889	2,059,227
20	2036	2037	2038	832,952	0	88,875,852	23.3889	2,078,708
21	2037	2038	2039	837,117	0	89,712,969	23.3889	2,098,288
22	2038	2039	2040	841,302	0	90,554,271	23.3889	2,117,965
23	2039	2040	2041	845,509	0	91,399,780	23.3889	2,137,740
24	2040	2041	2042	849,736	0	92,249,516	23.3889	2,157,615
25	2041	2042	2043	853,985	0	93,103,501	23.3889	2,177,588
26	2042	2043	2044	858,255	0	93,961,756	23.3889	2,197,662
27	2043	2044	2045	862,546	0	0	23.3889	0

Totals				73,712,800		0		49,152,191
--------	--	--	--	------------	--	---	--	------------

Present Value at 5.00%	24,538,607
------------------------	------------

CITY OF APPLETON
Tax Incremental District # 11
Taxing Entity Breakdown

Year	City	Appleton Schools	FVTC	Outagamie County	Total Tax Increment
2016	0	0	0	0	0
2017	0	0	0	0	0
2018	0	0	0	0	0
2019	3,354	3,560	438	1,834	9,186
2020	636,284	675,280	83,064	347,851	1,742,479
2021	642,819	682,217	83,917	351,424	1,760,377
2022	649,387	689,187	84,775	355,015	1,778,364
2023	655,989	696,193	85,636	358,624	1,796,442
2024	662,623	703,234	86,502	362,251	1,814,610
2025	669,290	710,310	87,373	365,896	1,832,869
2026	675,991	717,421	88,248	369,559	1,851,219
2027	682,725	724,568	89,127	373,240	1,869,660
2028	689,493	731,751	90,010	376,940	1,888,194
2029	696,295	738,969	90,898	380,659	1,906,821
2030	703,131	746,223	91,791	384,396	1,925,541
2031	710,000	753,516	92,687	388,151	1,944,354
2032	716,905	760,842	93,589	391,926	1,963,262
2033	723,844	768,206	94,495	395,719	1,982,264
2034	730,817	775,607	95,405	399,532	2,001,361
2035	737,825	783,045	96,320	403,363	2,020,553
2036	744,869	790,520	97,239	407,214	2,039,842
2037	751,947	798,034	98,163	411,083	2,059,227
2038	759,061	805,583	99,092	414,972	2,078,708
2039	766,211	813,171	100,025	418,881	2,098,288
2040	773,396	820,797	100,963	422,809	2,117,965
2041	780,617	828,460	101,906	426,757	2,137,740
2042	787,875	836,161	102,854	430,725	2,157,615
2043	795,168	843,902	103,806	434,712	2,177,588
2044	802,498	851,682	104,763	438,719	2,197,662
					49,152,191

7

DESCRIPTION OF THE METHODS OF FINANCING AND THE TIME WHEN SUCH COSTS OR MONETARY OBLIGATIONS ARE TO BE INCURRED

The City of Appleton expects to finance City project costs primarily from the sale of general obligation notes issued under Wisconsin Statutes 67.12(12). City borrowing will be phased to coincide with need and refinancing schedule as necessary to properly manage the District's affairs. It is anticipated the Developer will attain their own financing; however the City will make developer incentive payments up to 90% of the increment generated to a maximum value agreed upon. The contracted payments will include an allowable interest reimbursement up to 200 basis points above the all-inclusive interest cost on Appleton's general obligation notes. Chart 5 on the subsequent pages presents the detailed financial forecast for the District. Another option for financing is the use of developer-funded or "pay as you go" financing which minimizes the risk of non-performance of the TID to the City, while still assisting development that would not occur without assistance of a tax increment district. The type and method of financing each project in this District shall be made on a project by project basis to support the success of the District.

Plan Implementation:

Projects identified will provide the necessary anticipated governmental services to the area. A reasonable and orderly sequence is outlined in this Plan. However, it is anticipated the improvements will be made over a twenty-two year period based on the statutory guidelines for the tax increment district. Public debt and expenditures should be made at the point private development occurs to assure increment is sufficient to cover expenses.

The order in which public improvements are made should be adjusted in accordance with development and execution of development agreements. The City of Appleton reserves the right to alter the implementation of this Plan to accomplish this objective.

If financing as outlined in this Plan proves unworkable, the City reserves the right to use alternate financing solutions for the projects as they are implemented.

CITY OF APPLETON
Tax Incremental District #11
Financial Forecast

Chart 5

	2017	2018	2019	2020	2021	2022	2023	2024	2025
Revenues:									
Tax Increments	0	0	9,186	1,742,479	1,760,377	1,778,364	1,796,442	1,814,610	1,832,869
Investment Earnings	0	1	1	284	745	2,306	3,386	6,739	8,334
Proceeds of G.O. Debt	0	1,030,600	500,000	1,123,000	0	0	581,000	0	0
General Fund Advance	1,000	28,000	57,000	0	0	0	0	0	0
Total Revenues	1,000	1,058,601	566,187	2,865,763	1,761,122	1,780,670	2,380,828	1,821,349	1,841,203
Expenses:									
Development contractual payments	0	0	0	1,551,655	1,559,413	1,567,211	1,575,047	1,582,922	1,590,836
Property Improvement Grants	0	21,000	21,000	21,000	21,000	21,000	0	0	0
Administrative - Filing fees/Audit	1,000	1,650	1,750	1,750	1,900	1,900	2,000	2,000	2,100
Professional, Environmental & Promotion	0	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Construction Costs	0	1,030,600	500,000	1,123,000	0	0	581,000	0	0
2018 G.O. Note Interest	0	0	38,648	30,918	30,918	30,918	30,918	30,918	30,918
2018 G.O. Note Principal	0	0	0	0	0	0	0	0	0
2019 G.O. Note Interest	0	0	0	18,750	15,000	15,000	15,000	15,000	15,000
2019 G.O. Note Principal	0	0	0	0	0	0	0	0	0
2020 G.O. Note Interest	0	0	0	0	56,150	44,920	44,920	44,920	44,920
2020 G.O. Note Principal	0	0	0	0	0	0	0	0	0
2023 G.O. Note Interest	0	0	0	0	0	0	0	36,313	29,050
2023 G.O. Note Principal	0	0	0	0	0	0	0	0	0
General Fund Advance Interest at 5%	25	700	2,911	4,482	4,706	4,941	5,188	5,448	5,720
Allowance for Interest Expense	(25)	(700)	(2,911)	(4,482)	(4,706)	(4,941)	(5,188)	(5,448)	(5,720)
Total Expenses	1,000	1,058,250	566,398	2,752,073	1,689,381	1,685,949	2,253,885	1,717,073	1,717,824
Excess of Revenues over Expenditures	0	351	(211)	113,690	71,741	94,721	126,943	104,276	123,379
Beginning Fund Balance	0	0	351	140	113,830	185,570	280,292	407,235	511,511
Ending Fund Balance	0	351	140	113,830	185,570	280,292	407,235	511,511	634,890

CITY OF APPLETON
Tax Incremental District #11
Financial Forecast

Chart 5

2026	2027	2028	2029	2030	2031	2032	2033	2034
1,851,219	1,869,660	1,888,194	1,906,821	1,925,541	1,944,354	1,963,262	1,982,264	2,001,361
10,174	12,206	8,982	283	460	372	2,951	3,079	281
0	0	0	0	0	0	0	0	0
0	0	0	300,000	850,000	(300,000)	0	0	(530,000)
1,861,393	1,881,866	1,897,176	2,207,104	2,776,001	1,644,726	1,966,213	1,985,343	1,471,642
1,598,791	1,606,785	1,614,818	1,622,893	1,631,007	1,639,162	1,647,358	1,655,595	1,426,863
0	0	0	0	0	0	0	0	0
2,100	2,250	8,250	2,350	2,350	2,450	2,450	2,600	2,600
0	0	0	0	0	0	0	0	0
0	0	0	0	0	0	0	0	0
30,918	30,918	15,459	0	0	0	0	0	0
0	0	1,030,600	0	0	0	0	0	0
15,000	15,000	15,000	7,500	0	0	0	0	0
0	0	0	500,000	0	0	0	0	0
44,920	44,920	44,920	44,920	22,460	0	0	0	0
0	0	0	0	1,123,000	0	0	0	0
29,050	29,050	29,050	29,050	29,050	29,050	29,050	14,525	0
0	0	0	0	0	0	0	581,000	0
6,006	6,306	6,622	14,453	43,925	59,872	55,365	58,134	47,790
(6,006)	(6,306)	(6,622)	(14,453)	(43,925)	(59,872)	(55,365)	(58,134)	(47,790)
1,720,779	1,728,923	2,758,097	2,206,713	2,807,867	1,670,662	1,678,858	2,253,720	1,429,463
140,614	152,943	(860,921)	391	(31,866)	(25,936)	287,355	(268,377)	42,179
634,890	775,504	928,448	67,526	67,918	36,052	10,116	297,471	29,094
775,504	928,448	67,526	67,918	36,052	10,116	297,471	29,094	71,274

CITY OF APPLETON
Tax Incremental District # 11
Financial Forecast

Chart 5

2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	Totals
2,020,553	2,039,842	2,059,227	2,078,708	2,098,288	2,117,965	2,137,740	2,157,615	2,177,588	2,197,662	49,152,191
12,606	45,384	86,318	191,460	254,029	317,094	380,750	445,085	510,051	575,657	2,879,018
0	0	0	0	0	0	0	0	0	0	3,234,600
(406,000)	0	0	0	0	0	0	0	0	0	0
1,627,159	2,085,226	2,145,545	2,270,168	2,352,317	2,435,059	2,518,490	2,602,700	2,687,639	2,773,319	55,265,809
0	0	0	0	0	0	0	0	0	0	23,870,354
0	0	0	0	0	0	0	0	0	0	105,000
2,700	2,700	2,800	2,800	2,950	8,950	3,050	3,050	3,150	9,150	84,750
0	0	0	0	0	0	0	0	0	0	40,000
0	0	0	0	0	0	0	0	0	0	3,234,600
0	0	0	0	0	0	0	0	0	0	301,451
0	0	0	0	0	0	0	0	0	0	1,030,600
0	0	0	0	0	0	0	0	0	0	146,250
0	0	0	0	0	0	0	0	0	0	500,000
0	0	0	0	0	0	0	0	0	0	437,970
0	0	0	0	0	0	0	0	0	0	1,123,000
0	0	0	0	0	0	0	0	0	0	283,238
0	0	0	0	0	0	0	0	0	0	581,000
26,780	0	0	0	0	0	0	0	0	0	359,374
332,594	0	0	0	0	0	0	0	0	0	0
362,074	2,700	2,800	2,800	2,950	8,950	3,050	3,050	3,150	9,150	32,097,587
1,265,085	2,082,526	2,142,745	2,267,368	2,349,367	2,426,109	2,515,440	2,599,650	2,684,489	2,764,169	23,168,222
71,274	1,336,359	3,418,885	5,561,630	7,828,998	10,178,365	12,604,474	15,119,914	17,719,564	20,404,053	0
1,336,359	3,418,885	5,561,630	7,828,998	10,178,365	12,604,474	15,119,914	17,719,564	20,404,053	23,168,222	23,168,222

8

PROPOSED CHANGES IN ZONING ORDINANCES, MASTER PLAN, BUILDING CODES, MAPS AND CITY ORDINANCES

There are no changes to building codes or other City ordinances proposed for the implementation of this Project Plan. The City anticipates a portion of the District may require rezoning prior to development that will be consistent with the purpose of the District.

9

ORDERLY DEVELOPMENT OF THE CITY OF APPLETON

The District contributes to the orderly development of the City by providing for the elimination of blighting influences and the redevelopment of these underutilized properties along this major corridor and providing for continued growth in residential, office, and retail development. By improving and maintaining an attractive area for private investment along the corridor, the City will ensure a healthy tax base, job growth/creation and a more vibrant economy.

The Project Plan is complimentary to the adopted City of Appleton's *Comprehensive Plan 2010-2030* (Comprehensive Plan), specifically Chapter 14 Downtown Plan that identifies this corridor of west College Avenue for reinvestment, rehabilitation and redevelopment. The City's recommendations for this corridor and surrounding downtown sites include the following key strategies as adopted on March 15, 2017 in the updated Comprehensive Plan. These key strategies, and the detailed policies to support these efforts, can be found in the Comprehensive Plan – Chapter 14 Downtown Plan Initiatives Section from pages 335 to 362:

- 1.1 *Continue development of entry features on major routes into the downtown*
- 1.3 *Implement appropriate streetscaping projects throughout the downtown*
- 1.5 *Continue to encourage quality urban design throughout the downtown through voluntary measures*
- 2.2 *Pursue opportunities to attract more artists and arts-related businesses to the downtown*
- 3.1 *Encourage mixed-use and mid-density residential redevelopment on under-utilized or marginal sites on the edge of downtown*
- 3.3 *Promote development of neighborhood serving businesses and amenities to meet the basic shopping and service needs of downtown and nearby residents*
- 3.10 *Promote well-designed transitional areas between higher density development downtown and lower density development in adjacent, largely single family neighborhoods*
- 4.1 *Sustain and grow the retail niches which have formed downtown*
- 4.2 *Identify and aggressively recruit target industries*
- 4.3 *Protect the existing retail blocks on College Avenue*
- 4.5 *Facilitate and pursue entrepreneurial business development in the downtown*
- 4.6 *Create opportunities for smaller offices and business services to locate downtown, including north of College Avenue*
- 4.7 *Maintain an environment favorable to larger employers in the downtown*
- 4.8 *Support private sector efforts to redevelop and invest in downtown*

10

ESTIMATE OF PROPERTY TO BE DEVOTED TO RETAIL USE

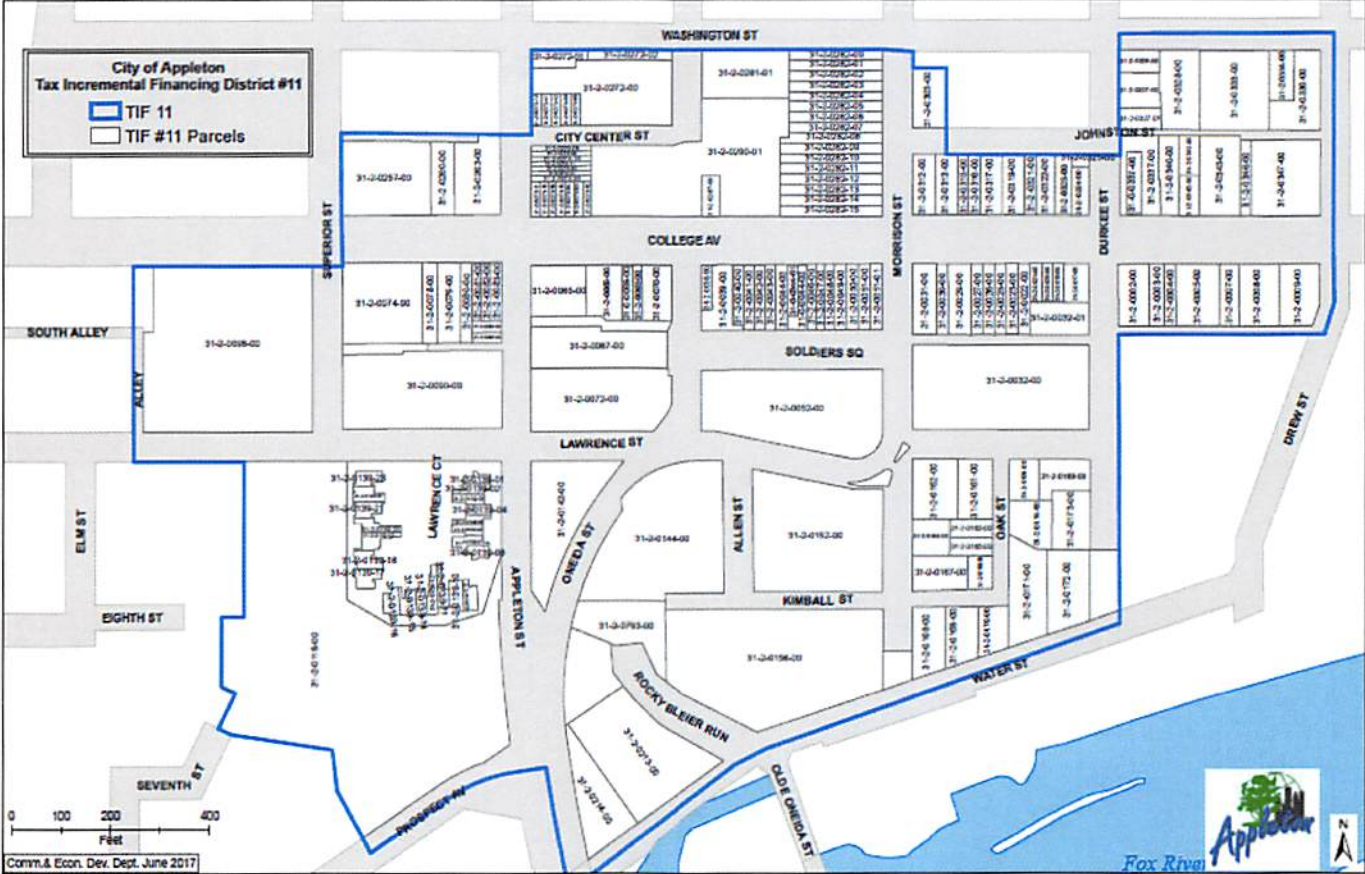
Pursuant to Section 66.1105(5)(b) of the Wisconsin State Statutes, the City estimates that approximately 10% of the real property within the District will be devoted to retail business at the end of the District's maximum expenditure period.

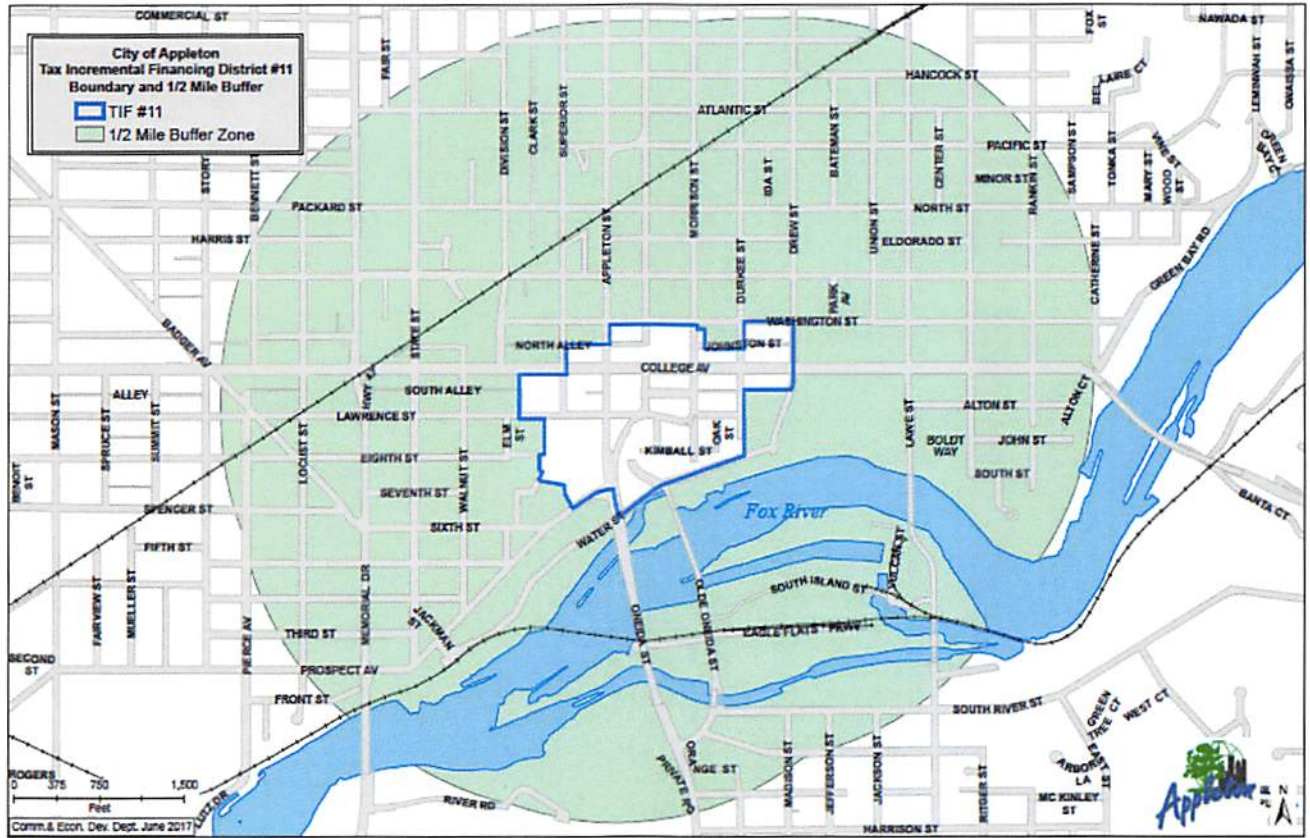
PROPOSED RELOCATION PLAN FOR DISPLACED PERSONS OR BUSINESSES

It is not anticipated at the time of the creation of the District there will be a need to relocate persons or businesses in conjunction with this Plan. In the event relocation becomes necessary at some time during the implementation period, the City will take the following steps and actions as required by Wisconsin Statutes Section 32:

