



# City of Appleton

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

## Meeting Agenda - Final Community & Economic Development Committee

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Wednesday, May 24, 2023

6:30 PM

Council Chambers, 6th Floor

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

[23-0560](#) CEDC Minutes from 5-10-23

**Attachments:** [CEDC Minutes 5-10-23.pdf](#)

### 5. Public Hearing/Apearances

### 6. Action Items

[23-0561](#) Request to approve the Development Agreement with Fox Commons Properties, LLC for improvements and redevelopment of the property located at 10 E. College Avenue (Tax Id #31-2-0290-01) in Tax Increment Financing District No. 11

**Attachments:** [FoxCommons MemoToCEDC 05242023 Final.pdf](#)

[0747 - FOX COMMONS DEVELOPMENT AGREEMENT - 05-17-2023\\_1.pdf](#)

### 7. Information Items

[23-0562](#) Proposed Tax Increment Financing District #13 in Southpoint Commerce Park

**Attachments:** [TIF District 13 Overview.pdf](#)

## 8. 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 Kara Homan, Director, Community and Economic Development Department at 920-832-6468.*

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

*\*We are currently experiencing intermittent issues/outages with our audio/video equipment. Meeting live streams and recordings are operational but unreliable at times. This is due to delays in receiving necessary system hardware components. We continue to look for solutions in the interim and we hope to have these issues resolved soon.*



# City of Appleton

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

## Meeting Minutes - Final Community & Economic Development Committee

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Wednesday, May 10, 2023

6:30 PM

Council Chambers, 6th Floor

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1. Call meeting to order

Chair Fenton called the meeting to order at 6:30 p.m.

2. Pledge of Allegiance

3. Roll call of membership

**Present:** 5 - Fenton, Del Toro, Jones, Thyssen and Wolff

4. Approval of minutes from previous meeting

[23-0488](#)

CEDC Minutes from 4-26-23

**Attachments:** [CEDC Minutes 4-26-23.pdf](#)

**Wolff moved, seconded by Jones, that the Minutes be approved. Roll Call.  
Motion carried by the following vote:**

**Aye:** 5 - Fenton, Del Toro, Jones, Thyssen and Wolff

5. **Public Hearing/Appearances**

6. **Action Items**

[23-0489](#)

Request to approve the Second Amendment to the Development Agreement with Rise Apartments, LLC (assigned from MF Housing Partners, LLC) for redevelopment located on N. Oneida Street, E. Harris Street, and N. Appleton Street (Parcel Nos. 31-2-0441-00, 31-2-0536-00 and 31-2-0529-00) (per attached Certified Survey Maps in the process of being recorded) in Tax Increment Financing District No. 11 and approve the associated Assignment and Assumption of the Development Agreement

**Attachments:**

[Rise Apts DA 2nd Amendment Memo to CEDC 5-10-23.pdf](#)  
[0718 - Rise Apartments - Second Amendment to Dev Agrm - Clean - 05-08-2023.pdf](#)  
[Rise Apartments -- Assignment and Assumption of Development Agreement.pdf](#)  
[FINAL Rise NORTH CSM 4-11-23.pdf](#)  
[FINAL Rise SOUTH CSM 4-11-23.pdf](#)

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

**Aye:** 5 - Fenton, Del Toro, Jones, Thyssen and Wolff

**7. Information Items**

**8. Adjournment**

**Wolff moved, seconded by Jones, that the meeting be adjourned at 6:38 p.m. Roll Call. Motion carried by the following vote:**

**Aye:** 5 - Fenton, Del Toro, Jones, Thyssen and Wolff



# MEMORANDUM

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TO: Community and Economic Development Committee (CEDC)

FROM: Kara Homan, AICP, Director of Community & Economic Development

DATE: May 18, 2023

RE: Request Approval of the Development Agreement between the City of Appleton and Fox Commons Properties, LLC

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Fox Commons Properties, LLC (Developer) is requesting assistance to support their proposed transformation of City Center Plaza into a mixed-use center (Fox Commons) comprised of housing, supportive services, healthcare, retail and commercial businesses uses. Exhibit B of the proposed Development Agreement illustrates conceptual façade renderings for the “Fox Commons” project. When complete, the project will serve as a catalyst to transform the City’s downtown district, and spur on additional reinvestment in the heart of the City of Appleton. Said project, and corresponding development agreement, is in alignment with the City’s Comprehensive Plan (in particular, Chapter 14: Downtown Plan), and College North Neighborhood Plan.

The proposed project would be on the following parcel zoned CBD Central Business District: 31-2-0290-01.