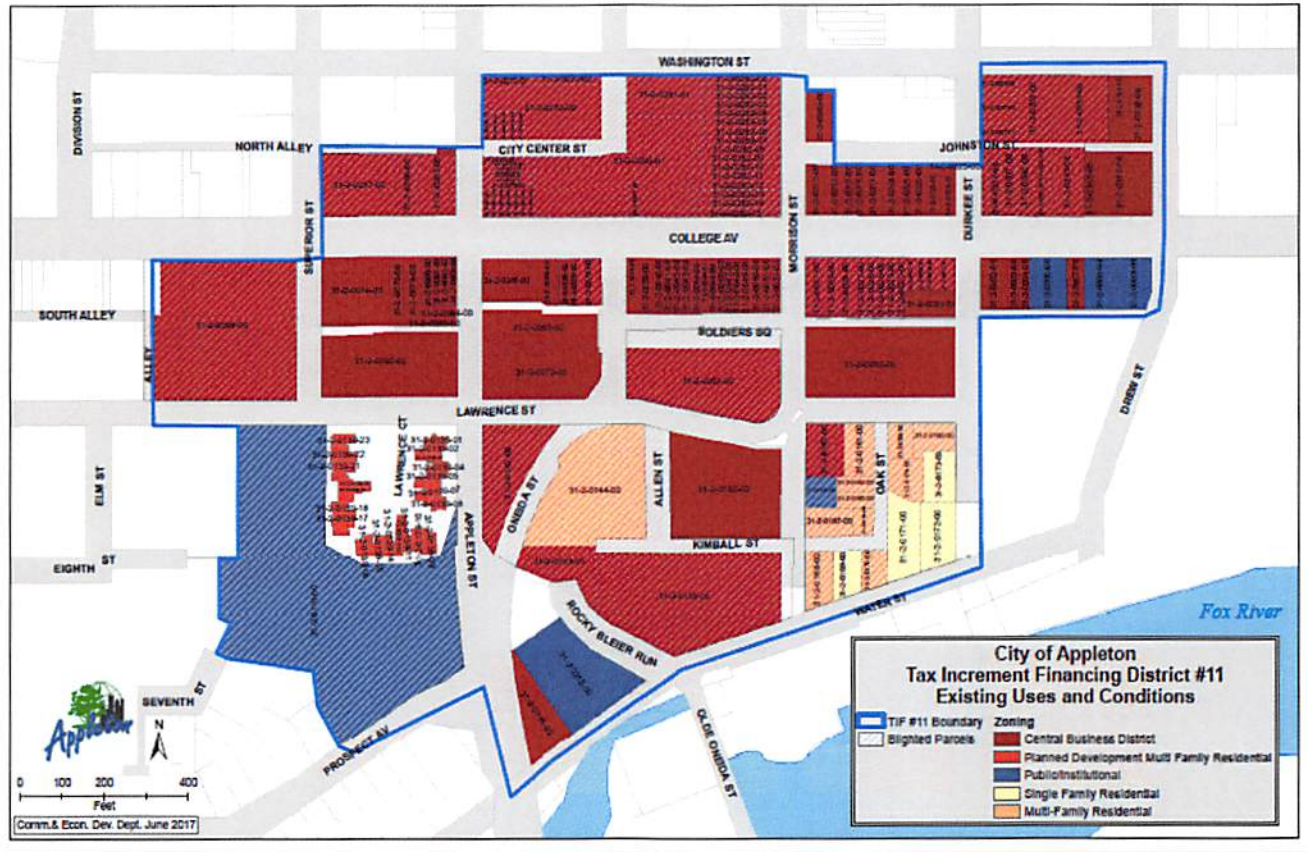
- A. Before negotiations begin for the acquisition of property or easements, all property owners will be provided with an informational pamphlet “The Rights of Landowners” prepared by the Wisconsin Department of Administration, and if any person is to be displaced as a result of the acquisition, they will be given a pamphlet on “Relocation Rights” prepared by the Wisconsin Department of Administration.
- B. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project, and a list of all or at least ten neighboring landowners to whom offers are being made.
- C. The City will file a relocation plan with the Wisconsin Department of Administration and will keep all records as required in Wisconsin Statutes Section 32.

MAP OF TIF DISTRICT #11 BOUNDARIES AND TIF DISTRICT #11 BOUNDARIES WITH HALF MILE BUFFER ZONE

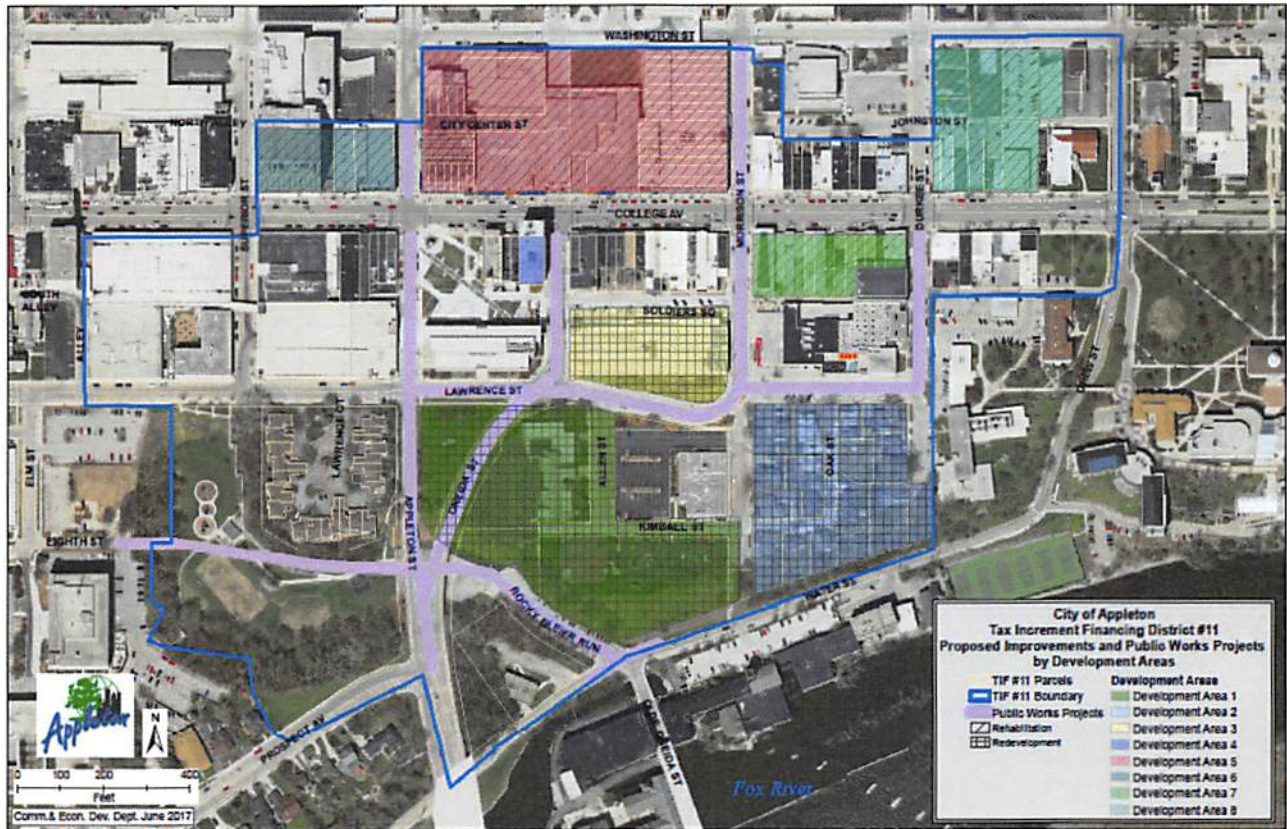




MAP OF EXISTING USES AND CONDITIONS



MAP OF PROPOSED IMPROVEMENTS AND PUBLIC WORKS PROJECTS BY DEVELOPMENT AREA



Note: The above map highlights the key development areas targeted for redevelopment and rehabilitation/conservation uses within this District. The narrative in Section 1 of the Project Plan is incorporated into this Section by reference and provides additional details on proposed uses. Due to the volume of information being displayed on this map, the summary in Section 1 is intended to support this exhibit.

PARCEL LIST & LEGAL DESCRIPTION

The boundaries for the District include only whole parcels or non-taxable property and the District is contiguous. The following pages include a detailed list of parcels included in the District and the legal description.

Vacant Land:

Pursuant to Wisconsin State Statute s 66.1105(4)(gm)(1), property standing vacant for an entire 7-year period immediately preceding adoption of the resolution creating a tax incremental district may not comprise more than 25% of the area in the tax incremental district. Vacant property includes property where the fair market value or replacement cost value of structural improvements on the parcel is less than the fair market value of the land. Vacant property does not include property that is contaminated by environmental pollution, as defined in s. 661106 (1) (d). **This District does not include 25% or more vacant land.**

Annexed Land:

Pursuant to Wisconsin State Statute s 66.1105(4)(gm)(1), the District may not include any annexed territory that was not within the boundaries of the City on January 1, 2004, unless at least 3-years have elapsed since the territory was annexed by the City, unless the City enters into a cooperative plan boundaries agreement with the town from which the territory was annexed, or unless the City and town enter into another kind of agreement relating to the annexation expect that notwithstanding these conditions, the City may include territory that was not within the boundaries of the City on January 1, 2004 if the City pledges to pay the town an amount equal to the property taxes levied on the territory by the town at the time of the annexation for each of the next 5 years. **The District does not include property annexed into the City of Appleton since January 1, 2004.**

TAXID	Owner Name	Property Address	Zoning	Area In Acres	Business with Person Property	Person's Property	Land Value	Improv	Total Land Value	Total Real Estate + Person's Property	Dev Area	Relief	Relief
11-2-0081-00	PARRILLA PROPERTIES LLC	201 W COLLEGE AVE	CPD	0.06	CHALY SWEET LLC	\$19,200	\$53,100	\$216,900	\$280,000	\$299,200			
11-2-0083-00	PARRILLA PROPERTIES LLC	201 W COLLEGE AVE	CPD		TANARA'S THE CARE GU	\$4,300				\$4,300			
11-2-0083-00	PARRILLA PROPERTIES LLC	201 W COLLEGE AVE	CPD		TOP SPENS LLC	\$1,200				\$1,200			
11-2-0083-00	PARRILLA PROPERTIES LLC	201 W COLLEGE AVE	CPD		TRIUMPH ENGINEERING	\$17,000				\$17,000			
11-2-0007-00	HENRY PHENOMASARE	321 E COLLEGE AVE	CPD	0.11	TASTE OF THAI APPLET	\$4,500	\$68,300	\$237,800	\$306,100	\$310,600			
11-2-0317-00	QUEEN BEE RESTAURANT INC	236 E COLLEGE AVE	CPD	0.12	DEATHE BETTYS KESA	\$3,100	\$97,200	\$242,100	\$339,500	\$342,600			
11-2-0317-00	QUEEN BEE RESTAURANT INC	236 E COLLEGE AVE	CPD		QUEEN BEE RESTAURANT	\$8,000				\$8,000			
11-2-0139-10	JAMES BAGUS	20 LAWRENCE CT	PDH3	0.04			\$28,300	\$174,500	\$202,700	\$202,700			
11-2-0139-09	SCARDIN TRUST	9 LAWRENCE CT	PDH3	0.04			\$28,300	\$201,400	\$229,900	\$229,900			
11-2-0139-00	EILEEN SCOTT	218 E COLLEGE AVE	CPD	0.12	LEBERT & GERBERT'S	\$16,300	\$94,000	\$275,600	\$369,600	\$369,600			
11-2-0139-00	EILEEN SCOTT	218 E COLLEGE AVE	CPD		MURAN 1 LLC	\$2,500				\$2,500			
11-2-0139-05	ANNE SEGREST	5 LAWRENCE CT	PDH3	0.03			\$18,300	\$108,000	\$126,300	\$126,300			
11-2-0039-00	SOMA CORPORATION	103 E COLLEGE AVE	CPD	0.15	BELLYBANS	\$2,100	\$122,300	\$417,300	\$559,600	\$560,700			
11-2-0039-00	SOMA CORPORATION	103 E COLLEGE AVE	CPD		DEPAWSTORY PET BOUT	\$3,700				\$3,700			
11-2-0039-00	SOMA CORPORATION	103 E COLLEGE AVE	CPD		MOON SHILL SALON & B	\$1,400				\$1,400			
11-2-0039-00	SOMA CORPORATION	103 E COLLEGE AVE	CPD		ROBINSON LAW FIRM	\$1,600				\$1,600			
11-2-0039-00	SOMA CORPORATION	103 E COLLEGE AVE	CPD		SOMA CORPORATION	\$100				\$100			
11-2-0039-00	SOMA CORPORATION	103 E COLLEGE AVE	CPD	0.06	CERA RESTAURANT LLC	\$5,400	\$47,500	\$145,500	\$213,000	\$218,400			
11-2-0039-00	SOMA CORPORATION	231 W COLLEGE AVE	CPD	0.17	SOMA CORPORATION	\$1,400	\$248,200	\$808,100	\$1,054,300	\$1,055,700			
11-2-0139-17	MARGARET STACK	17 LAWRENCE CT	PDH3	0.04			\$132,600	\$58,700	\$191,300	\$191,300			
11-2-0031-00	TAYLOR CHANCE LLC	133 E COLLEGE AVE	CPD	0.09	PANANA LLC	\$13,000	\$58,700	\$247,000	\$300,300	\$313,000			
11-2-0139-00	TERRE'S JEWELRY PROPERTIES LLC	208 E COLLEGE AVE	CPD	0.06	TERRE'S JEWELRY INC	\$16,000	\$47,500	\$92,400	\$153,000	\$169,000			
11-2-0132-00	THE WIGGERS LLC	254 E COLLEGE AVE	CPD	0.11	PIROTTI PALETTE	\$28,500	\$75,500	\$337,500	\$441,000	\$469,500			
11-2-0084-00	THE OSBOLD-APPLETON RENTAL	137 E APPLETON ST	CPD	0.03	AMBASSADOR BAR	\$8,800	\$24,200	\$96,100	\$129,300	\$138,100			
11-2-0084-00	THE OSBOLD-APPLETON RENTAL	137 E APPLETON ST	CPD		ATRIC TATTOO STUDIO	\$4,000				\$4,000			
11-2-0020-00	TUSLER LAW LLC	207 W COLLEGE AVE	CPD	0.08	BOLD SALONS LLC	\$7,800	\$73,000	\$214,300	\$297,300	\$299,100			
11-2-0020-00	TUSLER LAW LLC	207 W COLLEGE AVE	CPD		TUSLER LAW LLC	\$1,300				\$1,300			
11-2-0116-00	STANLEY WARDWILER	217 E COLLEGE AVE	CPD	0.07	IT EVOLUTION INC	\$4,800	\$49,700	\$64,800	\$114,500	\$119,300			
11-2-0139-03	DOROTHY WARREN REVOCABLE TRUST	1 LAWRENCE CT	PDH3	0.03			\$18,800	\$118,700	\$138,500	\$138,500			
11-2-0023-00	WIP & R INC	203 E COLLEGE AVE	CPD	0.17	AVENUE CORNS & REWEL	\$39,200	\$128,600	\$161,700	\$289,300	\$328,900			
11-2-0139-04	TIMOTHY WRASE	4 LAWRENCE CT	PDH3	0.02			\$26,300	\$182,700	\$209,000	\$209,000			
11-2-0032-01	YMCA OF APPLETON	5 DUERKE ST	CPD	0.17			\$0	\$0	\$0	\$0			
11-2-0032-00	YMCA OF APPLETON	218 E LAWRENCE ST	CPD	1.37			\$0	\$0	\$0	\$0			
					De Lage Landen Financial	\$18,200				\$18,200			
					GFC Leasing-Gordon Fiesch	\$22,500				\$22,500			
					Grayhawk Leasing	\$4,000				\$4,000			
					Great America Financial	\$28,200				\$28,200			
					US Bank RA	\$13,400				\$13,400			
					Wells Fargo Financial Inst	\$34,000				\$34,000			
				11.22		\$2,170,600	\$4,301,700	\$18,689,400	\$28,997,300	\$28,997,300			

Total Area Acres=	38.88
Right Total Area Acres =	25.59
Total Reliabil Acres=	4.20

Total Area Value	\$5,860,000
Total Person's Prop	

Total Real Estate Value	\$72,867,900
Grand Total	\$78,847,900

is the Grand Total

TIF DISTRICT #11 LEGAL DESCRIPTION

DESCRIPTION: A TRACT OF LAND BEING PART OF THE SW ¼ OF SECTION 26, PART OF THE SE ¼ OF SECTION 26 AND PART OF THE NW ¼ OF SECTION 35, ALL IN TOWNSHIP 21 NORTH, RANGE 17 EAST, CITY OF APPLETON, OUTAGAMIE COUNTY, WISCONSIN BOUNDED AND DESCRIBED AS FOLLOWS:

COMMENCING AT THE CENTERLINE OF WASHINGTON STREET AND THE CENTERLINE OF DREW STREET AND BEING THE POINT OF BEGINNING;

THENCE SOUTH AND THEN SOUTHWESTERLY ALONG THE CENTERLINE OF SAID DREW STREET TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF AN ALLEY IN BLOCK 2 OF THE APPLETON PLAT;

THENCE WEST ALONG THE SOUTH LINE OF SAID EXTENSION AND THEN THE SOUTH LINE OF SAID ALLEY AND ALSO BEING CONTIGUOUS WITH THE NORTH OF LOT 1 OF CERTIFIED SURVEY MAP NO.6362 TO THE EAST LINE OF DURKEE STREET;

THENCE SOUTH ALONG THE EAST LINE OF SAID DURKEE STREET TO THE CENTERLINE OF WATER STREET;

THENCE SOUTHWESTERLY ALONG THE CENTERLINE OF SAID WATER STREET TO A POINT 50 FEET WEST OF THE EAST LINE ONEIDA STREET AND BEING COINCIDENT WITH A REFERENCE LINE FOR SAID ONEIDA STREET PER WDOT RIGHT OF WAY PLAT NO.4657-2-21;

THENCE NORTHWESTERLY 252.91 FEET ALONG SAID REFERENCE LINE FOR ONEIDA STREET TO A REFERENCE LINE FOR PROSPECT AVENUE PER SAID WDOT RIGHT OF WAY PLAT NO.4657-2-21;

THENCE SOUTHWESTERLY 399.57 FEET M/L ALONG SAID REFERENCE LINE FOR PROSPECT AVENUE TO THE SOUTHEASTERLY EXTENSION OF A WESTERLY LINE OF LOT 1 OF CERTIFIED SURVEY MAP NO.6714;

THENCE NORTHWESTERLY 140.05 FEET M/L ALONG SAID EXTENSION AND THEN THE WESTERLY LINE OF LOT 1 OF SAID CERTIFIED SURVEY MAP NO.6714 TO AN ANGLE POINT IN LOT 1 OF SAID CERTIFIED SURVEY MAP NO.6714;

THENCE ALONG THE SUBSEQUENT 8 COURSES OF LOT 1 OF SAID CERTIFIED SURVEY MAP NO.6714 TO THE SOUTH LINE OF LAWRENCE STREET;

THENCE WEST 222 FEET M/L ALONG THE SOUTH LINE OF LAWRENCE STREET TO THE SOUTHERLY EXTENSION OF THE WEST LINE OF A 20 FOOT WIDE ALLEY LOCATED IN BLOCK 7 OF THE APPLETON PLAT;

THENCE NORTH 389.44 FEET M/L ALONG SAID EXTENSION AND THEN THE WEST LINE OF SAID ALLEY AND THEN THE NORTHERLY EXTENSION OF THE WEST LINE OF SAID ALLEY TO THE SOUTH LINE OF COLLEGE AVENUE;

THENCE EAST 419.93 FEET M/L ALONG THE SOUTH LINE OF COLLEGE AVENUE TO THE EAST LINE OF SUPERIOR STREET;

THENCE NORTH ALONG THE EAST LINE OF SUPERIOR STREET TO A POINT 166.17 FEET SOUTH OF THE SOUTH LINE OF WASHINGTON STREET;

THENCE EAST AND PARALLEL TO THE SOUTH LINE OF WASHINGTON STREET 380.2 FEET M/L TO THE EAST LINE OF APPLETON STREET;

THENCE NORTH 166.17 FEET ALONG THE EAST LINE OF APPLETON STREET TO THE SOUTH LINE OF WASHINGTON STREET;

THENCE EAST 770.57 FEET M/L ALONG THE SOUTH LINE OF WASHINGTON STREET TO THE EAST LINE OF MORRISON STREET;

THENCE SOUTH ALONG THE EAST LINE OF MORRISON STREET TO A POINT 180 FEET NORTH OF THE SOUTH LINE OF JOHNSTON STREET;

THENCE EAST 63.24 FEET;

THENCE SOUTH 180 FEET TO THE SOUTH LINE OF JOHNSTON STREET;

THENCE EAST ALONG THE SOUTH LINE OF JOHNSTON STREET AND THEN THE EASTERLY EXTENSION OF SAID JOHNSTON STREET TO THE EAST LINE OF DURKEE STREET;

THENCE NORTH 242.34 FEET M/L ALONG THE EAST LINE OF DURKEE STREET TO THE CENTERLINE OF WASHINGTON STREET;

THENCE EAST ALONG THE CENTERLINE OF WASHINGTON STREET TO THE POINT OF BEGINNING.

16

**OPINION OF THE CITY ATTORNEY ON THE COMPLIANCE OF THE
PROJECT PLAN WITH WISCONSIN STATUTE**



LEGAL SERVICES DEPARTMENT

Office of the City Attorney

100 North Appleton Street

Appleton, WI 54911

Phone: 920/832-6423

Fax: 920/832-5962

June 22, 2017

Mayor Timothy M. Hanna
City of Appleton
100 North Appleton Street
Appleton, WI 54911-4799

Re: Tax Increment Finance Program Plan, City of Appleton
Tax Incremental District #11

Dear Mayor Hanna:

You have asked me for a legal opinion as to the legal sufficiency and statutory compliance of the proposed Tax Incremental Finance Plan for the City of Appleton Tax Incremental District #11. I have reviewed the Project Plan for said District as well as the appendices attached thereto, specifically as to their compliance with the provision of Section 66.1105(4), Wisconsin Statutes. It is my opinion that the Project Plan is in compliance with all of the provisions of Section 66.1105(4) of the Wisconsin Statutes dealing with the creation of Tax Incremental Financing Districts.

If you have any questions concerning this matter, please contact me at your earliest convenience.

Sincerely,

James P. Walsh
City Attorney

JPW:jljg

J:\Attorney\WORD\upw\LETTERS\TIF 11 Atty Opinion Letter 06-22-2017.doc

James P. Walsh
City Attorney

Christopher R. Behrens
Deputy City Attorney

Amanda Abshire
Assistant City Attorney

EXHIBIT B

Initial Site Map of 103 W. College Avenue and Project Description



EXHIBIT C

Map Showing Parking Entrances





MEMORANDUM

TO: Mayor and Common Council

FROM: Karen Harkness, Director of Community & Economic Development

DATE: December 17, 2017

RE: Proposed Tax Reform Bill – Impacts to Real Estate Incentives and Historic Tax Credits

The House of Representatives' tax reform proposal was released on November 2, 2017, and the Senate's tax reform proposal was released on November 9, 2017. The two proposals were vastly different. Numerous amendments were made to each bill, and on December 2, 2017, the Senate passed the Tax Cuts and Jobs Act by party line vote of 51-49.

Substantial differences between the bills are expected to be reconciled in a Conference Committee over the next several hours/days. House and Senate Republicans have come to an agreement on the tax bill, and as of today, they intend to pass this bill before Congress goes on recess on December 22, 2017.

Both versions of the bill include several provisions that directly impact real estate development incentives, including Historic Tax Credits, incentives from Wisconsin Economic Development Corp., Tax Incremental Financing, New Market Tax Credits, Enterprise Zone Tax Credits and others.

The City of Appleton relies on many of these economic development tools to implement our Comprehensive Plan, Economic Development Strategic Plan and the City of Appleton Strategic Plan.

Because of these very recent changes at the Federal Level and the depth of impact on local proposed development projects, the Appleton Common Council is being asked to consider approval of two development agreements on Wednesday, December 20, 2017 during a special Committee of the Whole.

Historic Tax Credits

Proposed Changes: Under the House bill, both the 20 percent historic tax credit (HTC) and the 10 percent rehabilitation tax credit would be repealed for qualified rehabilitation expenditures (QRE) paid or incurred after December 31, 2017. Under the Senate bill, the 20 percent HTC would remain in effect, but the credit would be claimed annually over 5 years beginning with the date the QREs are placed in service. Both versions of the proposed bill eliminate the 10 percent rehabilitation tax credit for QREs paid or incurred after December 31, 2017.

Impact: Both proposed bills would allow a taxpayer to claim rehabilitation tax credits under the existing rules, as long as the taxpayer owns or leases the building continuously after December 31, 2017 and the 24 month substantial rehabilitation period begins within 180 days of enactment of the repeal or modification.

Planning Opportunity: Developers that are planning a rehabilitation of a historic building need to have their property acquisition and ownership completed and/or formed by December 31, 2017. If the rehabilitation credits are eliminated (proposed House bill), developers should be able to continue to close on historic tax credit syndication through 2019 as long as the development partnership owns or leases the building by December 31, 2017 and completes the rehabilitation by 2020 (2023 for phased projects).

Section 118 - Grant Structuring Changes

Proposed Changes: Under the House bill, Section 118 would be repealed, effective upon enactment, immediately making grant proceeds taxable upon receipt. The Senate bill does not propose any modification to Section 118.

Impact: Section 118 has often been used by developers to defer the tax impact of grant incentives by structuring the grant to be made to a corporation. Repealing Section 118 would require a for profit developer to pay federal and state income taxes upon receipt of grant proceeds to help fund a real estate development project. A repeal of Section 118 would substantially impact the capital stack of development projects.

Planning Opportunity: Since repeal would be effective upon enactment, developers with existing Section 118 should attempt to accelerate the completion of Developer's Agreements (DA) or what the proposed bill calls Master Agreement (MA). Developers should review the impact of the grant proceeds and create or revise capital stack.

Section 13312 - Taxation of Capital Contributions

Proposed Changes: Under the House bill, a new concept would require partnerships/corporations to recognize taxable income upon receipt of capital contributions, including any contributions by any governmental entity or civic group. Under the December 2, 2017 release, the date of enactment would be the date this legislation is signed by the President.

Impact: This provision would be problematic in structuring several common real estate development financing transactions. For example, in most transactions that involve the syndication of federal and/or state tax credits, the value of the partnerships/corporations interest that tax credit investor receives is often lower than their capital contribution. This is due to the project's cost routinely exceeding the value of the completed project. The impact of this amendment, if enacted, would require partnerships and corporations to recognize taxable income from the receipt of capital contributions from tax credits, TIF's, WEDC, etc.

Planning Opportunity: This provision would impact transactions that have previously closed or are currently in the process of closing, to the extent that the investor has not made all of its capital contributions as of the date the tax reform bill is enacted. Developers should monitor the status of the tax reform legislation to determine if such provision could create a funding gap equal to the amount of tax required to be paid on the capital contributions from the tax credit investor.

This version also has an exception to this amendment. The exception allows for this amendment to not apply as long as contributions after the enactment date are pursuant to a master development plan approved by a government entity prior to the enactment date.

* Sources used to write this memo include: Information from Plante Moran, Baker Tilly, Congress.gov, GOP.gov, and the Tax Policy Center.

FIRST AMENDMENT TO DEVELOPMENT AGREEMENT

TAX INCREMENT DISTRICT NO. 11 (Development Area #4)

THIS FIRST AMENDMENT TO DEVELOPMENT AGREEMENT (“Amendment”) is dated as of the ____ day of _____, 2021 by and between ZUELKE FLATS LLC, a Missouri limited liability company, (the “Developer”) and CITY OF APPLETON, a Wisconsin municipal corporation (the “City”).

RECITALS:

The City and Zuelke Building, LLC, a Wisconsin limited liability company (“Prior Developer”) entered into that certain Development Agreement dated as of December 19, 2017 and recorded in the Outagamie County Register of Deeds Office on December 26, 2017 as Document No. 2123118 (“Development Agreement”).

The Development Agreement details the Prior Developer’s intended redevelopment of the historic Zuelke Building located at 103 West College Avenue, identified as Parcel #31-2-0070-00 and more particularly described on Schedule 1 hereto (the “Property”).

The Prior Developer and the Developer entered into a purchase and sale agreement to convey the Property to Developer.

The City and Developer desire to amend the Development Agreement as set forth herein.

AMENDMENT

I. Recital B is hereby amended and replaced as follows:

B. Developer has proposed to redevelop a portion of the area of the District identified as “Development Area #4”. Specifically, the Developer intends to undertake the following project that will increase the value of the Zuelke Building and provide other tangible benefits to the surrounding neighborhoods, the downtown, and the City as a whole:

1. Redevelopment of the historic Zuelke Building into a Class A Mixed Use Property including residential and retail uses (the “Project”).

2. The Project will include the modernization of the existing elevators serving the Project where applicable, and the development of 66 residential units on Floors 2-12 ranging in size from studio to two bedroom, two bathroom units and average square footages from 547 average square feet to 1,050 average square feet. Floor 1 will be redeveloped into a retail space approximately 749 square feet in size, and various tenant amenities including a leasing office, business center, game room, dog wash, and fitness center. Portions of the basement of the Project will be redeveloped into tenant storage, bicycle storage, and a television lounge for tenants’ use.

3. The Project will include a patio facing Houdini Plaza primarily for use by the Project's tenants but also accessible to the public, constructed in accordance with applicable building codes and accessibility requirements.

4. The Developer has represented that the construction cost of the Project is approximately \$17,608,407 which amount includes both hard and soft costs, and will create an anticipated property taxable value of not less than \$8,703,000. The Property's current base value is \$1,922,100.

II. Recital G is hereby amended and replaced as follows:

G. Developer desires to obtain a long term lease for a small portion of the right-of-way located in Houdini Plaza described as a portion of the public alley previously vacated pursuant to City of Appleton Final Resolution recorded by the Outagamie County Register of Deeds on September 17, 2019 as Document No. 2171080 in Block 5 of Appleton Plat (a/k/a Second Ward Plat) as more particularly described on Schedule 2 attached hereto (the "Vacated Alley"). The Developer agrees to execute any documents reasonably required by the City to reconvey the Vacated Alley to the City. Simultaneously with the reconveyance, Developer and City agree to enter into a mutually agreeable long term lease pursuant to which the Developer may occupy a portion of the Vacated Alley for the Project. A copy of the lease is included in Schedule 2 for reference.

III. Recital H is hereby amended and replaced as follows:

H. The City, pursuant to Common Council Action on July 21, 2021, will review, approve, and ratify this Amendment.

IV. Recital K is hereby amended and replaced as follows:

K. This Agreement shall be subject to, and contingent upon, the Appleton Common Council's review and approval on July 21, 2021.

V. Section 2.1 references an Exhibit B. Exhibit B of the Development Agreement is hereby amended and replaced with Schedule 3 attached hereto and incorporated herein by reference.

VI. Section 3.2 is hereby amended and replaced as follows:

3.2 As the sole source for payment of the City Investment, the City agrees to pay Developer annually by August 15 of each year for a period of fifteen (15) years commencing on August 15, 2024 and ending on August 15, 2038 (the "Expiration Date"), an amount equal to ninety percent (90%) of the property taxes paid on the incremental value created by the development (the "property tax increment") and any City portion of a Payment in Lieu of

Taxes (PILOT) Agreement contributions attributable to the Property pursuant to any such PILOT Agreement. The City may extend the Expiration Date for any good faith reason upon written notice to Developer in the event the City is unable to pay to Developer any portion of the annual installment of the City Investment on August 15 of any year on or prior to the Expiration Date provided the Expiration Date shall not be extended past August 15, 2044 and the total period for which the City Investment is made is no less than fifteen (15) years. The foregoing notice shall state the good faith reason why City cannot make the City Investment for such year and confirmation of the date which City anticipates resuming its payment of the City Investment to Developer.

VII. Section 3.6 is hereby amended to state the following:

3.6 The City Investment that shall equal ninety (90%) of the property tax increment paid to City for each tax year for the period January 1, 2023 to January 1, 2037.

VIII. Section 3.7 is hereby deleted in its entirety.

IX. Section 4.1 is hereby amended and replaced as follows:

4.1 Developer will rehabilitate the Property into a Mixed Use Property including residential and retail uses.

X. Section 8.1 is hereby amended and replaced as follows:

FOR THE CITY:

City of Appleton
Community and Economic Development Department
100 North Appleton Street
Appleton, WI 54911-4799
Attn: Karen E. Harkness

With a copy to:

City of Appleton
City Attorney's Office
100 North Appleton Street
Appleton, WI 54911-4799
Attn: Attorney Christopher R. Behrens

FOR THE DEVELOPER:

Zuelke Flats LLC
P.O. Box 6331
Fishers, IN 46038
Attn: Matt Cremer

With a copy to:

Husch Blackwell LLP
511 North Broadway
Suite 1100
Milwaukee, WI 53202
Attn: Attorney Valerie A. Johnston

- XI. Definitions. Any capitalized terms not defined herein shall have the meanings ascribed in the Development Agreement.
- XII. Counterparts. This Amendment may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature page of this Amendment by telecopy or other electronic imaging means shall be effective as delivery of a manually executed counterpart of this Amendment.
- XIII. Ratification. Except as expressly modified by this Amendment, all of the terms and conditions of the Development Agreement shall remain in full force and effect and binding upon the parties and the parties hereby ratify the Development Agreement as amended herein.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the day and year first written above.

CITY OF APPLETON:

By: _____
Jacob A. Woodford, Mayor

ATTEST:

By: _____
Kami Lynch, City Clerk

STATE OF WISCONSIN)
 : ss.
OUTAGAMIE COUNTY)

Personally came before me this ____ day of _____, 2021, Jacob A. Woodford, Mayor, and Kami Lynch, City Clerk, of the City of Appleton respectively, to me known to be the persons who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.

Print Name: _____
Notary Public, State of Wisconsin
My commission is/expires: _____

APPROVED AS TO FORM:

Christopher R. Behrens, City Attorney
CityLaw A17-1014

This document was drafted by:
[Valerie A. Johnston, Husch Blackwell LLP]

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

DEVELOPER:

Zuelke Flats LLC

By: TD Zuelke MM, LLC, its Manager

By: TD Zuelke Investors, its Manager

By: _____

Name: _____

Its: _____

STATE OF _____)
: ss.
_____ COUNTY)

Personally came before me this ____ day of _____, 2021, the _____ of _____, to me known to be the persons who executed the foregoing instrument and acknowledged the same in the capacity and for the purposes therein intended.

Print Name: _____
Notary Public, State of Wisconsin
My commission is/expires: _____

SCHEDULE 1
Legal Description of the Property

[To be verified by City Surveyor prior to recording]

Part of Lot Three (3), Block 5, Appleton Plat (aka Second Ward Plat), all according to the recorded Assessor's Map of the City of Appleton, being located in the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 26, Township 21 North, Range 17 East, City of Appleton, Outagamie, Wisconsin.

SCHEDULE 2

Legal Description of the Vacated Alley and Lease

[To be verified by City Surveyor prior to recording]

All of the East 60.48 feet of a 20 foot wide Alley, being a part of Lot Three (3), Block 5, Appleton Plat (aka Second Ward Plat), all according to the recorded Assessor's Map of the City of Appleton, being located in the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 26, Township 21 North, Range 17 East, City of Appleton, Outagamie County, Wisconsin, containing 1,209 square feet of land m/l and being more fully described by:

Commencing at the Northeast corner said Lot 3;

Thence South 00°02'58" East 110.00 feet along the West line of Oneida Street and being coincident with the East line of said Lot 3 to the point of beginning;

Thence continue South 00°02'58" East 20.00 feet coincident with the East line of said Lot 3;

Thence South 89°59'06" West 60.48 feet coincident with the South line of said 20 foot wide Alley;

Thence North 00°02'58" West 20.00 feet to the North line of said 20 foot wide Alley;

Thence North 89°59'06" East 60.48 feet coincident with the North line of said Alley to the East line of said Lot 3 and the **point of beginning**.

[A copy of the signed Lease Agreement will follow]

Schedule 3



W COLLEGE AV

S APPLETON ST

ALLEY

HOUDINI
PLAZA

ZUELKE
BUILDING
31-2-0070-00

LEASE AREA

S ONEIDA ST

W LAWRENCE ST

Legal Description Tax Parcel 31-2-0070-00
APPLETON PLAT 2WD E62.15FT OF N120FT LOT 3
BLK 5 LESS W20IN & LESS W10FT

N
7/8/2021

HOUDINI PLAZA LEASE AGREEMENT

This Lease Agreement (“Lease”) approved by the Appleton Common Council on _____, 2021 is made and entered into by and between the City of Appleton, Wisconsin, a Wisconsin municipal corporation (“Landlord” or “the City”) and Zuelke Flats LLC (“Tenant”), located at 103 West College Avenue and doing business as _____ (“Tenant’s Property”).

The City is the owner of land and improvements commonly known as Houdini Plaza located in the 100 block of West College Avenue.

The City makes available for lease approximately 480 square feet of the plaza designated as the area immediately south of the property owned by Tenant, as identified on attached diagram marked as Exhibit A (the “Leased Premises”).

The City desires to lease the Leased Premises to Tenant, and Tenant desires to lease the Leased Premises from the City for the term, at the rental and upon the covenants, conditions and provisions herein set forth.

THEREFORE, in consideration of the mutual promises herein, contained and other good and valuable consideration, it is agreed:

1. **Term.**

A. The City hereby leases the Leased Premises to Tenant, and Tenant hereby leases the same from the City, for an initial term beginning at such time when all parties have signed this Agreement and ending on December 31, 2038 (the “Initial Term”). The Tenant shall have the option to extend the Lease for successive ten (10) year periods (each, a “Renewal Term”) provided a) the total term of this Lease shall not exceed 98 years, b) Tenant owns the Tenant’s Property as of the first day of each Renewal Period, c) the Landlord and Tenant reach mutually agreeable terms as to the Rental Payments for such Renewal Period as set forth herein.

2. **Consideration.**

A. As consideration, Tenant will provide to the City an annual payment (the “Rental Payments”) as follows: For 2021, 2022, 2023, 2024, and 2025 payments shall be waived; thereafter the annual payment shall be \$1,800 for 2026 and each subsequent year of the Term, the annual rental payment shall increase \$100; for example \$1,900 for 2027, \$2,000 for 2028, etc. Payments shall be due on or before January 31 each year. In addition, and as additional consideration, the City agrees to lease the Leased Premises to Tenant in exchange for Tenant’s conveyance of a portion of the previously vacated alley back to the City, pursuant to the terms of a separate Development Agreement. Rental Payments for subsequent Renewal Terms shall be negotiated by the parties and reflect an amount consistent with the payments made in the Initial Term taking into consideration inflationary increases and rates paid for similar leased City property at the time of establishing rates for the Renewal Term.

3. **Use.**

A. Tenant shall use the Leased Premises for the sole purpose of providing an outdoor recreational patio space.

B. Tenant shall allow the public access to and use of the Leased Premises for outdoor recreational purposes provided the Tenant may post reasonable rules for the use of the Leased Premises from time to time with approval from the City which shall not be unreasonably withheld.

C. Tenant shall not permit the Leased Premises to be used for any commercial purpose not in connection with or incidental to the Tenant's (and any commercial tenant(s) of Tenant) use of the Tenant's Property.

4. **Furniture and Other Improvements.**

A. Tenant will purchase and provide all furniture necessary for the Leased Premises said furniture subject to the reasonable approval by the Director of Parks, Recreation and Facilities Management prior to purchase and installation. Tenant shall be responsible for all furniture placed within the Leased Premises.

B. Tenant will provide the fencing necessary to separate the Leased Premises from the remainder of Houdini Plaza. Tenant shall first obtain street occupancy permits from the City if fencing, canopies or the like will be permanently affixed to the Plaza and all necessary City permits will not be unreasonably withheld provided the plans for the Leased Premises are in material accordance with the design shown on Exhibit B (provided Tenant may make non-material changes during construction). Fencing will be decorative in nature as depicted in the renditions attached hereto as Exhibit C. Tenant shall provide the City's Director of Parks, Recreation and Facilities Management with a sample of the proposed fencing for approval by the City prior to any installation thereof. Tenant shall also notify the City when fencing installation is scheduled so the City may meet with the fence installer prior to commencement of any installation.

5. **Property Maintenance.**

A. During the Lease Term, and in consideration of the opportunity to lease the space, the Tenant shall maintain all Leased Premises and immediate surrounding areas on a daily basis throughout the year. Such maintenance shall include but not be limited to waste, litter and cigarette butt disposal, walkway cleaning, and general site inspection, consistent with standards for operation of a mixed use residential building and those standards reasonably established by the City's Parks, Recreation and Facilities Management Department. In addition, to allow for ingress and egress during cold weather months, Tenant shall maintain a path clear of snow and ice from the rear doors of Tenant's Property up to the fence openings to Houdini Plaza.

B. Upon conclusion of this Agreement, the Leased Premises shall be left in a good and clean condition just as said premises was delivered to the Tenant at the start of this Agreement excepting the improvements made by Tenant, and for reasonable wear and tear. Tenant shall be permitted to remove its personal property from the Leased Premises.

6. **Insurance and Indemnification.**

A. Tenant and the City shall, each at its own expense, maintain a policy or policies of comprehensive general liability insurance with respect to the respective activities of each in the Leased Premises with the premiums thereon fully paid on or before due date, issued by and binding upon some insurance company approved by Landlord, such insurance to afford minimum protection of not less than \$1,000,000 combined single limit coverage of bodily injury, property damage or combination thereof. The City shall be listed as an additional insured on Tenant's policy or policies of comprehensive general liability

insurance, and Tenant shall provide the City with current Certificates of Insurance evidencing Tenant's compliance with this Paragraph. Tenant shall obtain the agreement of its insurers to notify the City that a policy is due to expire at least (10) days prior to such expiration. The City shall not be required to maintain insurance against thefts within the Leased Premises.

B. FOR GOOD AND VALUABLE CONSIDERATION, THE TENANT AGREES TO INDEMNIFY, DEFEND AND HOLD HARMLESS THE CITY AND ITS OFFICERS, OFFICIALS, EMPLOYEES AND AGENTS FROM AND AGAINST ANY AND ALL LIABILITY, LOSS, DAMAGE, CLAIMS, EXPENSES, COSTS (INCLUDING ATTORNEY'S FEES) ARISING OUT OF THIS AGREEMENT AND TENANT'S USE OF THE LEASED PREMISES CAUSED IN WHOLE OR IN PART BY ANY NEGLIGENT ACT OR OMISSION OF THE TENANT, ANYONE DIRECTLY OR INDIRECTLY EMPLOYED BY THE TENANT, GUESTS OR INVITEES OF THE TENANT OR ANYONE WHOSE ACTS THE TENANT MAY BE LIABLE FOR, EXCEPT WHERE CAUSED BY THE SOLE NEGLIGENCE OR WILLFUL MISCONDUCT OF THE CITY.

THE UNDERSIGNED TENANT HAS READ AND THOROUGHLY CONSIDERED THE ABOVE LANGUAGE, UNDERSTANDING THAT CERTAIN RIGHTS MAY BE FORFEITED AS A RESULT OF THIS LANGUAGE.