The cost of the project is stated at \$33.6 million. The City Assessor estimates the assessed value of the project once completed to be \$17.3 million. The differential in construction cost versus assessed value is primarily caused by a future owner of Condominium Unit 2 (~35,000 sq. ft.) of the proposed condominium non-profit/tax exempt entity. Sections 3.1 and 3.3 of the agreement mitigate any future financial risk to the City should there be any conversion to future tax exempt status within the project, beyond Unit 2.

Developer requests Pay-As-You-Go TIF support, constituting a total revenue stream of \$4,357,550 over time. Based on the analysis of current value of the property, projected value of the property, and review of proposed expenses, TIF District #11 would invest ninety percent (90%) of the annual increment created (an estimated value of ~\$301,500 per year). In net present value terms, this amounts to a total contribution of \$2,511,196 (NPV), or 16.39% of the total increment created (\$15,321,100).

In addition to provisions for financial contribution, City staff looked to the above-referenced City plans, as adopted by the Common Council, to guide negotiations to secure additional provisions that benefit the City, and overall health and well-being of our downtown district. Provisions of this nature include:

- Pedestrian easement to allow for access between City Center East and West, and City Center Street and College Avenue (see Sec. 1.9).
- Pedestrian orientation and overall aesthetics of first level entrance and tenant spaces adjacent to College Avenue, and the main entrance to City Center Street (see Sec. 1.6, 1.7, 1.8).
- Prohibition of conversion of any housing units to Tourism Room Houses (aka VRBOs, see Sec. 1.10)

**Staff Recommendation:**

The Development Agreement between the City of Appleton and Fox Commons Properties, LLC **BE APPROVED.**

cc: Jeri Ohman, Finance Director  
Chris Behrens, City Attorney

## TAX INCREMENT DISTRICT NO. 11 DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (the "Agreement") is dated as of the \_\_\_\_ day of \_\_\_\_\_, 2023, ("Effective Date") by and among Fox Commons Properties, LLC, a Delaware limited liability company qualified to do business in the State of Wisconsin ("Developer") and the City of Appleton, a Wisconsin municipal corporation (the "City").

### RECITALS

Developer and the City acknowledge the following:

A. Developer or an affiliate thereof, owns or will acquire the real property located at 10 East College Avenue (Parcel 31-2-0290-01) Appleton, Wisconsin more particularly described in Exhibit A, attached hereto (collectively the "Property").

B. The Property is located within the City in Tax Increment District #11 (the "District") which was created in 2017 pursuant to Section 66.1105, Wis. Stats. along with a plan for the redevelopment of the District (the "District Plan") that provides for, among other things, the financial assistance set forth in this Agreement.

C. The City currently leases approximately 6,344 square feet of space in the Property pursuant to a Lease dated on or about February 26, 2001, by and between TAM, LLC, (as landlord) and the City (as tenant), as amended and assigned (the "Dance Studio Lease").

D. Developer has proposed improvements to the Property to create a mixed-use development that includes healthcare facilities, housing and a retail space that will serve as an active downtown destination and community hub (collectively the "Project") a portion of which will include two condominium units (Unit 1 and Unit 2).

E. The City has determined that the Project will spur economic development, expand the City's tax base and create new jobs; that such financial assistance is a Project Cost under the Tax Incremental Law; that the amount of financial assistance provided pursuant to this Agreement is the amount necessary to induce development of the Project; and, that the Project will not proceed without the financial assistance set forth in this Agreement.

F. Subject to obtaining financial assistance as set forth herein, Developer intends to undertake a redevelopment of the Property that will increase the value of the Property and provide other tangible benefits to the surrounding neighborhoods and to the City as a whole, consistent with the District Plan. The City finds that this redevelopment of the Property 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 serves a public purpose in accordance with state and local law.

F. The City, pursuant to Common Council Action dated June 7, 2023 has approved this Agreement and authorized the execution of this Agreement by the proper City officers on the City's behalf.

G. The Developer has approved this Agreement and authorized the appropriate officers to execute this Agreement on the Developer's behalf.

H. The base value of the Property for purposes of this Agreement, including calculating increment generated by the Project, is One Million Nine Hundred Seventy-Eight Thousand Nine Hundred and no/100 Dollars (\$1,978,900.00). The Developer estimates the project will create up to an additional Fifteen Million Three Hundred Twenty-One Thousand One Hundred Dollars (\$15,321,100) in incremental value.

I. 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.

## **AGREEMENT**

NOW, THEREFORE, in consideration of the Recitals and the promises and undertakings set forth herein, which are incorporated into this Agreement by reference, the Parties mutually agree and covenant as follows:

### **ARTICLE I UNDERTAKINGS OF THE DEVELOPER**

1.1 Developer and City acknowledge that several of the specific undertakings of the Parties may require approvals from directors, boards or the Common Council, as applicable. The City and Developer's obligations under this Agreement are conditioned upon the obtaining of all such approvals in the manner required by law. The Parties cannot assure that all such approvals will be obtained; however, they agree to use their best good faith efforts to obtain them on a timely basis.