7. **Signs.**

A. Following the City's consent, Tenant shall have the right to place on the Leased Premises, at locations mutually selected, any signs which are permitted by applicable zoning ordinances and private restrictions. The City may refuse approval of any sign deemed too large, deceptive, unattractive or otherwise inconsistent with or inappropriate to the Leased Premises. In addition, Tenant consents and agrees not to display signs including, but not limited to, establishment advertising signs, signs of a political nature (whether supporting, against or otherwise taking a position regarding an elective office, candidate, incumbent or issue being considered by an elective body or referendum) or the like shall be displayed on the side of Tenant's Property facing Houdini Plaza with the exception of the establishment names appearing on canopies installed by Tenant.

B. In addition, the City agrees that Tenant shall at all times have the right to post signage stating that any and all use of the Leased Premises as a recreational facility is subject to the Wisconsin Recreational Immunity Statute set forth in Wisconsin Statute § 895.52.

8. **Notices.**

A. Any notice required or permitted hereunder shall be in writing, signed by the party giving the notice, and shall be deemed given when (a) hand delivered to the party to whom the notice is addressed; (b) deposited in the United States mail by certified mail, postage prepaid return receipt requested; or (c) delivered by overnight courier delivery service (i.e., Federal Express, UPS, etc.), and addressed to the party at the address shown below:

To the City:

City of Appleton, Wisconsin
Department of Parks, Recreation and Facilities Management
Attn: Director
City of Appleton
1819 East Witzke Boulevard
Appleton, WI 54911

With a copy to:

City of Appleton, Wisconsin
Attn: City Attorney
City of Appleton
100 North Appleton Street
Appleton, WI 54911-4799

To the Tenant:

Zuelke Flats LLC
P.O. Box 6331
Fishers, IN 46038
Attn: Matt Cremer

Any party may change the address to which notices shall be sent by notice given in accordance with the terms of this paragraph.

9. **Waiver.**

No waiver of any default of the City or Tenant hereunder shall be implied from any omission to take any action on account of such default if such default persists or is repeated, and no express waiver shall affect any default other than the default specified in the express waiver and that only for the time and to the extent therein stated. One or more waivers by the City or Tenant shall not be construed as a waiver of a subsequent breach of the same covenant, term or condition.

10. **Compliance with Law.**

Tenant shall comply with all laws, orders, ordinances and other public requirements now or hereafter pertaining to Tenant's use of the Leased Premises. The City shall comply with all laws, orders, ordinances and other public requirements now or hereafter affecting the Leased Premises.

11. **Final Agreement.**

This Agreement terminates and supersedes all prior understandings or agreements on the subject matter hereof. This Agreement may be modified only by a further writing that is duly executed by both parties.

12. **Transferability.**

This Lease is intended to be exclusively between the City and Tenant. It shall be non-transferrable to any other party without the City's written consent which shall not be unreasonably withheld, conditioned, or delayed. Notwithstanding the foregoing, the Tenant may assign this Lease to an affiliate, subsequent owner, or commercial lessee of the Tenant's Property and the City's consent shall not be unreasonably withheld, conditioned or delayed.

13. **Modifications To Contract Must Be In Writing.**

None of the covenants, provisions, terms or conditions of this agreement to be kept or performed by the City or the Tenant shall be in any manner modified, waived, or abandoned, except by written

instrument duly signed by both parties and delivered to the City and the Tenant. This document contains the whole agreement of the parties.

14. **Violations of Agreement.**

If Tenant violates any terms of this agreement, written notification of the violation shall be served upon Tenant personally, or by certified mail, and Tenant shall have ten (10) days from service or mailing of said notice to correct the violation. If, after ten (10) days the violation has not been corrected, the City shall have the right, at its option, to terminate the Contract without the termination being considered a breach.

15. **Governing Law.**

This Agreement shall be governed, construed and interpreted by, through and under the Laws of the State of Wisconsin.

16. **Termination.**

Tenant shall have the right to terminate this Lease upon written notice to City during any Renewal Term and Tenant shall be deemed to have paid to City as liquidated damages the Rental Payment for the year in which the termination occurs and Tenant shall have no right to any prorated portion of the Rental Payment for such year.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

CITY OF APPLETON, WISCONSIN

By: _____
Jacob A. Woodford, Mayor

Attest: _____
Kami Lynch, City Clerk

STATE OF WISCONSIN)
 : ss.
OUTAGAMIE COUNTY)

Personally came before me this _____ day of _____, 2021, the above-named Jacob A. Woodford, Mayor and Kami Lynch, City Clerk to me known to be the persons who executed the foregoing document and acknowledged the same.

Printed Name: _____
State of Wisconsin, Outagamie County
My commission is/expires _____

Provision has been made to pay the liability
that will accrue under this contract.

Approved as to form:

Anthony Saucerman, Director of Finance

Christopher R. Behrens, City Attorney

[SIGNATURES CONTINUE ON THE FOLLOWING PAGE]

TENANT

ZUELKE FLATS LLC

By: _____

Printed Name: _____

Title: _____

STATE OF WISCONSIN)
 : ss.
OUTAGAMIE COUNTY)

Personally came before me this _____ day of _____, 2021, the above-named _____ as _____ to me known to be the person who executed the foregoing document and acknowledged the same.

Printed Name: _____
State of _____
My commission is/expires _____

This instrument drafted by:
Christopher Behrens, City Attorney
Appleton, Wisconsin

CityLaw: A17-1014

EXHIBIT A

Legal Description and Diagram of Leased Premises

[To be verified by City Surveyor prior to recording]

All of the East 60.48 feet of a 20 foot wide Alley, being a part of Lot Three (3), Block 5, Appleton Plat (aka Second Ward Plat), all according to the recorded Assessor's Map of the City of Appleton, being located in the SE ¼ of the SW ¼ of Section 26, Township 21 North, Range 17 East, City of Appleton, Outagamie County, Wisconsin, containing 1,209 square feet of land m/l and being more fully described by:

Commencing at the Northeast corner said Lot 3;

Thence South 00°02'58" East 110.00 feet along the West line of Oneida Street and being coincident with the East line of said Lot 3 to the point of beginning;

Thence continue South 00°02'58" East 20.00 feet coincident with the East line of said Lot 3;

Thence South 89°59'06" West 60.48 feet coincident with the South line of said 20 foot wide Alley;

Thence North 00°02'58" West 20.00 feet to the North line of said 20 foot wide Alley;

Thence North 89°59'06" East 60.48 feet coincident with the North line of said Alley to the East line of said Lot 3 and the **point of beginning**.

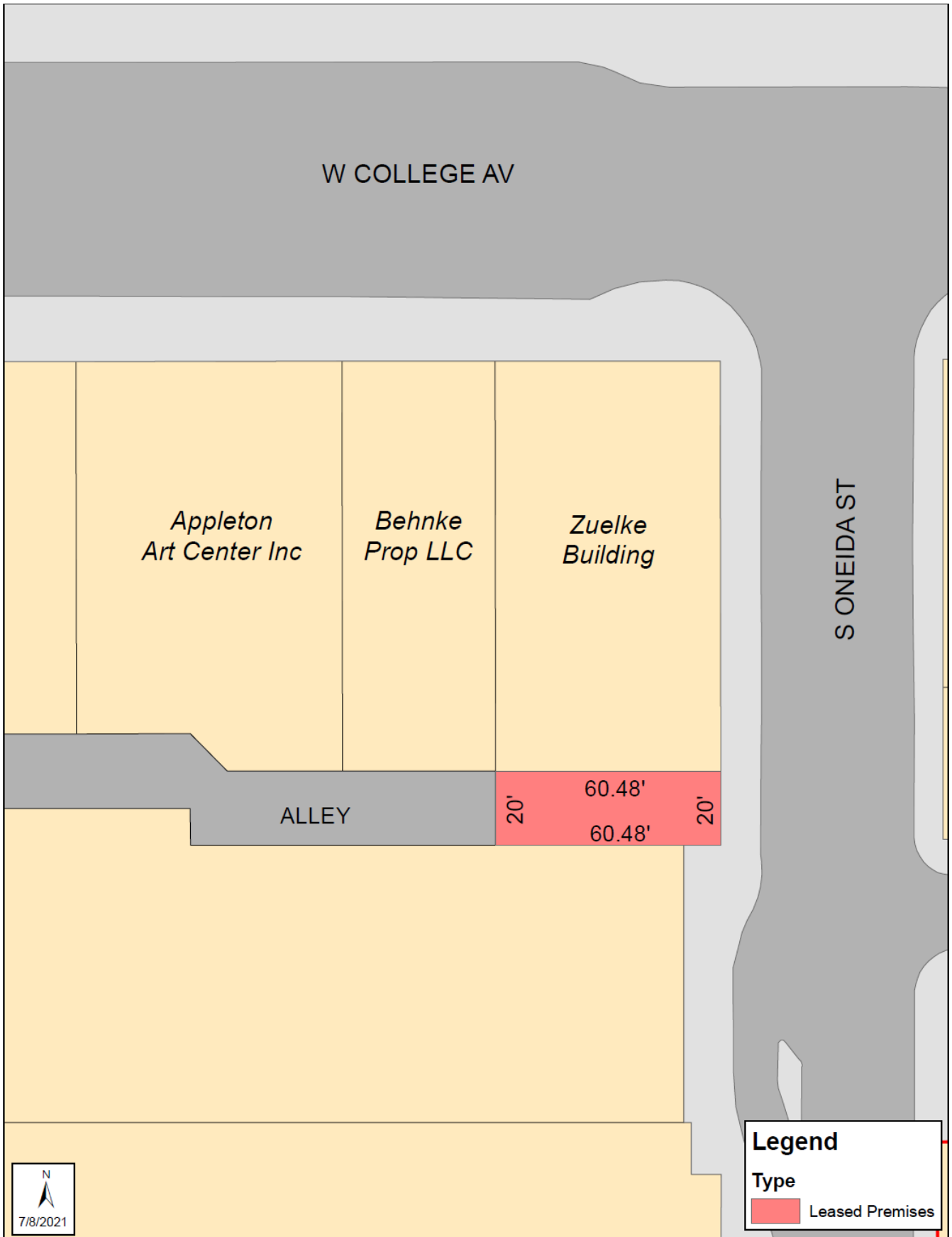


EXHIBIT B

Design of Proposed Use in Lease Space

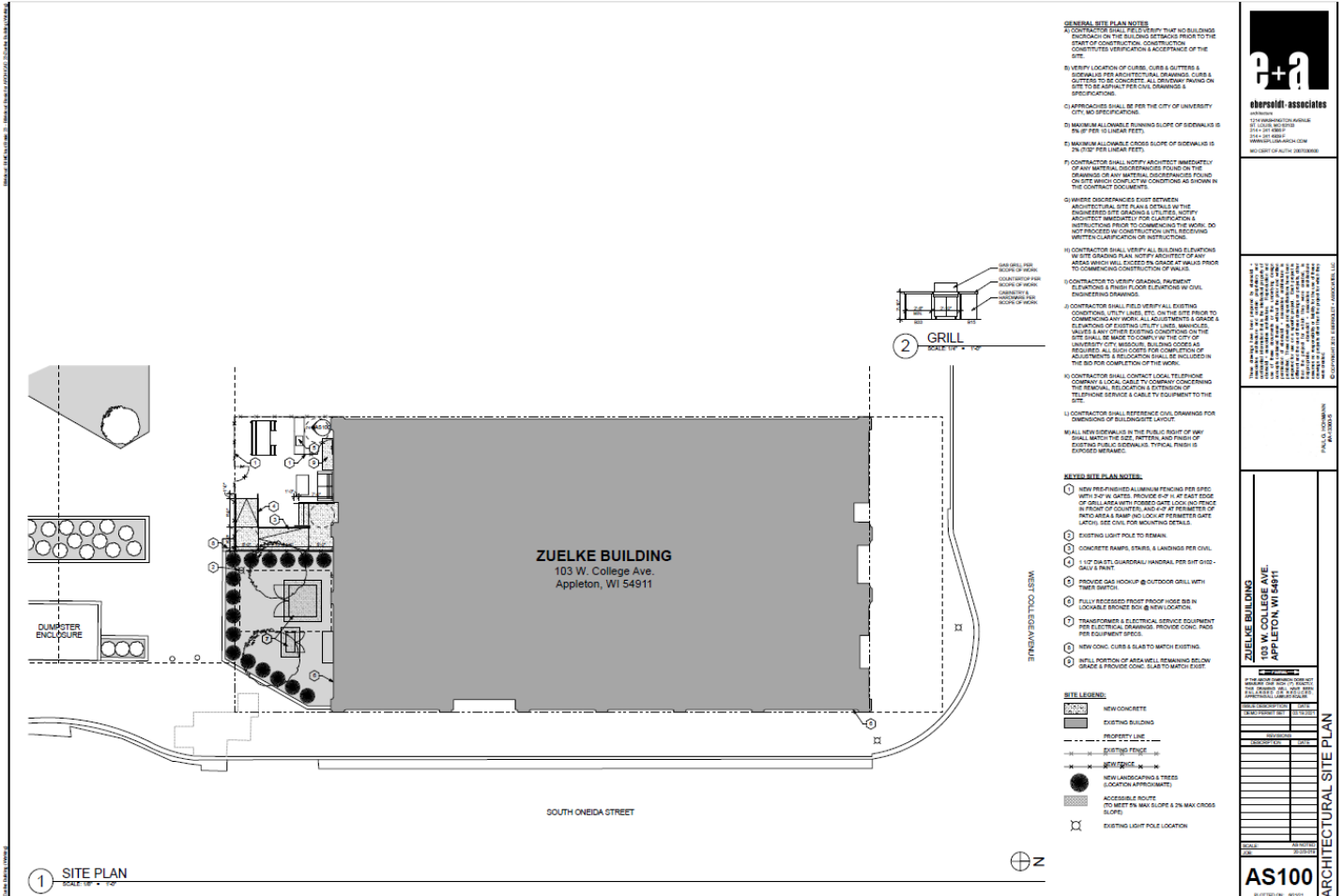
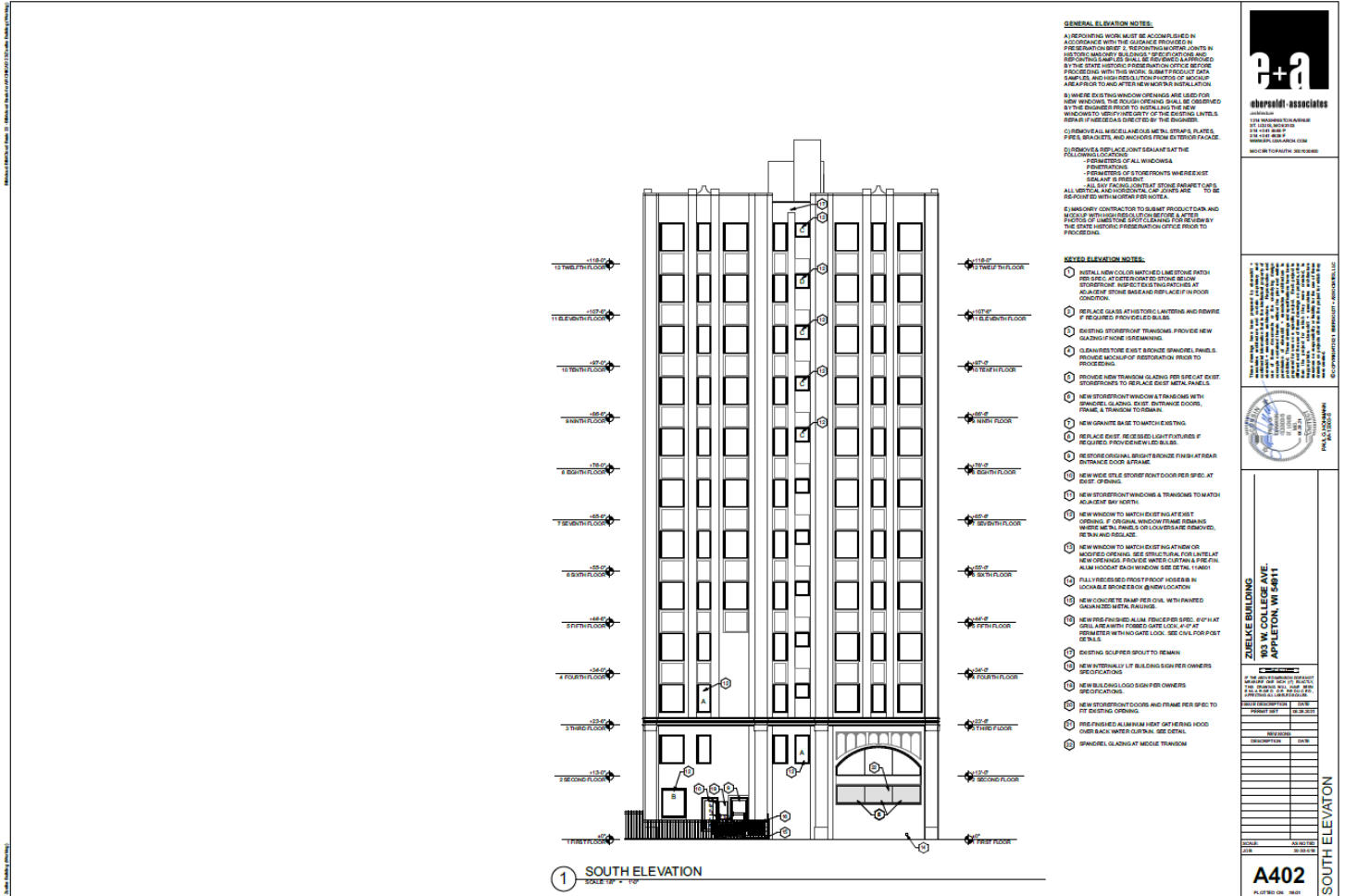


EXHIBIT C

Rendering of Proposed Fencing to be used in Leased Space





August 11, 2020

Tax Incremental District No. 11 Project Plan Amendment



Organizational Joint Review Board Meeting Held:	August 10, 2020
Public Hearing Held:	August 11, 2020
Adoption by Plan Commission:	August 11, 2020
Adoption by Common Council:	August 19, 2020
Approval by the Joint Review Board:	September 10, 2020

Table of Contents

EXECUTIVE SUMMARY 1

INTENT AND PURPOSE OF DISTRICT AND THE AMENDMENT..... 3

DISTRICT BOUNDARY MAP & IDENTIFICATION OF PARCELS TO BE ADDED 17

IDENTIFICATION OF PARCELS TO BE ADDED..... 19

MAPS SHOWING EXISTING USES AND CONDITIONS 22

EQUALIZED VALUE TEST 24

STATEMENT OF KIND, NUMBER AND LOCATION OF PROPOSED PUBLIC WORKS AND OTHER PROJECTS..... 25

MAP SHOWING PROPOSED IMPROVEMENTS AND USES..... 28

DETAILED LIST OF PROJECT COSTS..... 31

ECONOMIC FEASIBILITY STUDY, FINANCING METHODS, AND THE TIME WHEN COSTS OR MONETARY OBLIGATIONS RELATED ARE TO BE INCURRED..... 32

ANNEXED PROPERTY 37

PROPOSED ZONING ORDINANCE CHANGES..... 37

PROPOSED CHANGES IN MASTER PLAN, MAP, BUILDING CODES AND ORDINANCES . 37

RELOCATION 37

ORDERLY DEVELOPMENT OF THE CITY..... 38

LIST OF ESTIMATED NON-PROJECT COSTS 39

OPINION OF ATTORNEY FOR THE CITY OF APPLETON ADVISING WHETHER THE PLAN IS COMPLETE AND COMPLIES WITH WISCONSIN STATUTES 66.1105..... 40

CALCULATION OF THE SHARE OF PROJECTED TAX INCREMENTS ESTIMATED TO BE PAID BY THE OWNERS OF PROPERTY IN THE OVERLYING TAXING JURISDICTIONS.... 41

SECTION 1: Executive Summary

Description of District

Tax Incremental District (“TID”) No. 11 (“District”) is a blighted area district created by the City on August 2, 2017. In accordance with its Project Plan (“Plan”), the objectives for the District are to eliminate blight and stimulate the redevelopment of East College Avenue approximately from Drew Street to just west of Superior Street, South to Water Street and North to E. Washington Street. A complete description of the District, individual development areas, and objectives related to those areas can be found in Section 2 of this Plan.

Amendment Purpose

The City has identified 61 parcels within Tax Incremental District No. 3 (TID No. 3) comprising an area that continues to have redevelopment potential. Since TID No. 3’s expenditure period has passed, the City is unable to incur further Project Costs within this area. This Plan Amendment will add these 61 parcels to the District as permitted under Wis. Stat. § 66.1105(4)(h)2. Four additional parcels not presently located within TID No. 3 will also be added to the District as part of this Plan Amendment. This will allow the City to promote further redevelopment in the downtown area in furtherance of the objectives of both TIDs No. 3 and 11. The effective date of the territory additions for valuation purposes will be January 1, 2020. The Plan also sets forth additional Project Costs the City may incur within the District and the territory being added to the District.

Summary of Findings

As required by Wis. Stat. § 66.1105, and as documented in this Plan Amendment and the exhibits contained and referenced herein, the following findings are made:

1. **That “but for” this Plan Amendment: 1) the City’s economic development objectives for the District will not be achieved; and 2) additional potential development within the District may not occur in the manner, at the values, or within the timeframe desired by the City.** Development Areas identified in this Plan Amendment contain various impediments to redevelopment including obsolete structures, structures requiring substantial renovation, substandard access, and inadequate parking. Due to the additional development costs associated with brownfield redevelopment such as demolition, remediation and provision of off-street parking, Tax Incremental Financing (“TIF”) is often required to make a project economically feasible. Without use of TIF, redevelopment projects that the City wants to encourage are unlikely to attract needed private investment capital. It is therefore the City’s judgment that “but for” the use of TIF within the District and the territory to be added, that redevelopment is not likely to occur in the manner, at the values, or within the timeframe desired by the City. Since the District includes various potential Development Areas, the City will evaluate specific projects as they are proposed regarding any requested TIF assistance.
2. **The economic benefits of amending the District, as measured by increased employment, business and personal income, and property value, are sufficient to compensate for the cost of the improvements.** Beyond the expected increase in incremental property value, development within the District will result in short-term employment opportunities as a result of both public and private construction, as well as long-term employment opportunities resulting from commercial and retail operations that will locate in or be retained within the District. Implementation of the Plan Amendment will also provide housing opportunities, and commercial enterprise providing goods and services to

workers and residents in the area. The City expects that the level of economic benefit derived from implementing the amended Plan will be more than sufficient to compensate for the Project Costs to be undertaken.

3. **The benefits of the proposal outweigh the anticipated tax increments to be paid by the owners of property in the overlying taxing jurisdictions.** As identified in 2. above, the economic benefits of the Plan Amendment are expected to more than compensate for the Project Costs. These same benefits will be enjoyed by taxpayers of all overlying taxing jurisdictions. The City finds that the benefits of the Plan Amendment similarly outweigh the cost of the anticipated tax increments to be paid.
4. Not less than 50% by area of the real property within the District, as amended, is a blighted area within the meaning of Wis. Stat. § 66.1105(2)(ae)1.
5. Based on the foregoing finding, the District is declared to be, and remains, a blighted area district based on the identification and classification of the property included within the District.
6. The District's Project Costs relate directly to promoting the elimination of blight.
7. The equalized value of the taxable property within the territory to be added to the District, plus the value increment of all other existing tax incremental districts within the City, does not exceed 12% of the total equalized value of taxable property within the City.
8. Improvements to be made in the District are likely to significantly enhance the value of substantially all of the other real property in the District
9. The Plan for the District is feasible and is in conformity with the Master Plan of the City.
10. The City estimates that 10% of the territory within the District will devoted to retail business at the end of the District's maximum expenditure period, pursuant to Wis. Stat. § 66.1105(5)(b).

SECTION 2: Intent and Purpose of District and the Amendment

The District was created by the City of Appleton under the authority provided by Wis. Stat. § 66.1105 to eliminate blight and stimulate the redevelopment of East College Avenue approximately from Drew Street to just west of Superior Street, South to Water Street and North to E. Washington Street. This area is primarily characterized by a large blighted and vacant commercial site and a mixture of small businesses, office space, and housing which have the potential to, and in some cases already have, created a blighting influence on the surrounding area. The original District consisted of approximately 39 acres of land with the vast majority zoned Central Business District. This Amendment will add approximately 29 acres of land to the District, further identified as Development Areas #9 through #13 in the Section. A minority of parcels in the District are currently zoned Planned Development Multi-Family, Public Institution, Single-Family Residential, and Multi-Family Residential.

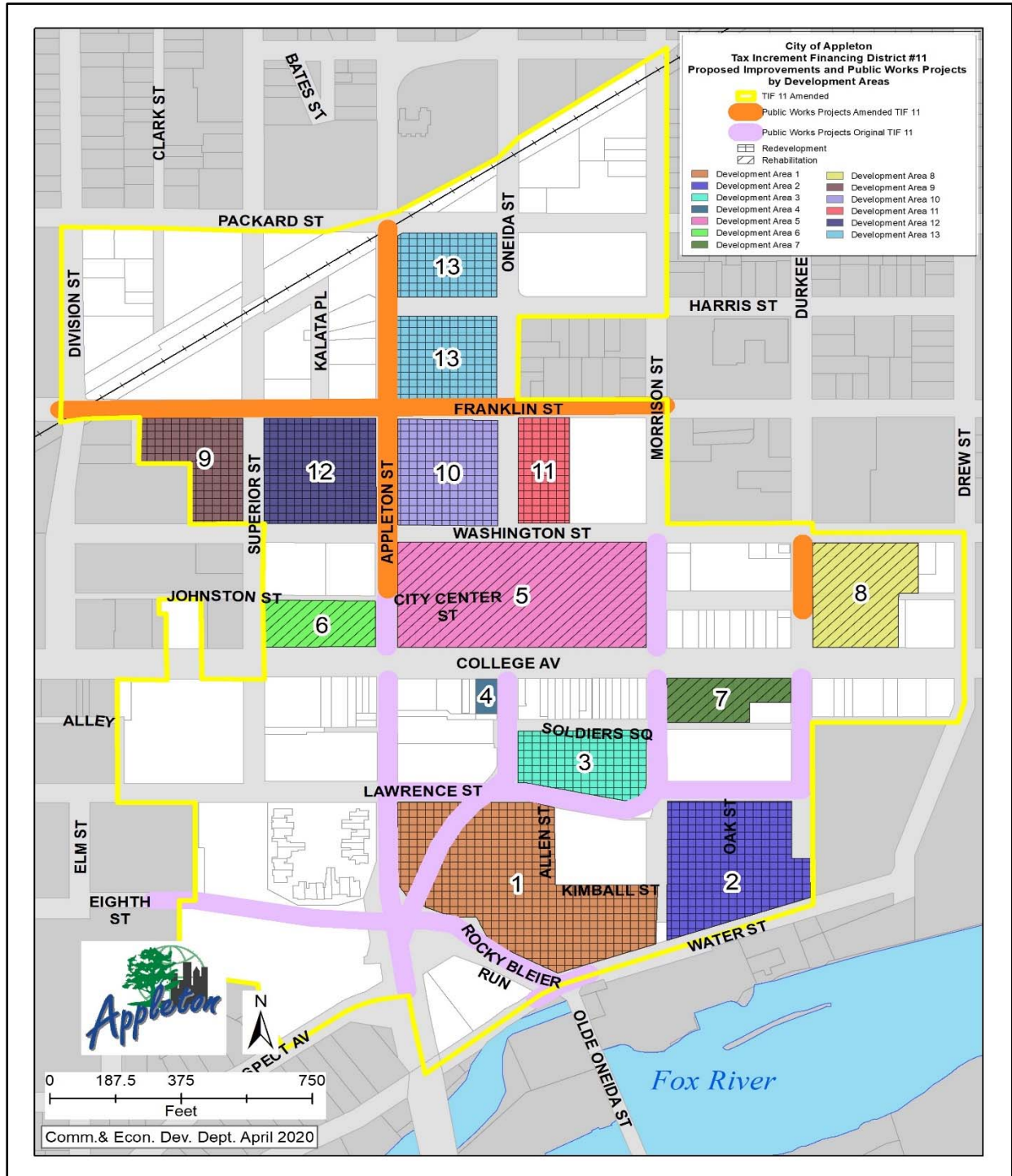
The District was created as a “Blighted Area” district based upon the finding that at least 50%, by area of the real property within the District, was blighted within the meaning of Wis. Stat. § 66.1105 and 66.1333 described below.

Blight is described as: *the presence of a substantial number of substandard or deteriorating structures or site improvements; inadequate street layout or faulty lot layout in relation to size, adequacy, accessibility or usefulness, or conditions which endanger life or property by fire and other causes, or any combination of such factors that impairs or arrests the sound growth of a city. This definition also includes land upon which building, or structures have been demolished and which because of obsolete platting, diversity of ownership or deterioration of structures or site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.*

This Plan, as amended, outlines the City’s role in assisting with the redevelopment of vacant, blighted, and underutilized properties and the rehabilitation or conservation of existing properties as needed to support the urban renewal of this area. The investment in this District will:

- eliminate blight and foster urban renewal through public and private investment.
- enhance the development potential of private property within and adjacent to the District.
- stabilize and increase property values in the area.
- promote retention, expansion, attraction and reuse through the development of an improved area thereby facilitating the creation of new jobs and increased tax base.
- improve the overall appearance of public and private spaces.
- strengthen the economic well-being and economic diversity of the area.
- provide appropriate financial incentives to encourage business expansion.
- maximize the Districts strategic location in Downtown Appleton.

There are thirteen identified development areas (see map below) within the District that include a combination of redevelopment and rehabilitation sites. Areas #1 through #8 are located within the original District boundary, with Areas #9 through #13 incorporated through this Amendment. The following map and accompanying narrative highlight the key development areas targeted for redevelopment and rehabilitation/conservation in this District that would not happen otherwise but for the creation of this District.



Development Area #1: The largest site in this Development Area is commonly known as “The Bluff Site.” This site is comprised of Trinity Lutheran Church and Michiels Fox Banquet Rivertyme Catering.

Trinity Lutheran Church is located at 209 Allen Street and is approximately 1.86 acres. This site originally consisted of several residential lots. In 1924, Trinity English Lutheran Church was constructed on the northwest corner of Allen Street and Kimball Street. In 1954, a parish center was built on the north end of the property. The church and parish center were connected via an addition in 1963, which greatly expanded the church sanctuary. Another addition was completed in 1996 on the northwest side to create a lobby with an elevator. The building is currently vacant as the parish relocated to another site in December of 2016, when the site was purchased by One Lawrence Street, LLC, in January 2017. This local developer intended to demolish the site for redevelopment.

Michiels Fox Banquet Rivertyme Catering is located at 111 Kimball Street and is approximately 2.15 acres. This site originally consisted of several residential lots. In 1917, the Appleton Vocational School was constructed on the southwest corner of Allen Street and Kimball Street. The school was the precursor to the Fox Valley Technical College. In 1935, the portion of Allen Street south of Kimball Street was vacated, and the Appleton Vocational School built a second building to the southeast of the original building. An addition was built onto the south end of the original building in 1952. The auto mechanics shop was expanded in 1954. The Appleton Vocational School moved to Grand Chute in 1972 and became the Fox Valley Technical Institute. The school buildings on this site were razed in 1975. The Elks Club built the present building on the site in 1982. The building and property were sold to Michiels Fox Banquet in the late 1980’s. Michiels operated a banquet and catering business from this facility until December of 2016 when they moved operations to their Menasha facility, vacated this site and sold the property to a local developer, One Lawrence Street, LLC, in January 2017 whose intentions were to demolish the site for redevelopment.

Subsequently, in December of 2019, U.S. Venture, Inc. purchased both 209 Allen Street and 111 Kimball Street sites with the intention to build their National Headquarters. Demolition of the Church and Michiels buildings are underway.

Future possible uses for these sites may include office, mixed use, public parking, public library, medical clinic, hotel, multi-family apartments and/or condominiums. The timing for this redevelopment is 2017-2022, and the proposed construction costs are estimated at \$81.6 million. Potentially, a portion of this would be exempt from property taxes if owned by a not-for-profit or tax-exempt entity.

The Bluff Site is highly visible from the Oneida Street Bridge, a primary gateway into the City of Appleton and Appleton’s Downtown. Redevelopment of this site would further benefit, and potentially induce investment in parcels located surrounding and in close proximity to this site. This development area would benefit from increased commercial activity from Development Area #2 along College Avenue and Development Area #3 Solider Square Parking Ramp and Plaza Area.

This information was largely taken from a Phase 1 Environmental Site Assessment conducted by OMNNI Associates in June 2016.

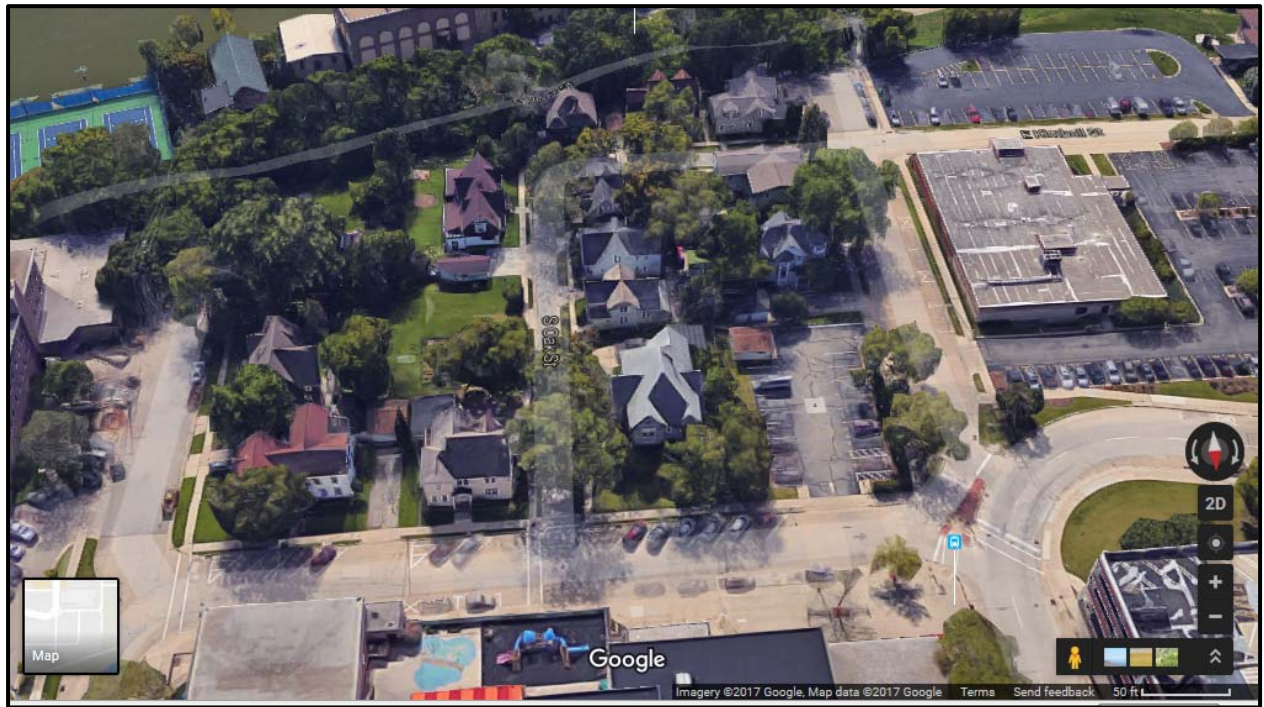


An aerial view of the bluff site.

Development Area #2: This is the site south of Lawrence Street, north of Water Street, east of S. Morrison Street and west of S. Durkee Street and is commonly referred to as “Bluff Site 2”. This site is comprised of 16 separate parcels and had several owners but currently there are only two owners. U.S. Venture, Inc. or their proxy and the YMCA of the Fox Cities. The YMCA of the Fox Cities owns 7 of the 16 parcels. The 7 parcels owned by the YMCA of the Fox Cities are comprised of 1 vacant lot, 5 vacant homes and 1 surface parking lot. Five (5) of the 7 parcels are on the tax rolls.

The remaining parcels owned by U.S. Venture or their proxy and have been or are in the process of being demolished. U.S. Venture intends to use this area for future growth and an approximate value is not known at this time.

This blighted area could benefit from redevelopment and rehabilitation or be incorporated in part or in whole into a larger site for future redevelopment. This Development Area would benefit from increased commercial activity from Development Area #1 and along College Avenue.



An aerial view of bluff site 2.

Development Area #3. The Solider Square Ramp located at 120 S. Oneida Street was built in 1966, has 424 parking stalls, and is a blighted parcel in very poor condition. The YMCA purchased this ramp from the City of Appleton on February 1, 1996 for \$1. The Purchase Agreement contains a reversionary and other use clause. This development area is shown as Central Business District designation on the Future Land Use Map. The image below is a concept that was included in Chapter 14: Downtown Plan. It is acknowledged that the current use of this site as parking is imperative to the continued success of the YMCA, and the lost parking stalls, due to demolition of this structure, will need to be replaced in close proximity to this site. Development Area #3 has negatively impacted other properties due to being blighted, is not aesthetically pleasing, is structurally challenging, and needs to be redeveloped to enhance the overall area and provide a positive impression.

This blighted area could benefit from redevelopment as a stand-alone project or be incorporated into a larger site for future redevelopment. This Development Area would benefit from increased commercial activity from Development Areas #1 and #2 and along College Avenue. Due to the City’s release of an RFP for a mixed-use library, Commercial Horizons, in early 2017, proposed to construct a mixed-use library on this site. The City has, and at some point, may continue to complete due diligence on this proposal.



SOLDIER'S SQUARE/YMCA PARKING LOT PERSPECTIVE

Development Area #4: The historic Zuelke Building located at 103 W. College Avenue was built in 1931 with 5 additional floors built in 1951. There are approximately 76,540 sq.ft., within the building and the vacancy rate is high due to a pending re-development project. The building has a total of 12 floors with two elevator shafts, one elevator services the original 7 floors and later serviced up to the 10th floor. The second elevator services the addition of the 11th and 12th floors. The inability of the main elevator to access the 11th and 12th floors is a significant burden and will require extensive engineering and updating to facilitate the modification.

The first seven floors in the original 1931 building were largely constructed using marble originally designed and planned for a church in Milwaukee. Due to the depression, the church was unable to accept delivery of the marble. The quality and uniqueness of the marble provides much character and status to the building. However, preservation of the marble makes it difficult to update the HVAC and plumbing systems, many of which are original to a 1950-1953 renovation of the building.

The building was considered “fireproof” when constructed, however new NFPA 1 rules would require installation of sprinklers throughout the entire building with any substantial renovation. The marble once again makes this endeavor very costly.

This neo-gothic high-rise building, named for Irving Zuelke a local businessman and philanthropist, was added to the National Register of Historic Places in 1982 as part of the College Avenue Historic District.

The owners of this building are interested in rehabilitation into mixed use by utilizing TIF and/or Federal and State Historic Tax Credits, but they recognize the challenges of this blighted site. They have a desire to preserve the historic nature of the building, including the marble, but they recognize that the antiquated infrastructure upgrades, parking challenges, and the high cost of construction/rehab will require several layers of funding and support from the City.

Rehabilitation of this development area would further enhance the entire area by increasing commercial activity along College Avenue. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area. The timing for this redevelopment is undetermined based on construction bids, funding and timing of other projects. The proposed project will have an approximate value of \$10 million upon completion of the proposed renovations.



100 West College Avenue (south side) Zuelke Building to Houdini Plaza

Development Area #5: This area is comprised of City Center Plaza and the vacant land where the Blue Ramp and Washington Place once stood. 10 College Avenue, City Center Plaza, was constructed in 1986 and is located in the heart of Appleton’s Business District. This 3-story, 190,000 sq. ft. multi-use building contains both retail and office spaces. Major tenants include Appleton Area School District, Saleytics, ThedaCare, Air Wisconsin, Joseph’s Shoes and Murray Photos. The current vacancy rate is 20%, and the property is for sale. The local owners may use TIF to assist with conservation and renovations for tenants of approximately \$1,000,000 within the next three years.

122 E. College Avenue, City Center East Office Condo, was constructed in 1974 as Gimbals Department Store and was converted to office condo in 2003. This 150,000 sq. ft. building contains office space with major tenants that include: ThedaCare, Appleton Area School District, Thrivent Financial and Hoffman Planning Design and Construction. The current vacancy rate is 15%. The local owners may use TIF to assist with conservation and renovations for tenants of approximately \$2,000,000 within the next three years.

100 N. Appleton Street, City Center West Office Condo, was constructed in 1960 as HC Prange Company and was converted to office condo units in 1996. The City of Appleton owns the top two floors and space on the first floor. The Pfefferle group owns the balance of the condo units consisting of 62,318 sq. ft. The current vacancy rate is 5%. The local owners may use TIF for renovation and/or remodeling of tenant space of approximately \$1,000,000 within the next three years.

The Blue Ramp, located at 120 N. Appleton Street, was built in 1963, with 7 ½ post-tension decks replacing original reinforced decks in 1986, had 401 stalls parking ramp, and was demolished in 2019 as it was blighted, a substandard and/or deteriorating structure, and had an inadequate layout for today’s parking needs. The vacant land located at 103 E. Washington Street was most recently Washington Place. This blighted building was demolished in 2013, and this is a prime site for redevelopment. As of March 1, 2020, the City of Appleton has an exclusive planning option with Merge Development on both the Blue Ramp and Washington Place sites. This option will allow Merge Development to complete all due diligence necessary to determine physical and financial feasibility of constructing a mixed-use development with rental units and light retail space. At this time, it is estimated that a development such as this would add a minimum of \$4 million in assessed value to our tax rolls.

This blighted Development Area #5 could benefit from rehabilitation and conservation and/or incorporate portions into a larger site for future redevelopment. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area. Potentially, a portion of this would be exempt from property taxes if owned by a not-for-profit or tax-exempt entity.



**100 West College Avenue (north side) Hoffman/ThedaCare to The Building
for Kids Children’s Museum/City Center**

Development Area #6: This area includes Chase Bank and parking, a parklet, and the 222 Building.

Chase Bank, located at 200 W. College Avenue, is a 45,000 sq. ft. building currently listed for sale. This is a prime redevelopment opportunity with JP Morgan Chase Bank remaining as the ground floor tenant. Located on College Avenue, the main street leading from the interstate into a vibrant Downtown, this site is in close proximity to Lawrence University, City and County municipal buildings, and many other attractions. The site encompasses half of a city block with access on three of the surrounding streets. Potential uses could be office, residential, and hospitality. In 2019, as recommended in the Downtown Mobility Study, adopted by Council in 2016, Appleton Street was converted from one-way southbound traffic to two-way traffic, creating improved access and visibility to the property.

The parklet (small parcel currently decorated with lights, tables and chairs) is owned by Pfefferle Management and located between two vibrant businesses.

The 222 Building, located at 222 W. College Avenue, was originally constructed in 1952, and an addition on the west side was constructed in 1964. Pfefferle Group purchased the building in 2003. The current vacancy rate is 25%. The owners may use TIF for renovating the vacant floors and/or a possible restaurant on the first floor for an estimated cost of \$2,000,000.

This blighted Development Area #6 could benefit from rehabilitation and conservation and/or incorporate portions into a larger site for future redevelopment. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.