1.2 Despite anything herein to the contrary, Developer's performance under this Agreement is subject to, and contingent upon, Developer purchasing the Property and obtaining commitments for construction financing for the Project on terms and conditions satisfactory to Developer.

1.3 Developer's Project shall include improvements to, and development of, the Property as set forth in Exhibit B that will result in an increase in the Property's assessed value. All aspects of the Project shall be in accordance with all applicable City zoning and building codes, ordinances and regulations.

1.4 Project Costs shall include, without limitation, costs incurred after approval of this agreement for the construction of improvements (including infrastructure improvements), environmental remediation costs, demolition, interior remodeling and development of the project.

1.5 Developer warrants and represents to the City that but for the assistance provided by the City under Article II, herein, Developer would not be able to proceed with the Project.

1.6 The City desires to promote the Property's pedestrian access and preserve the pattern of storefront entrances that currently exist on College Avenue frontage; however, as of the Effective Date, the Parties acknowledge the tenant composition of the Project is not yet finalized. Thus, the Project's actual number of storefront entrances that currently exist on College Avenue may differ from the Property's pattern of storefront entrances prior to the Effective Date. Even so, Developer shall provide pedestrian access along College Avenue while still accounting for the practical constraints of the development process and the tenant composition of the Project.



Therefore, Developer shall require ground floor tenants with storefront on College Avenue to have a primary entrance onto the College Avenue frontage.

1.7 Developer shall require all Project ground floor tenant spaces / units along College Avenue have primary customer entrances and transparent facades on College Avenue. To preserve a pattern of storefronts with frequent openings to the sidewalk, the Project shall maintain a minimum of four (4) separate entrances along the College Avenue frontage. The main entrance serving the north-south connection through the building does not count as one of the four (4) required entrances. Along the College Avenue frontage, the building facade of each ground floor tenant space / unit must contain at least fifty percent (50%) glazed elements (e.g., transparent windows and doors) from sidewalk grade to ten (10) feet above the sidewalk.

1.8 At the north and south sides of the Project, main entrances shall be established to strengthen and facilitate pedestrian circulation through the Project (from Oneida Street to College Avenue). These main entrances shall generally align with the existing and vacated Oneida Street corridor, with at least two (2) sets of ground floor double doors provided on each side (north and south). Within the scope of Developer's design, the Project's facade shall provide visual cues to encourage pedestrian access, including wall treatment in the form of signage, graphic art, lighting, and transparent materials.

1.9 Consistent with the Parties' goal to improve pedestrian accessibility when moving east/west through the Property as well as promoting general pedestrian flow to and through downtown consistent with the City's Comprehensive Plan and College North Neighborhood Plan (hereafter the "plans"):

1.9.1 Developer will use good faith, commercially reasonable efforts to, and to cause the owners of the tract to the west of the Project ("City Center West") and to the east of the Project ("City Center East") to agree to, amend the existing easement agreement recorded as Doc. 1065031 and recorded January 18, 1993 with the Register of Deeds, or enter a new easement agreement between owners of City Center East, City Center West and the Property to replace such existing easement agreement, with substantially the same rights, establishing east/west access between the three properties as well as north/south access between City Center Street and College Avenue consistent with the intent of the plans.

1.9.2 The above referenced easement shall encompass all pedestrian corridors which are general common elements of the condominium comprising the Project, as the same may be relocated from time to time, which are necessary for east/west and north/south pedestrian passage to and from City Center East, City Center West, the Project, and City Center Street and College Avenue (the "Pedestrian Access Easement"). The areas subject to the Pedestrian Access Easement shall be available for the tenants, guests, customers, and invitees of the Project, City Center West, and City Center East from 8:00 am until 5:00 pm Monday through Saturday, provided that such areas may be restricted or closed up to seven (7) times per month for private events at the Project. For avoidance of doubt, the Pedestrian Access Easement grant shall not be deemed a public dedication.

1.9.3 Between 5:00 pm and 8:00 am Sunday through Saturday, authorized employees, tenants and the like of City Center East and City Center West shall have secured access to the Pedestrian Access Easement to enable travel to and from City Center East and West through the Project.

1.9.4 The Pedestrian Access Easement boundaries shall substantially conform to the depiction in Exhibit C accounting for reasonable variations to the boundaries as the Project's development process is finalized or as may be modified from time to time by Project's owner, so long as reasonable means of north/south and east/west access as noted in Section 1.9.2 is provided.

1.10 Developer agrees that no Project housing/residential units shall be used as a "Tourist Rooming House," (e.g., AirBNB, VRBO, etc.) as defined in Sec. 97.01(15k), Wis. Stats. for the duration of the Agreement and Developer shall implement any necessary covenants and/or restrictions to carry out the intent of this section.

## ARTICLE II UNDERTAKINGS OF THE CITY

2.1 As a condition precedent to the City appropriating any funds under this Agreement, the City shall have entered into a termination agreement ("Lease Termination Agreement") for that certain Dance Studio Lease. To induce the City to enter the Lease Termination Agreement and, simultaneously with the execution thereof, Developer shall enter into an agreement with the City compensating the City for its early termination of the Dance Studio Lease ("Relocation Agreement"), on terms and conditions to be set forth in the Relocation Agreement.

2.2 The City shall appropriate sufficient funds for the performance of the City's obligations under this Agreement.

2.3 City shall cooperate with Developer throughout the Project and shall promptly review and/or process all submissions and applications in accordance with applicable City ordinances.

2.4 Subject to all of the terms, covenants and conditions of this Agreement and applicable provisions of law, and as an inducement by the City to Developer to carry out the Project, upon completion of the Project (which shall be defined as issuance of a Certificate of Use and Occupancy for all floors, including all common spaces, of the Project and, for avoidance of doubt, it is understood that said certificate may be issued with some tenant space being unoccupied, in "white box" finished status, and/or subject to final finishing per tenant requirements (hereafter "completion")) the City will provide payments to Developer solely from future Tax Increments (derived from both real and personal property) to assist with Developer's Project Costs. The City's total payment of Tax Increment Revenue to the Developer shall not exceed Four Million Three Hundred Fifty-Seven Thousand Five Hundred Fifty Dollars (\$4,357,550).

The Contribution will be paid to Developer as follows:

2.4.1 As the sole source for payment of the Contribution, the City agrees to pay the Developer an amount equal to ninety percent (90%) of the Tax Increment Revenue attributable to, and actually received from, the Property during the calendar year.

2.4.2 Payments under this Agreement shall be due in annual installments on August 15 of the calendar year following the first tax year after completion of the Project and continuing on each August 15 thereafter for a period of time described in Section 4.2.

2.4.3 The Contribution shall be a special and limited obligation of the City and not a general obligation. The City may prepay the Contribution, in its sole discretion, at any time, with no prepayment penalty.

2.5 This Agreement fully evidences the City's obligation to pay the Contribution. No separate instrument will be prepared to evidence the City's obligation to pay the Contribution. The Contribution shall not be included in the computation of the City's statutory debt limitation because the Contribution is limited and conditional and no taxes will be levied or pledged for its payment. Nothing in this Agreement shall be deemed to change the nature of the City's obligation from a limited and conditional obligation to a general obligation.

2.6 The City covenants to Developer that until the Contribution has been paid in full, the City shall not close the District prior to its statutory expiration date.

2.7 The City shall, upon Developer's request, provide to Developer an accounting of the status of the District including, but not limited to, the outstanding principal balance of the Contribution and annual Tax Increments received from the District.

2.8 Developer hereby acknowledges that, as a result of the special and limited nature of the City's obligation to pay the Contribution, Developer's recovery of the full amount of the Contribution depends on factors including, but not limited to, future mill rates, changes in the assessed value of the Property, the failure of the Property to generate the Tax Increments at the rate expected by Developer, reduction in Tax Increments caused by revenue-sharing, changes in the Tax Increment Law, and other factors beyond the City's and/or Developer's control.

2.9 The City shall grant Developer an option to purchase up to 280 yearly parking passes in the City-owned parking ramps on an annual basis, to be exercised and paid in full by December 1 of the calendar year prior. Annual rate paid shall be the rate established for City parking passes for the year of use, according to the city fee schedule. During the first calendar year of this Agreement, if Developer's single bulk purchase of parking passes occurs after July 1, Developer shall pay a pro-rated cost based upon the balance of the calendar year remaining after July 1. Thereafter, the parking pass rate shall not be prorated. This right to annually purchase up to 280 parking passes is not transferrable or assignable.

2.10 Upon request of the Developer, the City shall provide certified copies of resolutions and/or minute approvals from directors, boards or the Common Council as applicable.

### ARTICLE III PAYMENT OF TAXES

3.1 As long as the District is in existence, the Property and all buildings and improvements thereon shall be owned and taxable for real estate tax and special assessment purposes with the exception of up to 35,000 square feet of condominium space Unit 2 to be occupied by tax exempt healthcare entity as referred to in Recital C provided Unit 2 is continuously occupied by the original tax-exempt healthcare entity that first occupies it: and, this exception shall expire at such time the original tax-exempt healthcare entity sells, transfers or otherwise ceases to occupy Unit 2. The City may waive any or all of the restrictions upon execution of a payment in lieu of taxes (PILOT) agreement on a form acceptable to the City.