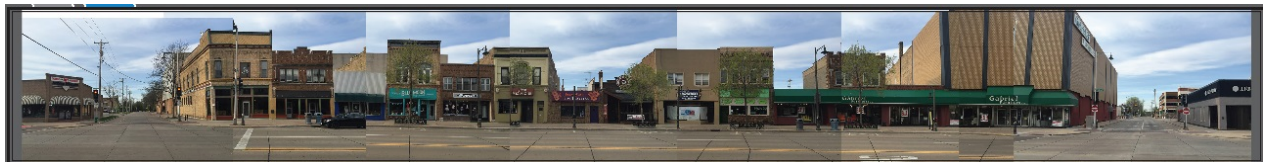
200 West College Avenue (north side) Chase Bank to 222 Building

Development Area #7: This area encompasses Gabriel Furniture and businesses in the 200 block of East College Avenue.

The Gabriel Furniture building has been on the corner of College Avenue and Morrison Street for over 100 years. Built in 1888 by the Konemic Lodge, International Order of the Odd Fellows, it became the first home for several local organizations including The Knights of Pythius, Elks Lodge 337, Loyal Order of the Moose, and Appleton Eagles. In 1928, Joseph Gabriel opened Gabriel Furniture at 201 E. College Avenue. Over the next 60 years, the business flourished and grew. In the 1960's, a metal covering was put on the façade to make the property “look more modern”. In 1988, Joe and Ruby Wells, bought the business and in 1990, they purchased 201 and 207 E. College Avenue. In the early 1990's, the Wells then purchased 209 and 211 E. College Avenue (former Shirley's Children's Shop) combining all the sites with interior connections. The four buildings were used as a retail furniture store utilizing approximately 35,000 sq. ft. for showroom with additional basement space for storage until 2019.

In May 2019, Fore Development purchased all four buildings for redevelopment into a mixed-use project named Gabriel Lofts. This project will have 21 market rate apartments and street level commercial/retail space. These efforts will make this blighted area more aesthetically pleasing through redevelopment, rehabilitation and conservation. This project will add approximately \$4 million in increment to our tax rolls.

Additional buildings in this area were built from 1870 thru 1978. Development Area #7 is characterized by small parcels with historic/older buildings and could be redeveloped individually or as a coordinated effort. Rehabilitation of the existing buildings and property would further enhance the entire area. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.



200 East College Avenue (south side) Lou's Brews to Gabriel Furniture

Development Area #8: Includes the 300 block of E. College Avenue, as well as parcels North of Johnston Street, between N. Durkee Street and N. Drew Street. In the recently updated Comprehensive Plan approved unanimously by the Appleton Common Council on March 15, 2017, the 300 block of E. College Avenue is conceptually identified as a site for new multi-family residential development over a mix of commercial/office space which could serve the needs of existing property owners, including but not limited to, Heid Music and Lawrence University. The goal would be to fill a housing demand, transition to small-scale neighborhoods, and enhance the immediate surroundings with small commercial space to pull foot traffic north of College Avenue. *Narrative taken from Comprehensive Plan 2010-2030.

Fore Development plans to redevelop 118 N. Durkee Street into the Avant Apartments. The Avant Apartments is a 33-unit multi-family, market rate apartment complex with an approximate incremental assessed value of \$4 million. This project is anticipated to be open Summer of 2020.

Tadych Investments plans to redevelop 320 E. College Avenue into a 6 story, mixed use building containing 39 apartments, 44 indoor parking stalls, and 2,770 sq. ft. of commercial space with an estimated assessed value of \$9.0 million. This project should be completed in the fall of 2022.

This blighted area deals with parking challenges, ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. This area is characterized by small parcels with historic/older buildings and could be redeveloped individually or in groups. Rehabilitation of the existing buildings and property would further enhance the entire area. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity along College Avenue and the other Development Areas. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.



300 East College Avenue (north side) History Museum at the Castle to Heid Music



THE CONCEPTUAL SITE PLAN SHOWS PARKING BEHIND THE PROPOSED DEVELOPMENT JUST NORTH OF JOHNSTON STREET, BETWEEN N. DURKEE STREET AND N. DREW STREET



PERSPECTIVE OF CONCEPTUAL REDEVELOPMENT OF 300 BLOCK OF E. COLLEGE AVENUE VANTAGE POINT IS LOOKING SOUTHWEST TOWARD THE FOX RIVER FROM THE CORNER OF N. DREW STREET AND E. WASHINGTON STREET.

Development Area #9: The Gannett Building, 306 W. Washington Street and adjacent parking area is a redevelopment site for Crescent Lofts, a 69-unit redevelopment project utilizing WHEDA Tax Credits and Historic Tax Credits. This building was added to the State and National Register in 2019.

Of the total 69 units, 58- units will be designated for low to moderate-income households and 11 units will be market rate. Estimated construction costs are around \$13 million and construction may begin in 2020.

This blighted area deals with parking challenges, ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. This area is characterized by multiple smaller parcels with an historic/older building and could be redeveloped individually or in groups. Rehabilitation of the existing building and/or property would further enhance the entire area. Encouraging development north of College Avenue has been a longtime priority for the City and is a potential catalyst for other projects.

Development Area #10: The existing Library Site located north of E. Washington Street between N. Appleton Street and N. Oneida Street. The library occupies the northern half of the block, while the southern half of the block is a separate lot currently owned by the City of Appleton and used as surface parking. The site's close proximity to City Center Plaza, City Hall, and College Avenue make it a high priority location for future development north of College Avenue. If the library were to leave this site (or stay) the development concept envisioned is a three to five story mixed use development including a combination of office, commercial, and residential uses. Potentially, current on-site surface parking would need to be accommodated on-street and in the Yellow Ramp. Cost, timing and exact project(s) are not known at this time.

This blighted area deals with parking challenges, ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. Rehabilitation of the existing buildings and property, conservation and/or incorporate portions of this site into a large site for future development. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.

Development Area #11: The current transit center site, located between the library and the Yellow Ramp, is also strategically located near a number of key destinations downtown. The 2010-2030 Comprehensive Plan shares a concept envisioned for this site as a vertical mixed-use building which would maintain the transit center as the primary use on the first floor of the building. The additional 3-4 stories of development over the transit center would include a mix of office and commercial uses. Sound could be mitigated by a green deck over the bus loading area and through the use of green screens on the existing parking deck or via other methods.

The Appleton Redevelopment Authority owns the parcel at 222 N. Oneida St. The building has been demolished and the site is being mitigated.

This blighted area deals with parking challenges, ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. This area could be redeveloped individually or in groups. Rehabilitation, conservation and/or redevelopment of the existing buildings and/or property would further enhance the entire area. Since this entire area is highly visible and an integral part of the Downtown, this Development Area would benefit from increased commercial activity. Redevelopment of this area would further benefit, and potentially induce, investment in parcels located surrounding and in close proximity to this area.

Development Area #12: The area comprised of the west side of the 200 Block of North Appleton Street includes a vacant lot, 2 story historic buildings, surface parking and a church and event site. A fire destroyed one of the buildings, creating a vacant lot. Additional buildings are in poor condition, and some of the existing first floor businesses do not maintain regular hours. The block is strategically important because of its high visibility immediately west of the existing Library and Transit Center and north of City Center Plaza and College Avenue. This area is prime for redevelopment. Street level could be residential, retail, office, service, and/or hospitality.

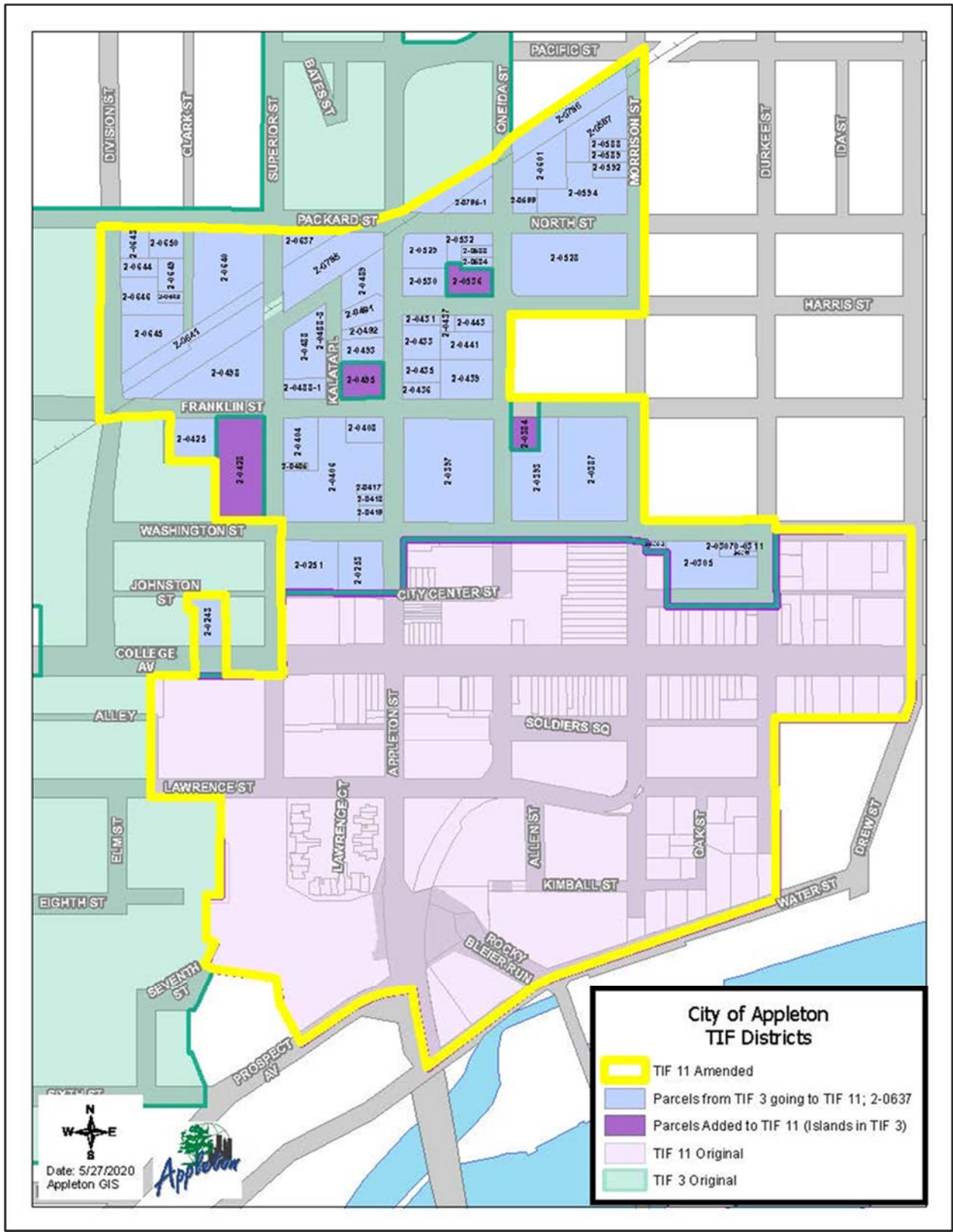
This blighted area deals with parking challenges, ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. This area is characterized by small parcels with historic/older buildings and could be redeveloped individually or in groups. Rehabilitation, conservation or redevelopment of the existing buildings and/or property would further enhance the entire area. Encouraging development north of College Avenue has been a longtime priority for the City and is a potential catalyst for other projects.

Development Area #13: The area North of Franklin Street, the block bound by Appleton Street, Packard Street, Oneida Street and Harris Street includes vacant lots, a vacant building and two businesses. This area is prime for redevelopment. Town homes, multi-family, office, service and/or hospitality could be opportunities in this area. Cost, timing and exact project is not known at this time.

This blighted area deals with ingress and egress difficulties, deteriorating structures, accessibility and obsolescence. This area is characterized by multiple parcels with multiple owners of vacant lots and/or historic/older buildings and could be redeveloped individually or in groups. Rehabilitation, conservation or redevelopment of the existing buildings and/or property would further enhance the entire area. Encouraging development north of College Avenue has been a longtime priority for the City and is a potential catalyst for other projects.

SECTION 3:
District Boundary Map & Identification of Parcels to be
Added

Map Found on Following Page.



SECTION 4: Identification of Parcels to be Added

The purpose of this Plan Amendment is to add the parcels identified in the tables below to the District effective January 1, 2020. The figures listed under the “Current Value” column reflect valuations as of January 1, 2019. The actual addition to the District’s base value will be based on January 1, 2020 valuations which are not yet available. The District’s revised base will first be reflected in the valuations certified for January 1, 2021. Any changes in the valuation of the parcels being added to the District that occurs after January 1, 2020 will impact the incremental value of the District.

Parcels Currently Located within TID No. 3

Parcel Number	Street Address	Current Value (Jan. 1, 2019)	Acres	Blighted Acres
0-0311	229 E WASHINGTON ST	\$ -	0.081	
2-0243	318 W COLLEGE AVE	\$ 827,000	0.375	0.375
2-0251	221 W WASHINGTON ST	\$ -	0.679	
2-0253	131 N APPLETON ST	\$ 536,600	0.543	0.543
2-0302	130 N MORRISON ST	\$ 140,000	0.050	
2-0305	215 E WASHINGTON ST	\$ 34,100	0.866	
2-0307	E WASHINGTON ST	\$ 28,500	0.057	0.057
2-0311	129 N DURKEE ST	\$ 160,500	0.081	
2-0387	130 E WASHINGTON ST	\$ -	1.676	
2-0393	100 E WASHINGTON ST	\$ -	0.906	0.906
2-0397	225 N ONEIDA ST	\$ -	2.176	2.176
2-0404	231 W FRANKLIN ST	\$ 270,900	0.379	
2-0405	214 N SUPERIOR ST	\$ 174,900	0.041	
2-0406	N APPLETON ST	\$ 762,800	1.585	1.585
2-0408	233 N APPLETON ST	\$ 223,100	0.221	0.221
2-0417	211 N APPLETON ST	\$ 135,500	0.058	0.058
2-0418	207 N APPLETON ST	\$ 218,700	0.066	
2-0419	201 N APPLETON ST	\$ 313,000	0.096	0.096
2-0425	W FRANKLIN ST	\$ 136,600	0.483	0.483
2-0431	322 N APPLETON ST	\$ -	0.083	0.083
2-0433	314 N APPLETON ST	\$ -	0.305	
2-0435	304 N APPLETON ST	\$ 272,600	0.197	
2-0436	300 N APPLETON ST	\$ -	0.138	
2-0437	E HARRIS ST	\$ 14,700	0.052	0.052
2-0439	303 N ONEIDA ST	\$ -	0.464	
2-0441	N ONEIDA ST	\$ 103,800	0.340	0.340
2-0443	N ONEIDA ST	\$ 38,900	0.137	0.137
2-0488	N SUPERIOR ST	\$ 173,400	0.577	0.577

(Table Continued on Next Page)

Parcel Number	Street Address	Current Value (Jan. 1, 2019)	Acres	Blighted Acres
2-0488-1	222 W FRANKLIN ST	\$ -	0.201	
2-0488-3	323 N KALATA PL	\$ -	0.014	
2-0489	N APPLETON ST	\$ -	0.395	0.395
2-0491	325 N APPLETON ST	\$ 228,000	0.243	
2-0492	319 N APPLETON ST	\$ -	0.126	
2-0493	317 N APPLETON ST	\$ 212,000	0.247	0.247
2-0498	N SUPERIOR ST	\$ 236,100	0.998	0.998
2-0528	120 E HARRIS ST	\$ -	1.696	
2-0529	N APPLETON ST	\$ 86,900	0.361	0.361
2-0530	116 W HARRIS ST	\$ 125,000	0.286	0.286
2-0532	433 N ONEIDA ST	\$ -	0.188	0.188
2-0533	415 N ONEIDA ST	\$ 86,000	0.087	0.087
2-0534	N ONEIDA ST	\$ 20,900	0.087	0.087
2-0587	531 N MORRISON ST	\$ -	0.545	
2-0588	N MORRISON ST	\$ -	0.099	0.099
2-0589	517 N MORRISON ST	\$ 66,300	0.099	
2-0592	513 N MORRISON ST	\$ -	0.127	0.127
2-0594	130 E NORTH ST	\$ -	0.772	0.772
2-0599	506 N ONEIDA ST	\$ 122,200	0.147	
2-0601	510 N ONEIDA ST	\$ 242,600	0.547	
2-0637	N SUPERIOR ST	\$ -	0.298	0.298
2-0640	311 W PACKARD ST	\$ -	1.214	1.214
2-0641	311 N SUPERIOR ST	\$ 143,200	0.514	0.514
2-0643	414 N DIVISION ST	\$ 142,000	0.200	
2-0644	N DIVISION ST	\$ -	0.165	
2-0645	N DIVISION ST	\$ 132,400	0.556	0.556
2-0646	400 N DIVISION ST	\$ -	0.405	
2-0648	401 N CLARK ST	\$ 108,000	0.067	
2-0649	403 N CLARK ST	\$ 88,900	0.194	
2-0650	327 W PACKARD ST	\$ 162,000	0.245	
2-0795	LAND LOCKED	\$ -	1.793	1.793
2-0795	LAND LOCKED	\$ -		
2-0795-1	W PACKARD ST	\$ -	0.235	0.235
2-0796	LAND LOCKED	\$ -	1.610	1.610
2-0796	LAND LOCKED	\$ -		

Subtotal of TID No. 3 Parcels

\$ 6,768,100 27.470 17.553

Additional Parcels to be Added to the District

Parcel Number	Street Address	Current Value (Jan. 1, 2019)	Acres	Blighted Acres
2-0428	306 W WASHINGTON ST	\$ 1,127,300	1.161	1.161
2-0495	N APPLETON ST	\$ 70,400	0.341	0.341
2-0536	N ONEIDA ST	\$ 75,200	0.314	0.314
2-0384	N ONEIDA ST	\$ -	0.211	0.211

Subtotal of Additional Parcels to be Added

\$ 1,272,900 2.027 2.027

Total of All Parcels to be Added

\$ 8,041,000 29.497 19.581

Calculation of Blighted Area Percentage

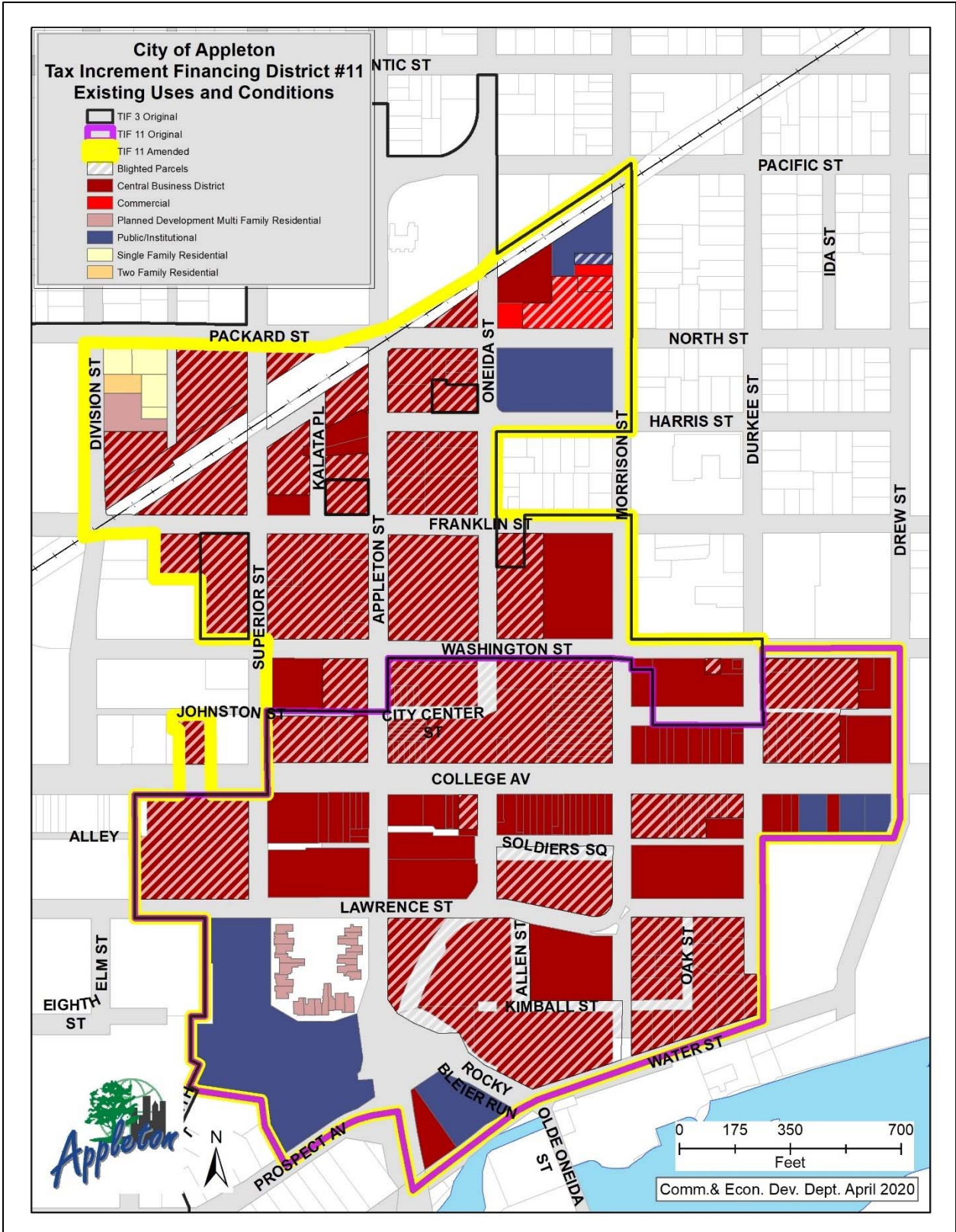
	Total Acres	Blighted Acres	Percentage
Original District Area	38.670	25.587	66.17%
Territory to be Added	29.497	19.581	66.38%
Total	68.167	45.168	66.26%

Parcels within the territory to be added to the District that have been identified as blighted include those that:

1. Contain substandard or deteriorating structures or site improvements; inadequate street layout or faulty lot layout in relation to size, adequacy, accessibility or usefulness, or conditions which endanger life or property by fire and other causes, or any combination of such factors that impairs or arrests the sound growth of a city.
2. Consist of land upon which building, or structures have been demolished and which because of obsolete platting, many of changes of ownership or deterioration of structures or site improvements, or otherwise, substantially impairs or arrests the sound growth of the community.