3.2 Subject to Section 3.1 and unless disputed in good faith by Developer (or its successors or assigns), throughout the duration of this Agreement, all ad valorem property taxes

properly assessed against the Property will be paid timely and in full. For avoidance of doubt, nothing in this section shall be construed to limit Developer's rights to contest any ad valorem property taxes assessed against the Property.

3.3 In the event that any property owned by Developer within the District becomes exempt from ad valorem property taxes during the life of the District, then for the remaining life of the District, the Developer will make (or cause to be made) annual payments in lieu of taxes in amounts equal to what the ad valorem property taxes would have been for such other property had it not been exempt. This provision shall not apply to up to 35,000 square feet of Unit 2 for the duration of time Unit 2 is occupied by the tax-exempt healthcare entity that occupies Unit 2 after completion as described in Sec. 2.4 of this Agreement. If the Developer conveys the Property within the District to any party (related or unrelated), the terms of such sale shall impose as a covenant upon all successor owners of the property the foregoing obligation for payments in lieu of taxes during the life of the District. The City shall be a beneficiary of such covenant and entitled to enforce same against the successor owners.

#### ARTICLE IV CONDITIONS TO PAYMENT; TERMINATION OF AGREEMENT

4.1 The City shall have no obligation to pay any portion of the Contribution to Developer unless and until all of the following conditions shall have been met:

4.1.1 The Project's completion on or before December 31, 2025.

4.1.2 The Property's assessed value is no less than Seventeen Million Three Hundred Thousand Dollars (\$17,300,000).

4.1.3 The conditions herein are subject to reasonable extensions, not to exceed six (6) months in each instance, for Force Majeure which shall include, but not be limited to, any delays caused by pandemic or other acts beyond the reasonable control of the Developer. Such extensions shall be by mutual written agreement and, in considering any requested extension, the City and Developer agree that each will act in good faith, cooperate in expeditious and timely approvals, and said extensions shall not be unreasonably withheld, conditioned or delayed by City.

4.2 Subject to Section 4.1.3 this Agreement, and the Parties obligations under this Agreement, shall terminate when any of the following shall have occurred:

4.2.1 The conditions in Section 4.1 are not met.

4.2.2 The Contribution is paid in full or August 15, 2042 (the "End Date"), whichever occurs first. The End Date shall be subject to extension commensurate with any extension granted pursuant to Sec. 4.1.3 provided the End Date shall not extend beyond August 15, 2043.

#### ARTICLE V CONFLICT OF INTEREST

5.1 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 VI  
WRITTEN NOTICES

6.1 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  
Attention: Director

With a copy to:

City of Appleton  
City Attorney's Office  
100 North Appleton Street  
Appleton, WI 54911-4799  
Attention: City Attorney

FOR DEVELOPER:

Fox Commons Properties, LLC  
1100 N. Dr. Martin Luther King Jr. Drive  
Suite 610  
Milwaukee, WI 53203  
Attention: James R. Kleinfeldt

ARTICLE VII  
ASSIGNMENT

7.1 This Agreement shall inure the benefit of and bind the Parties hereto and its respective successors and assigns provided that Developer may not assign all or part of this Agreement without prior written consent of the city, unless such assignment is to an affiliate of Developer or purchaser of the Property, in which instance the Developer shall provide the City with written notice no less than 10 business days prior to said assignment.

ARTICLE VIII  
NO PARTNERSHIP OR VENTURE

8.1 Developer and its 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 Developer in the construction of the Project.

ARTICLE IX  
MISCELLANEOUS

9.1 Under no circumstances shall any officer, official, director, member, manager, commissioner, agent, or employee of City or Developer have any personal liability arising out of this Agreement, and no party shall seek or claim any such personal liability.

9.2 The laws of the State of Wisconsin shall govern this Agreement.

9.3 This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

9.4 No modification, alteration, or amendment of this Agreement shall be binding upon any party until such modification, alteration, or amendment is reduced to writing and executed by all Parties to this Agreement.

9.5 Any captions or headings in this Agreement are for convenience only and in no way define, limit, or describe the scope or intent of any of the provisions of this Agreement.

9.6 If any provisions of this Agreement shall be held or deemed to be inoperative or unenforceable as applied in any particular case in any jurisdiction because it conflicts with any other provision or provisions of this Agreement or any constitution or statute or rule of public policy, or for any other reason, then such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision or provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. To the maximum extent possible, this Agreement shall be construed in a manner consistent with the powers of the City, including but not limited to, the City's powers under the Blight Elimination and Slum Clearance Law and the Tax Increment Law, to achieve its intended purpose. Reference is made to Section 66.1333(17) of the Wisconsin Statutes and Chapter 105, Laws of 1975 § 4, which provide that the Blight Elimination and Slum Clearance Law and the Tax Increment Law should be construed liberally to effectuate their purposes.

9.7 The Parties make no warranties or representations except as expressly set forth herein.

[Signatures on following pages]

IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first above written.

CITY OF APPLETON:

By: \_\_\_\_\_  
Jacob A. Woodford, Mayor

ATTEST:

By: \_\_\_\_\_  
Kami L. Lynch, City Clerk

STATE OF WISCONSIN    )  
  : ss.  
OUTAGAMIE COUNTY    )

Personally came before me this \_\_\_\_ day of \_\_\_\_\_, 2023, Jacob A. Woodford, Mayor and Kami L. 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.

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

**PROVISION HAS BEEN MADE TO PAY FOR OBLIGATIONS INCURRED PURSUANT TO THIS AGREEMENT:**

\_\_\_\_\_  
Jeri Ohman, Finance Director

**APPROVED AS TO FORM:**

\_\_\_\_\_  
Christopher R. Behrens, City Attorney

Dated: May 17, 2023  
By: Christopher R. Behrens  
City Law A23-0747

DEVELOPER:

Fox Commons Properties LLC

By: \_\_\_\_\_  
James R. Kleinfeldt, Manager

STATE OF WISCONSIN     )  
  : ss.  
OUTAGAMIE COUNTY     )

Personally came, before me this \_\_\_\_ day of \_\_\_\_\_, 2023, James R. Kleinfeldt, Manager, 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.

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

DRAFT - Subject to Approval



## SCHEDULE OF EXHIBITS

- A. Legal Description of Property
- B. Proposed Improvements
- C. Easement

DRAFT - Subject to Approval

## EXHIBIT A

### LEGAL DESCRIPTION OF THE PROPERTY

Tax Key No. 31- 2029001

ALL OF LOT 6 AND PART OF LOT 5 OF BLOCK 27, AND ALL OF LOT 7 AND PART OF LOTS 1, 2, 3, 6 AND 8 OF BLOCK 28 OF THE APPLETON PLAT, AND PART OF VACATED ONEIDA STREET LYING BETWEEN BLOCKS 27 AND 28, AND PART OF LOT 1 OF CERTIFIED SURVEY MAP NO. 299 AS RECORDED IN VOLUME 2 OF CERTIFIED SURVEY MAPS, ON PAGE 299, AS DOCUMENT NO. 821847, ALL BEING IN THE CITY OF APPLETON, OUTAGAMIE COUNTY, WISCONSIN, ACCORDING TO THE RECORDED ASSESSOR'S MAP OF SAID CITY, MORE FULLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID BLOCK 28, ALSO BEING THE POINT OF INTERSECTION OF THE NORTH LINE OF COLLEGE AVENUE WITH THE EAST LINE OF VACATED ONEIDA STREET; THENCE SOUTH 89° 56' 34" WEST ALONG THE NORTH LINE OF COLLEGE AVENUE EXTENDED AND THE SOUTH LINE OF SAID BLOCK 27, 223.16 FEET; THENCE NORTH 00° 01' 21" WEST, 140.11 Feet TO THE SOUTH LINE OF CITY CENTER STREET; THENCE NORTH 89° 56' 34" EAST, ALONG SAID SOUTH LINE OF CITY CENTER STREET, 163.16 FEET TO THE NORTHEAST CORNER OF SAID LOT 6 OF BLOCK 27; THENCE NORTH 65° 11' 47" EAST, 66.10 FEET TO THE WEST LINE OF SAID BLOCK 28; THENCE NORTH 00° 01' 21" WEST ALONG SAID WEST LINE, 67.45 Feet; THENCE NORTH 89° 56' 34" EAST, 176.26 FEET; THENCE SOUTH 00° 01' 21" EAST, 60.91 Feet; THENCE SOUTH 89° 56' 34" WEST, 30.10 Feet; THENCE SOUTH 00° 01' 21" EAST, 17.00 FEET; THENCE NORTH 89° 56' 34" EAST, 12.17 Feet; THENCE SOUTH 00° 01' 21" EAST, 157.31 Feet TO SAID NORTH LINE OF COLLEGE AVENUE; THENCE SOUTH 89° 56' 34" WEST ALONG SAID NORTH LINE, 120.83 Feet; THENCE NORTH 00° 01' 21" WEST, 80.45 FEET; THENCE SOUTH 89° 56' 34" WEST, 37.50 FEET TO SAID WEST LINE OF BLOCK 28; THENCE SOUTH 00° 01' 21" EAST ALONG SAID WEST LINE, 80.45 FEET TO THE POINT OF BEGINNING.