SECTION 5: Maps Showing Existing Uses and Conditions

Map Found on Following Page



SECTION 6: Equalized Value Test

The following calculations demonstrate that the City expects to be in compliance with Wis. Stat. § 66.1105(4)(gm)4.c., which requires that the equalized value of the taxable property proposed to be added to the District, plus the value increment of all existing tax incremental districts, does not exceed 12% of the total equalized value of taxable property within the City.

Calculation of City Equalized Value Limit

City TID IN Equalized Value (Jan. 1, 2019)	\$ 5,855,356,700
TID Valuation Limit @ 12% of Above Value	\$ 702,642,804

Calculation of Value Subject to Limit

Base Value of Territory to be Added to District	\$ 8,041,000
Less: Incremental Value of Overlapped Parcels	(\$ 1,095,100)
Plus: Incremental Value of Existing Districts (Jan. 1, 2019)	<u>\$ 235,828,500</u>
Total Value Subject to 12% Valuation Limit	\$ 242,774,400

The equalized value of the territory to be added to the District plus the incremental value within all other existing tax incremental districts totals \$242,774,400 which is 4.15% of the City's total equalized value. This value is less than the maximum of \$702,642,804 in equalized value that is permitted for the City.

SECTION 7:

Statement of Kind, Number and Location of Proposed Public Works and Other Projects

Project Costs are any expenditure made, estimated to be made, or monetary obligations incurred or estimated to be incurred as outlined in this Plan. Project Costs will be diminished by any income, special assessments or other revenues, including user fees or charges, other than tax increments, received or reasonably expected to be received in connection with the implementation of the Plan. If Project Costs incurred benefit territory outside the District, a proportionate share of the cost is not a Project Cost. Costs identified in this amended Plan are preliminary estimates made prior to design considerations and are subject to change after planning, design and construction is completed. With all Project Costs, the costs of engineering, design, survey, inspection, materials, construction, restoring property to its original condition, apparatus necessary for public works, legal and other consultant fees, testing, environmental studies, permits, updating City ordinances and plans, judgments or claims for damages and other expenses are included as Project Costs.

As set forth in the District's original Plan approved on August 2, 2017, the following is a list of public works and other tax incremental financing eligible Project Costs that the City expects to make, or may need to make, in conjunction with the implementation of the District's Plan. The map found in Section 8 of this Plan along with the Detailed List of Project Costs found in Section 9 provide additional information as to the kind, number and location of potential Project Costs.

A. Municipal Infrastructure Improvements

- Construction and/or reconstruction of the streets, bridges, pedestrian connections and parking to facilitate development and rehabilitation projects within the District. Scope of work may include right-of-way acquisition, land assembly, grading, gravel, curb and gutter, asphalt, streetlights, traffic signals, walkways, concrete paving, lighting, signage, and related appurtenances.
- Construction and/or reconstruction of a sanitary sewer collection system to facilitate development and rehabilitation projects within the District. The scope of work may include sewer mains, manholes, laterals, force main, lift stations, and related appurtenances.
- Construction and/or reconstruction of the water distribution system to facilitate development and rehabilitation projects within the District. Projects may include water mains, valves, hydrants, service connections, laterals and other related appurtenances.
- Construction and/or reconstruction of storm water drainage facilities to support development and rehabilitation projects within the District. Projects may include retention or detention basins, biofilters, conveyance systems, storm sewer mains, manholes, inlets, drains and related appurtenances.
- Installation of electric and/or natural gas service or the relocation of existing services to facilitate blight elimination and redevelopment or rehabilitation in the District and provide better service. Acquisition of equipment to service the District.
- Installation of telephone, fiber, and cable or the relocation of existing services to facilitate blight elimination and redevelopment or rehabilitation in the District and provide better service. Acquisition of equipment to service the District.

- The costs associated with the design, implementation, purchase and maintenance of streetscape amenities to improve the aesthetic appearance of this District, including but not limited to, decorative lighting, banners and/or flags, public art, landscaping and/or planters, benches and other pedestrian elements to encourage the viability of the businesses in the district and attract high quality development.
- B. Administrative Costs:** These include, but not limited to, a portion of the salaries of the City employees, professional fees, and others directly involved in the projects for the District over the implementation of the project plan. Audit expenses, state filing fees, and any expenses associated with dissolving the District are also eligible costs.
- C. Organizational Costs:** These include, but are not limited to, publication and printing costs in connection with this Project Plan as well as the fees for the financial consultants, attorney, engineers, planners, surveyors, and other contracted services.
- D. Professional Services:** These include, but are not limited to, those costs incurred for architectural, planning, engineering and legal advice and services.
- E. Financing Costs:** Interest, finance fees, bond discounts, redemption premiums, legal opinions, credit ratings, capitalized interest, insurance and other expenses related to financing. This would also include interest on advances made by the City of Appleton.
- F. Land Assembly, Clearance, and Real Estate Acquisitions:** In order to eliminate blight and promote rehabilitation and redevelopment, it may be necessary to assist developers or for the City to acquire and demolish blighted or underutilized properties within the District. These may include but are not limited to, the cost of acquisitions, clearance/demolition, titles, easements, appraisals, consultant fees, closing costs, surveying and mapping, and the lease and/or the sale of property at or below market price to encourage or make feasible an economic development project that is consistent with the intent of this District.
- G. Relocation Costs:** In the event any property is acquired for the projects, expenses including the cost of the relocation plan, director and staff time, publications, appraisals, land and property acquisition costs and relocation benefits as required by Wisconsin Statutes Section 32 are considered eligible project costs.
- H. Development Incentives (Cash Grants and/or Loans):** As a partner in the future redevelopment and rehabilitation/conservation of this District, the City of Appleton may enter into agreements with property owners, lessees, or developers for the purpose of sharing costs to encourage the desired kind of improvements based on the purpose of this District and assure tax base is generated sufficient to recover project costs. This assistance is regularly needed in rehabilitation and redevelopment projects to offset the additional costs in re-use versus greenfield development. Not every project will demand the same level of funding. These payments would be negotiated on a project basis in order to attract new taxable property or rehabilitate existing property in the District. No cash grants or loans will be provided until the Common Council adopts a development agreement and a copy of such agreement will be retained in the City's official records for the TID.
- I. Environmental Audits and Remediation:** Costs related to all environmental assessments and remediation will be considered eligible project costs.

- J. Promotion and Development:** Promotion and development of the District including professional services or marketing, recruitment, realtor commissions and fees in lieu of commissions, marketing services and materials, advertising costs, administrative costs and support of development organizations.
- K. Project Outside the Tax Increment District:** Pursuant to Wisconsin Statutes Section 66.1105(2)(f)1.n, the city may undertake projects within territory located within one-half (1/2) mile of the boundary of the district provided that (1) the project is located within the City’s corporate boundaries, and (2) the projects are approved by the Joint Review Board. The cost of projects completed outside the District pursuant to this section are eligible Project Costs and may include any project cost that would otherwise be eligible if undertaken within the District. The City expects to incur the following Project Costs outside of the District:

Project & Year	Estimated Cost
Lawrence Street (Walnut to Elm)	
• Underground Utilities (2021)	\$250,000
• Paving (2022)	\$238,000
Atlantic Street (Oneida to Lawe)	
• Underground Utilities (2021)	\$709,000
• Paving (2022)	\$920,000
Alley (Walnut to Lawrence)	
• Storm Sewer & Paving (2022)	\$179,000
Lawe Street (College to Spring)	
• Underground Utilities (2023)	\$832,000
• Paving (2024)	\$1,486,000
Atlantic Street (Richmond to Oneida)	
• Underground Utilities (2025)	\$940,000
• Paving (2026)	\$1,230,000

Refer to Section 8 for a map of proposed improvements and Public Works projects by development area.

- L. Payments Made at the Discretion of the Common Council:** These payments may include but are not limited to payments which are found to be necessary or convenient to the creation of the District or the implementation of the Project Plan that support the goals of the District as outlined in Section 2.

SECTION 8: Map Showing Proposed Improvements and Uses

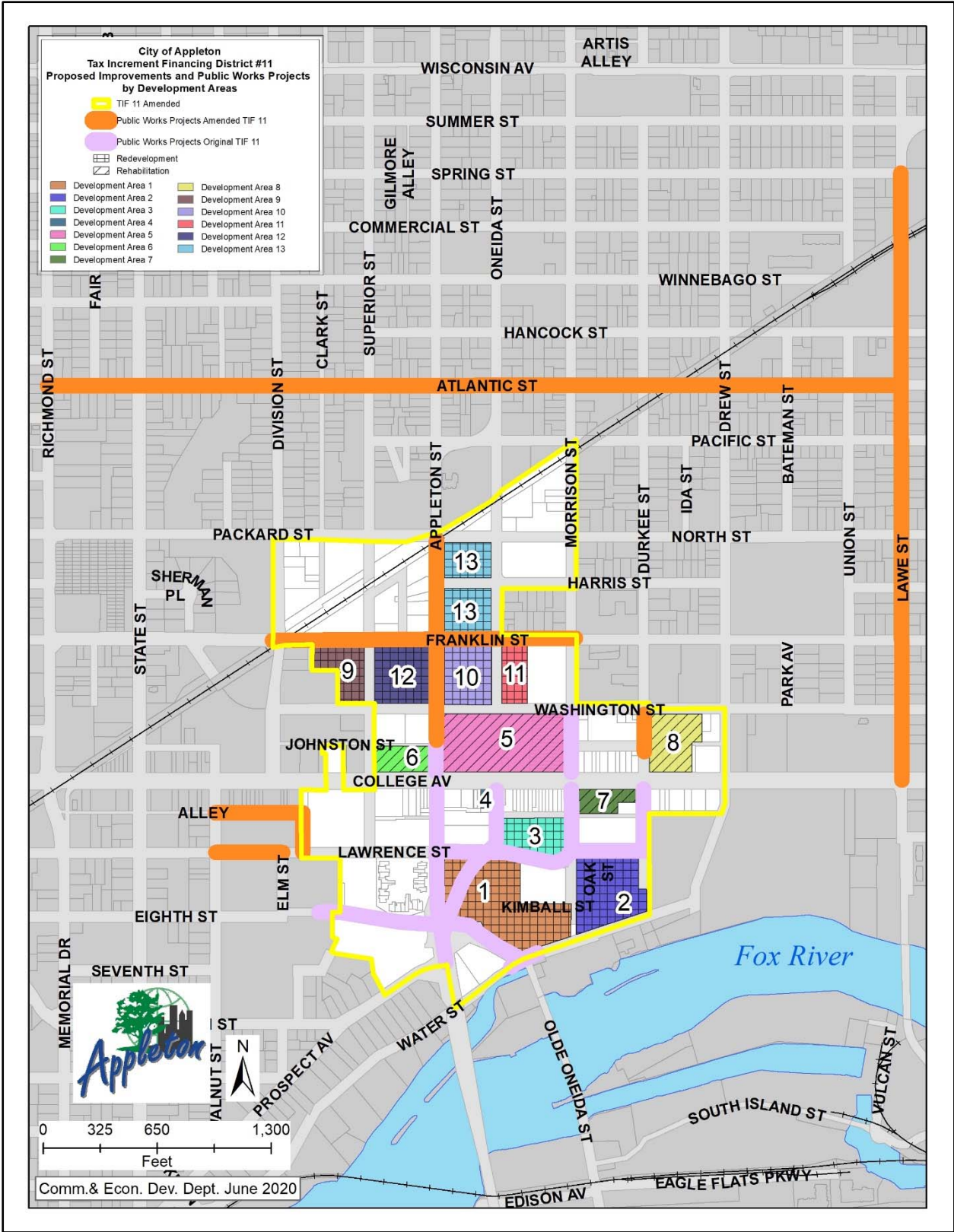
Maps Found on Following Page.

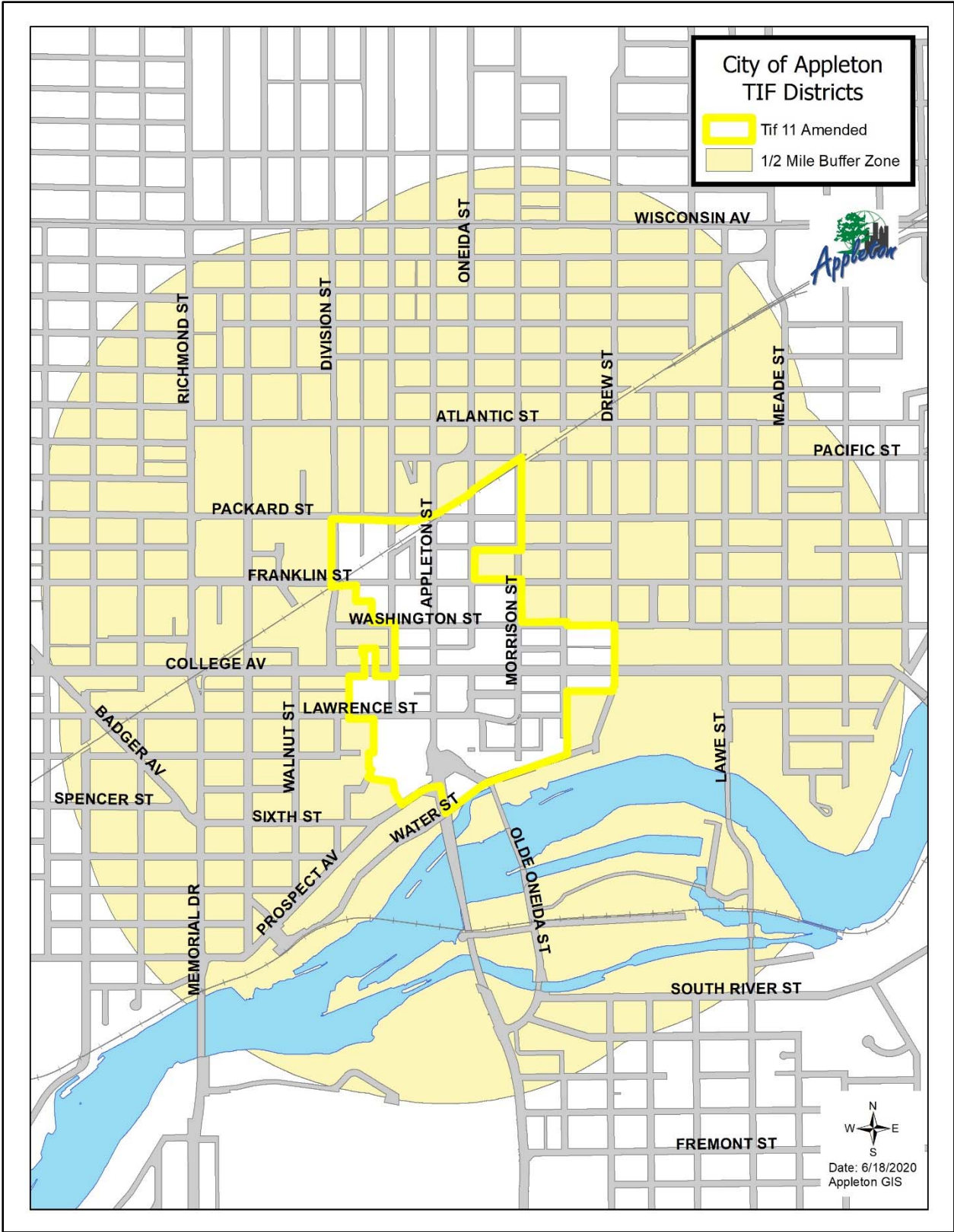
The first map depicts the locations where the City may undertake Municipal Infrastructure Improvements as detailed in Section 7. This includes eligible Project Costs to be incurred outside of, but within ½ mile of the District's boundaries. The second map identifies the ½ mile zone of eligibility.

The following types of Project Costs included in Section 7 are generally expected to be incurred within the Development Areas identified on the map.

- Land Assembly, Clearance, and Real Estate Acquisitions
- Relocation costs.
- Development Incentives (Cash Grants and/or Loans).

Other costs identified in Section 7 may be associated with expenditures made for the Municipal Infrastructure Improvements, activities within the Development Areas, or may not relate to a specifically identified geographical location such as District administrative costs.





SECTION 9: Detailed List of Project Costs

The following list identifies the Project Costs that the City currently expects to incur in implementing the District's amended Plan. All projects identified and related costs reflect the best estimates available as of the date of preparation of this amended Plan. All costs are preliminary estimates and may increase or decrease. Certain Project Costs listed may become unnecessary, and other Project Costs not currently identified may need to be made. (Section 7 details the general categories of eligible Project Costs). Changes in Project Cost totals or the types of Project Costs to be incurred will not require that this Plan be further amended. This Plan is not meant to be a budget nor an appropriation of funds for specific Project Costs, but a framework within which to manage Project Costs.

Project/Activity	Total Cost (Original Plan Est.)	Cost Added (This Amendment)	Total Revised Cost Estimate	Estimated Timing
• Municipal Infrastructure Improvements	\$3,234,600	\$1,869,382	\$5,103,982	2018 – 2023
• Municipal Infrastructure within the ½ Mile Boundary	None	\$6,784,000	\$6,784,000	2021 - 2026
• Development Incentives & Property Grants	\$14,847,560	\$24,693,461	\$39,541,021	2018 – 2042
• Other Costs – Administrative, Professional, Environmental, and Promotion Services Costs. Filing fees and fees charged by State.	\$124,750	\$528,859	\$653,609	2017 – 2045
• Financing Costs <ul style="list-style-type: none"> ○ General Fund Advance Interest Expense ○ General Obligation 	\$1,528,283	\$7,234,048	\$8,762,331	2017 – 2041
SUBTOTAL:	\$19,735,193	\$41,109,750	\$60,840,943	2017 – 2045
• Financing Costs* <ul style="list-style-type: none"> ○ Development Incentives 	\$9,127,794	(\$9,127,794)		
TOTAL*	\$28,862,987	\$31,981,956	\$60,840,943	

***NOTE:** The original District Plan line item for Development Incentives & Property Grants did not include estimated interest payments on developer financed incentives, although that cost was reflected in projected District cash flows. That total from the original Plan was \$9,127,794. When comparing the estimated total Project Costs from the original Plan to the Amended Plan, it is necessary to include that additional amount. The actual increase in estimated Project Costs from the original Plan to the Amended Plan is the \$31,981,956 figure shown on the total line.

SECTION 10: Economic Feasibility Study, Financing Methods, and the Time When Costs or Monetary Obligations Related are to be Incurred

This Section includes a forecast of the valuation increases expected within the District, the associated tax increment collections, a summary of how Project Costs would be financed, and a projected cash flow demonstrating that the District is economically feasible.

As of January 1, 2019, the District had incremental value of \$1,603,700. The Plan assumes that \$122.6 million in additional incremental value will be created within the District by January 1, 2022 as a result of development projects proceeding within Development Areas #1, #4, #5, #7, #8 and #9 as shown on **Table 1**. The City expects it may need to pay Development Incentives to make these private projects economically feasible. A projection of potential incentive payments is shown on **Table 2**. These payments would be made from a combination of City borrowed funds, and tax increment cash (“pay as you go”) generated by the projects.

In addition to payment of incentives, the City has, and will, complete Municipal Infrastructure Improvements within the District. The City has, and will, finance these costs with General Obligation debt. Actual and estimated debt service for paying the cost of both the Municipal Infrastructure Projects and Development Incentives are identified on **Table 3**.

Table 4 is a projected cash flow for the District. Based on the incremental value expected to be created (**Table 1**) the District is projected to generate approximately \$73.6 million in tax increment revenue over its twenty-seven-year life. This assumes a tax rate increasing at ½% per year over the actual rate for the 2019/20 budget year. Considering the projected debt service (**Table 2**) and Development Incentive payments (**Table 3**), the District is projected to run a negative fund balance through the year 2036 before eventually generating a projected \$19.5 million surplus by its required closure date. The City will advance funds to the District as needed to cover the deficit fund balance and will charge the District interest on the advance.

The projected surplus fund balance indicates the District could close prior to the end of its maximum life; however, the City expects that development will occur within other identified Development Areas, and that the City may incur additional associated Project Costs. Additional development and incurrence of costs beyond what is shown in the projections included within this Section could increase or decrease the projected surplus fund balance and hasten or delay District closure. Under all circumstances, the District must make all Project Cost expenditures not later than the year 2039 and must close in 2044 with a final collection of tax increment for the 2045 budget year.

The cash flow exhibit does not include the costs of projects identified in this Plan located outside of, but within ½ mile of the District’s boundaries. These costs will be paid for initially from other sources. The extent to which the District may be able to offset a portion of these costs will be determined at a future date depending on District financial performance. Any contributions from the District towards these costs would reduce the projected surplus shown in the cash flow exhibit.

Based on the information included within this Section, the City concludes that the District remains economically feasible and that the City has the financial resources available to implement the Plan.

**TAX INCREMENT DISTRICT #11
TAX INCREMENTS BY YEAR**

Valuation Year	TID Revenue Year	TID Value (1)	TID Base Value	TID Increment	New Construction							Total TID Increment (1)
					Dev Area #1 Bluff Site	Dev Area #4 Zuelke Building LLC	Dev Area #5 Blue Ramp/ City Center	Dev Area #7 Gabriel Lofts LLC	Dev Area #8 Avant Apartments LLC	Dev Area #8 320 E College LLC	Dev Area #9 Crescent Lofts	
2017	2018	\$ 83,099,200	\$ 83,099,200	\$ -								\$ -
2018	2019	90,259,800	83,099,200	7,160,600								7,160,600
2019	2020	84,702,900	83,099,200	1,603,700								1,603,700
2020	2021	85,549,929	83,099,200	2,450,729								2,450,729
2021	2022	94,446,428 (2)	91,140,200	3,306,228								21,195,528
2022	2023				79,334,300	577,900		4,000,000	4,090,300	9,221,100		124,241,784
2023	2024					7,500,000	8,000,000				8,000,000	125,484,201
2024	2025											126,739,043
2025	2026											128,006,434
2026	2027											129,286,498
2027	2028											130,579,363
2028	2029											131,885,157
2029	2030											133,204,008
2030	2031											134,536,048
2031	2032											135,881,409
2032	2033											137,240,223
2033	2034											138,612,625
2034	2035											139,998,752
2035	2036											141,398,739
2036	2037											142,812,726
2037	2038											144,240,854
2038	2039											145,683,262
2039	2040											147,140,095
2040	2041											148,611,496
2041	2042											150,097,611
2042	2043											151,598,587
2043	2044											153,114,573
2044	2045											154,645,718
					<u>\$ 79,334,300</u>	<u>\$ 8,077,900</u>	<u>\$ 8,000,000</u>	<u>\$ 4,000,000</u>	<u>\$ 4,090,300</u>	<u>\$ 9,221,100</u>	<u>\$ 8,000,000</u>	

(1) TID values for the 2017-2019 valuation years are actual. TID values for valuation years 2020 and beyond projected to increase 1% annually.
(2) Both the TID value and TID base value increased \$8,041,000 due to transfer of parcels from TID #3 to TID #11 in 2020.

Table 1

**TAX INCREMENT DISTRICT #11
ESTIMATED DEVELOPER INCENTIVE PAYMENTS**

Valuation Year	Budget Year	Dev Area #1 Developer TIF Payment Bluff Site	Dev Area #4 Developer TIF Payment Zuelke Bld LLC	Dev Area #5 Developer TIF Payment Blue Ramp/City Center	Dev Area #7 Developer TIF Payment Gabriel Lofts LLC	Dev Area #8 Developer TIF Payment Avant Apts LLC	Dev Area #8 Developer TIF Payment 320 E College LLC	Total Payments
2016	2017	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2017	2018	0	0	0	0	0	0	0
2018	2019	0	0	0	0	0	0	0
2019	2020	0	0	0	0	0	0	0
2020	2021	0	0	0	0	0	0	0
2021	2022	16,500,000	9,912	0	76,464	78,927	177,930	16,843,233
2022	2023	545,764	172,400	155,160	76,589	79,421	179,028	1,208,362
2023	2024	544,410	173,487	156,108	76,714	79,916	180,127	1,210,762
2024	2025	545,018	174,575	157,057	76,839	80,411	181,228	1,215,128
2025	2026	545,228	175,667	158,009	76,964	80,908	182,331	1,219,107
2026	2027	544,935	176,760	158,962	77,090	81,406	183,437	1,222,590
2027	2028	546,281	177,856	159,917	77,215	81,905	184,544	1,227,718
2028	2029	544,709	178,954	160,874	77,341	82,405	185,654	1,229,937
2029	2030	544,735	180,055	161,832	77,468	82,906	186,766	1,233,762
2030	2031	546,257	181,157	162,793	77,594	83,408	187,879	1,239,088
2031	2032	544,712	182,263	163,754	77,720	83,911	188,995	1,241,355
2032	2033	544,613	183,370	164,718	77,846	84,415	190,113	1,245,075
2033	2034	545,847	184,480	165,684	77,973	84,920	191,233	1,250,137
2034	2035	546,170	185,592	166,651	78,100	85,426	192,355	1,254,294
2035	2036	545,657	186,706	167,620	78,227	0	193,479	1,171,689
2036	2037	544,295	187,823	168,591	78,354	0	194,606	1,173,669
2037	2038	546,508	189,024	169,636	78,482	0	195,819	1,179,469
2038	2039	545,429	190,227	170,684	78,610	0	0	984,950
2039	2040	545,571	191,433	171,733	0	0	0	908,737
2040	2041	544,601	192,641	0	0	0	0	737,242
2041	2042	544,717	0	0	0	0	0	544,717
2042	2043	0	0	0	0	0	0	0
2043	2044	0	0	0	0	0	0	0
2044	2045	0	0	0	0	0	0	0
		<u>\$27,405,457</u>	<u>\$3,474,382</u>	<u>\$2,939,783</u>	<u>\$1,395,590</u>	<u>\$1,150,285</u>	<u>\$3,175,524</u>	<u>\$39,541,021</u>

Note: Actual amounts may differ due to changes in project timing, projected valuations, and equalized tax rates

Table 2

**TAX INCREMENT DISTRICT #11
GENERAL OBLIGATION DEBT**

Budget Year	\$2,010,000 2019 GO Notes		\$2,310,000 2021 GO Notes		\$17,800,000 2022 Taxable GO Bonds		Total Payments
	Principal	Interest	Principal	Interest	Principal	Interest	
2017	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2018	0	0	0	0	0	0	0
2019	0	0	0	0	0	0	0
2020	0	*	0	0	0	0	0
2021	0	*	0	0	0	0	0
2022	0	51,150	0	58,766	0	425,798	535,714
2023	260,000	47,250	0	58,766	710,000	559,199	1,635,215
2024	270,000	39,300	0	58,766	730,000	541,528	1,639,594
2025	280,000	31,050	295,000	54,405	740,000	522,714	1,923,169
2026	285,000	22,575	310,000	45,268	765,000	502,555	1,930,398
2027	295,000	15,350	320,000	35,830	785,000	480,956	1,932,136
2028	305,000	9,350	330,000	25,953	810,000	457,912	1,938,215
2029	315,000	3,150	340,000	17,661	835,000	433,491	1,944,302
2030	0	0	350,000	10,804	860,000	407,865	1,628,669
2031	0	0	365,000	5,402	885,000	381,048	1,636,450
2032	0	0	0	0	915,000	352,608	1,267,608
2033	0	0	0	0	945,000	322,635	1,267,635
2034	0	0	0	0	975,000	291,222	1,266,222
2035	0	0	0	0	1,010,000	258,151	1,268,151
2036	0	0	0	0	1,045,000	223,521	1,268,521
2037	0	0	0	0	1,080,000	187,052	1,267,052
2038	0	0	0	0	1,115,000	148,956	1,263,956
2039	0	0	0	0	1,160,000	108,824	1,268,824
2040	0	0	0	0	1,200,000	66,514	1,266,514
2041	0	0	0	0	1,235,000	22,539	1,257,539
2042	0	0	0	0	0	0	0
2043	0	0	0	0	0	0	0
2044	0	0	0	0	0	0	0
2045	0	0	0	0	0	0	0
	<u>\$2,010,000</u>	<u>\$219,175</u>	<u>\$2,310,000</u>	<u>\$371,621</u>	<u>\$17,800,000</u>	<u>\$6,695,088</u>	<u>\$29,405,884</u>

* Interest payments paid with debt premium

Table 3

**TAX INCREMENT DISTRICT #11
CASH FLOW PROFORMA**

Valuation Year	Budget Year	TID Increment	Tax Rate (1)	TIF Revenue	Other Revenues	Debt Proceeds	Admin Expense	General Obligation Debt Service	Project/Other Expenses	Developer Incentive Payments	Interest on General Fund Advance	Annual Surplus/ (Deficit)	Fund Balance
2016	2017	0		0	0	0	(1,000)	0	0	0	(25)	(1,025)	(1,025)
2017	2018	0		0	133	0	(150)	0	(409,539)	0	(8,551)	(418,107)	(419,132)
2018	2019	7,160,600	22.7611	162,983	0	2,010,000	(1,470)	0	(2,820,982)	0	(27,729)	(677,198)	(1,096,330)
2019	2020	1,603,700	21.2190	34,029	0	0	(1,500)	0	(42,000)	0	(48,740)	(58,211)	(1,154,541)
2020	2021	2,450,729	21.3251	52,262	0	2,310,000	(1,500)	0	(2,310,000)	0	(58,115)	(7,353)	(1,161,894)
2021	2022	21,195,528	21.4317	454,257	0	17,800,000	(1,500)	(535,714)	0	(16,843,233)	(38,115)	835,694	(326,200)
2022	2023	124,241,784	21.5389	2,676,029	0	0	(6,500)	(1,635,215)	(118,450)	(1,208,362)	(26,865)	(319,363)	(645,564)
2023	2024	125,484,201	21.6466	2,716,303	0	0	(1,500)	(1,639,594)	0	(1,210,762)	(40,615)	(176,168)	(821,732)
2024	2025	126,739,043	21.7548	2,757,183	0	0	(1,500)	(1,923,169)	0	(1,215,128)	(55,615)	(438,229)	(1,259,961)
2025	2026	128,006,434	21.8636	2,798,679	0	0	(1,500)	(1,930,398)	0	(1,219,107)	(76,865)	(429,191)	(1,689,152)
2026	2027	129,286,498	21.9729	2,840,799	0	0	(1,500)	(1,932,136)	0	(1,222,590)	(98,115)	(413,542)	(2,102,694)
2027	2028	130,579,363	22.0828	2,883,553	0	0	(1,500)	(1,938,215)	0	(1,227,718)	(118,115)	(401,995)	(2,504,689)
2028	2029	131,885,157	22.1932	2,926,951	0	0	(1,500)	(1,944,302)	0	(1,229,937)	(138,115)	(386,904)	(2,891,593)
2029	2030	133,204,008	22.3041	2,971,001	0	0	(1,500)	(1,628,669)	0	(1,233,762)	(148,115)	(41,045)	(2,932,638)
2030	2031	134,536,048	22.4157	3,015,715	0	0	(1,500)	(1,636,450)	0	(1,239,088)	(148,115)	(9,439)	(2,942,077)
2031	2032	135,881,409	22.5277	3,061,101	0	0	(1,500)	(1,267,608)	0	(1,241,355)	(138,115)	412,523	(2,529,554)
2032	2033	137,240,223	22.6404	3,107,171	0	0	(1,500)	(1,267,635)	0	(1,245,075)	(116,865)	476,096	(2,053,458)
2033	2034	138,612,625	22.7536	3,153,934	0	0	(1,500)	(1,266,222)	0	(1,250,137)	(91,865)	544,209	(1,509,248)
2034	2035	139,998,752	22.8674	3,201,400	0	0	(1,500)	(1,268,151)	0	(1,254,294)	(63,115)	614,340	(894,908)
2035	2036	141,398,739	22.9817	3,249,582	0	0	(1,500)	(1,268,521)	0	(1,171,689)	(29,365)	778,506	(116,402)
2036	2037	142,812,726	23.0966	3,298,488	0	0	(1,500)	(1,267,052)	0	(1,173,669)	(5,308)	850,959	734,557
2037	2038	144,240,854	23.2121	3,348,130	0	0	(1,500)	(1,263,956)	0	(1,179,469)	0	903,205	1,637,762
2038	2039	145,683,262	23.3281	3,398,519	0	0	(6,500)	(1,268,824)	0	(984,950)	0	1,138,245	2,776,007
2039	2040	147,140,095	23.4448	3,449,667	0	0	(1,500)	(1,266,514)	0	(908,737)	0	1,272,916	4,048,923
2040	2041	148,611,496	23.5620	3,501,585	0	0	(1,500)	(1,257,539)	0	(737,242)	0	1,505,304	5,554,227
2041	2042	150,097,611	23.6798	3,554,283	0	0	(1,500)	0	0	(544,717)	0	3,008,066	8,562,293
2042	2043	151,598,587	23.7982	3,607,775	0	0	(1,500)	0	0	0	0	3,606,275	12,168,569
2043	2044	153,114,573	23.9172	3,662,072	0	0	(1,500)	0	0	0	0	3,660,572	15,829,141
2044	2045	154,645,718	24.0368	3,717,187	0	0	(6,500)	0	0	0	0	3,710,687	19,539,828
				<u>73,600,637</u>	<u>133</u>	<u>22,120,000</u>	<u>(56,620)</u>	<u>(29,405,884)</u>	<u>(5,700,971)</u>	<u>(39,541,021)</u>	<u>(1,476,447)</u>	<u>19,539,828</u>	

(1) Tax rate projected to increase 1/2% annually beginning in 2021

Table 4

SECTION 11: Annexed Property

A tax incremental district cannot include annexed territory unless at least three years have elapsed since the annexation, or certain other requirements are met. None of the territory being added to the District as part of this Plan Amendment was annexed to the City in the preceding three years.

SECTION 12: Proposed Zoning Ordinance Changes

The proposed Plan Amendment is in general conformance with the City's current zoning ordinances. Individual properties may require rezoning at the time of development.

SECTION 13: Proposed Changes in Master Plan, Map, Building Codes and Ordinances

The proposed Plan Amendment is in general conformance with the City's Comprehensive Plan. Development within the District will be required to conform to State Building Codes and will be subject to the City's permitting and inspection procedures. The proposed Plan conforms to all relevant State and local ordinances, plans, and codes. No changes to the existing regulations are proposed or needed.

SECTION 14: Relocation

The City does not expect that the continued implementation of the Plan will cause a need to relocate persons or businesses. In the event relocation becomes necessary at some time during the implementation period, the City will take the following steps and actions as required by Wisconsin Statutes Section 32:

1. Before negotiations begin for the acquisition of property or easements, all property owners will be provided with an informational pamphlet "The Rights of Landowners" prepared by the Wisconsin Department of Administration, and if any person is to be displaced as a result of the acquisition, they will be given a pamphlet on "Relocation Rights" prepared by the Wisconsin Department of Administration.
2. The City will provide each owner a full narrative appraisal, a map showing the owners of all property affected by the proposed project, and a list of all or at least ten neighboring landowners to whom offers are being made.
3. The City will file a relocation plan with the Wisconsin Department of Administration and will keep all records as required in Wisconsin Statutes Section 32.

SECTION 15: Orderly Development of the City

Amendment of the District contributes to the orderly development of the City by providing for the elimination of blighting influences and the redevelopment of underutilized properties along the East College Avenue corridor, and by providing for continued growth in residential, office, and retail development. By improving and maintaining an attractive area for private investment along the corridor, the City will ensure a healthy tax base, job growth/creation and a more vibrant economy.

The Amended Plan is complimentary to the adopted City of Appleton's *Comprehensive Plan 2010-2030* (Comprehensive Plan), specifically Chapter 14 Downtown Plan that identifies the corridor of West College Avenue for reinvestment, rehabilitation and redevelopment. The City's recommendations for this corridor and surrounding downtown sites include the following key strategies as adopted on March 15, 2017 in the updated Comprehensive Plan. These key strategies, and the detailed policies to support these efforts, can be found in the Comprehensive Plan – Chapter 14 Downtown Plan Initiatives Section from pages 335 to 362:

- 1.1 *Continue development of entry features on major routes into the downtown.*
- 1.3 *Implement appropriate streetscaping projects throughout the downtown.*
- 1.5 *Continue to encourage quality urban design throughout the downtown through voluntary measures.*
- 2.2 *Pursue opportunities to attract more artists and arts-related businesses to the downtown.*
- 3.1 *Encourage mixed-use and mid-density residential redevelopment on under-utilized or marginal sites on the edge of downtown.*
- 3.3 *Promote development of neighborhood serving businesses and amenities to meet the basic shopping and service needs of downtown and nearby residents.*
- 3.10 *Promote well-designed transitional areas between higher density development downtown and lower density development in adjacent, largely single-family neighborhoods.*
- 4.1 *Sustain and grow the retail niches which have formed downtown.*
- 4.2 *Identify and aggressively recruit target industries.*
- 4.3 *Protect the existing retail blocks on College Avenue.*
- 4.5 *Facilitate and pursue entrepreneurial business development in the downtown.*
- 4.6 *Create opportunities for smaller offices and business services to locate downtown, including north of College Avenue.*
- 4.7 *Maintain an environment favorable to larger employers in the downtown.*
- 4.8 *Support private sector efforts to redevelop and invest in downtown.*

SECTION 16: List of Estimated Non-Project Costs

Non-Project Costs are public works projects which only partly benefit the District. Costs incurred that do not benefit the District may not be paid with tax increments. Examples of non-project costs are:

- A public improvement made within the District that also benefits property outside the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- A public improvement made outside the District that only partially benefits property within the District. That portion of the total Project Costs allocable to properties outside of the District would be a non-project cost.
- Projects undertaken within the District as part of the implementation of this Project Plan, the costs of which are paid fully or in part by impact fees, grants, special assessments, or revenues other than tax increments.

No improvements to be made within the District will benefit property outside the District. Furthermore, there will be no improvements made outside the District that will only partially benefit the District.

SECTION 17:

Opinion of Attorney for the City of Appleton Advising
Whether the Plan is Complete and Complies with
Wisconsin Statutes 66.1105



LEGAL SERVICES DEPARTMENT

Office of the City Attorney

100 North Appleton Street
Appleton, WI 54911
Phone: 920/832-6423
Fax: 920/832-5962

August 13, 2020

Mayor Jacob A. Woodford
City of Appleton
100 N. Appleton Street
Appleton, WI 54911

Re: Project Plan Amendment for Tax Incremental District No. 11

Dear Mayor Woodford:

Wisconsin Statute 66.1105(4)(f) requires that a project plan for a tax incremental financing district include an opinion provided by the City Attorney advising as to whether the plan is complete and complies with Wisconsin Statute 66.1105. As City Attorney for the City of Appleton, I have been asked to review the above-referenced project plan for compliance with the applicable statutory requirements. Based upon my review, in my opinion, the Project Plan Amendment for the City of Appleton Tax Incremental District No. 11 is complete and complies with the provisions of Wisconsin Statute 66.1105.

Sincerely,

Christopher R. Behrens
City Attorney

Christopher R. Behrens
City Attorney

Amanda K. Abshire
Deputy City Attorney

Darrin M. Glad
Assistant City Attorney

Nicholas VandeCastle
Assistant City Attorney

SECTION 18:
**Calculation of the Share of Projected Tax Increments
 Estimated to be Paid by the Owners of Property in the
 Overlying Taxing Jurisdictions**

The following projection is provided to meet the requirements of Wis. Stat. § 66.1105(4)(i)4. Allocation percentages based on 2019 Statement of Taxes.

<u>Budget Year</u>	<u>Tax Increment</u>	<u>City of Appleton</u> 39.11%	<u>Outagamie County</u> 17.40%	<u>Appleton Schools</u> 38.62%	<u>FVTC</u> 4.87%
2019 (Act.)	162,983	\$ 63,735	\$ 28,363	\$ 62,950	\$ 7,935
2020 (Act.)	34,029	\$ 13,307	\$ 5,922	\$ 13,143	\$ 1,657
2021	52,262	\$ 20,437	\$ 9,095	\$ 20,186	\$ 2,545
2022	454,257	\$ 177,638	\$ 79,051	\$ 175,451	\$ 22,117
2023	2,676,029	\$ 1,046,465	\$ 465,689	\$ 1,033,582	\$ 130,293
2024	2,716,303	\$ 1,062,214	\$ 472,698	\$ 1,049,137	\$ 132,254
2025	2,757,183	\$ 1,078,201	\$ 479,812	\$ 1,064,926	\$ 134,244
2026	2,798,679	\$ 1,094,428	\$ 487,033	\$ 1,080,954	\$ 136,264
2027	2,840,799	\$ 1,110,899	\$ 494,363	\$ 1,097,222	\$ 138,315
2028	2,883,553	\$ 1,127,618	\$ 501,803	\$ 1,113,735	\$ 140,397
2029	2,926,951	\$ 1,144,588	\$ 509,356	\$ 1,130,497	\$ 142,510
2030	2,971,001	\$ 1,161,815	\$ 517,021	\$ 1,147,511	\$ 144,654
2031	3,015,715	\$ 1,179,300	\$ 524,803	\$ 1,164,781	\$ 146,832
2032	3,061,101	\$ 1,197,048	\$ 532,701	\$ 1,182,311	\$ 149,041
2033	3,107,171	\$ 1,215,064	\$ 540,718	\$ 1,200,105	\$ 151,284
2034	3,153,934	\$ 1,233,351	\$ 548,856	\$ 1,218,166	\$ 153,561
2035	3,201,400	\$ 1,251,912	\$ 557,116	\$ 1,236,500	\$ 155,872
2036	3,249,582	\$ 1,270,754	\$ 565,501	\$ 1,255,109	\$ 158,218
2037	3,298,488	\$ 1,289,879	\$ 574,011	\$ 1,273,998	\$ 160,599
2038	3,348,130	\$ 1,309,291	\$ 582,650	\$ 1,293,172	\$ 163,016
2039	3,398,519	\$ 1,328,996	\$ 591,419	\$ 1,312,634	\$ 165,470
2040	3,449,667	\$ 1,348,998	\$ 600,320	\$ 1,332,389	\$ 167,960
2041	3,501,585	\$ 1,369,300	\$ 609,355	\$ 1,352,442	\$ 170,488
2042	3,554,283	\$ 1,389,908	\$ 618,526	\$ 1,372,796	\$ 173,054
2043	3,607,775	\$ 1,410,826	\$ 627,834	\$ 1,393,457	\$ 175,658
2044	3,662,072	\$ 1,432,059	\$ 637,283	\$ 1,414,428	\$ 178,302
2045	3,717,187	\$ 1,453,611	\$ 646,874	\$ 1,435,715	\$ 180,985
Totals	73,600,637	\$ 28,781,641	\$ 12,808,175	\$ 28,427,296	\$ 3,583,527