## EXHIBIT B

### PROPOSED IMPROVEMENTS

The project budget is \$33,622,572.67 and is depicted as follows (with the understanding that depicted plans are conceptual at the time of this agreement and subject to modification within the scope and spirit of the project):

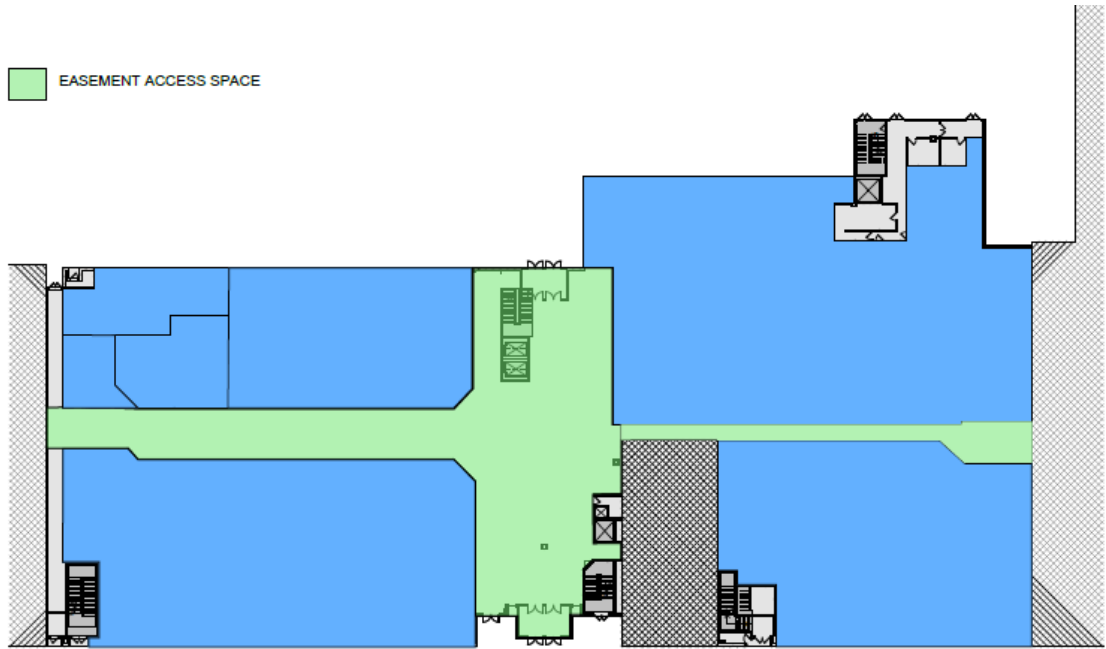


**EXHIBIT B**  
**PROPOSED IMPROVEMENTS (CONTINUED)**



# EXHIBIT C – EASEMENT

## FOX COMMONS PASSAGES WITH CORRESPONDING EASEMENT AREA



1 First Floor Plan  
1/27/12

First Floor Tenant Layout

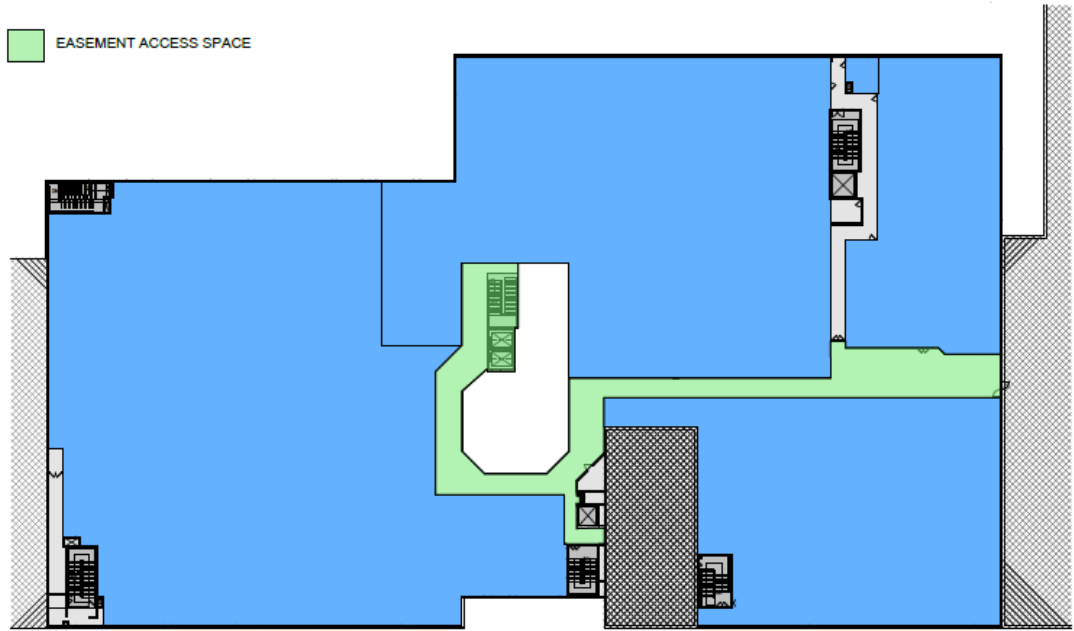
04/17/13  
2/10/12/10

Fox Commons - Core and Shell

DRAFT

# EXHIBIT C – EASEMENT

## FOX COMMONS PASSAGES WITH CORRESPONDING EASEMENT AREA (CONTINUED)



1 Second Floor Plan

Second Floor Tenant Layout

Fox Commons - Core and Shell

DRAFT -





# Proposed Tax Increment Financing District #13



# What is Tax Increment Financing (TIF)?

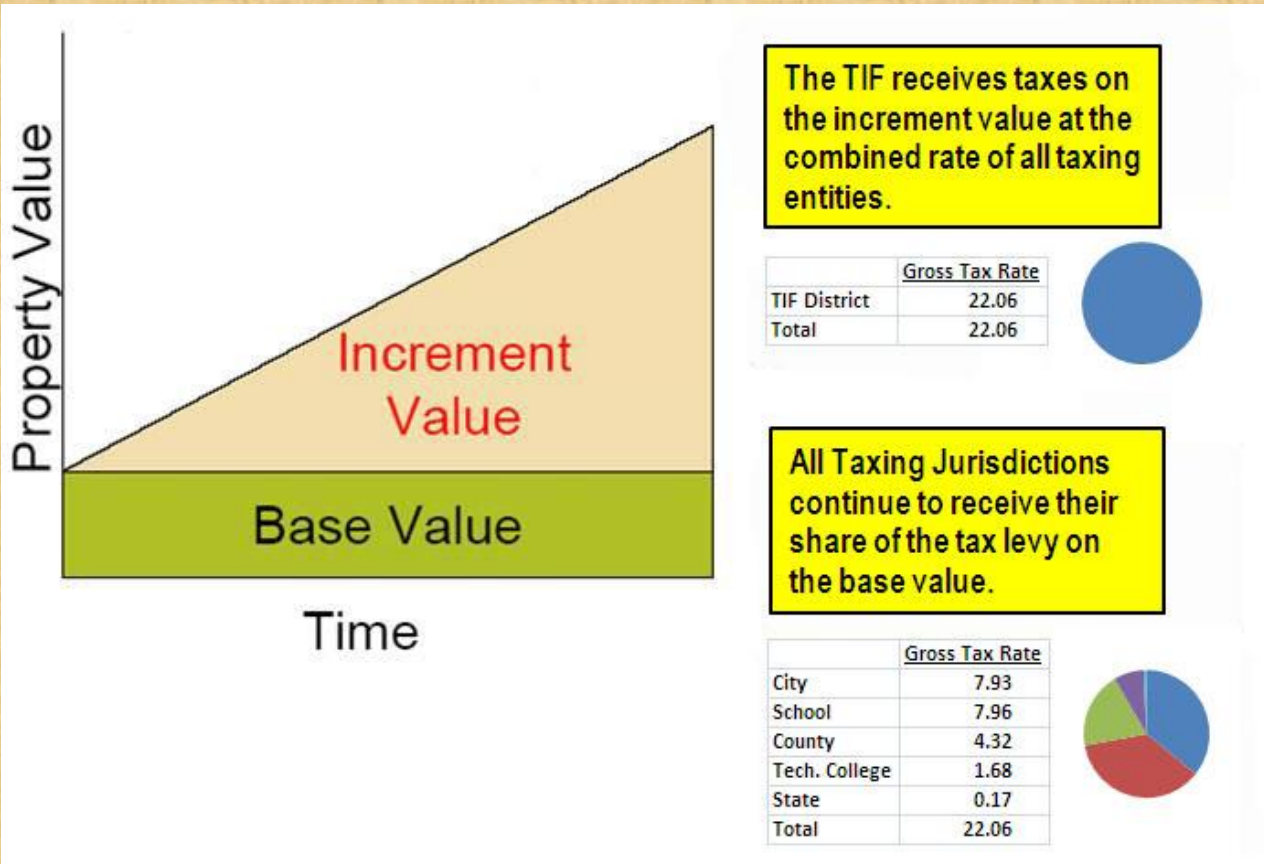
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- TIF is a financial tool Wisconsin municipalities may use to expand the tax base by providing improvements necessary to promote development.
- The funding for making improvements and investing in projects in the District is provided from the increased property tax revenue from the increases in property values.
- Statute Statutes require a “but for” clause to create a District. Meaning, but for a TIF District, this development would not occur.





# How TIF Districts Work





# How TIF Districts Work: Example

## Development Project Example:

- Base Value: \$1,000,000
- New Construction Value: \$5,000,000
- Total Value: \$6,000,000

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- Base Values Taxes: \$22,060
    - City: \$7,930
    - School: \$7,960
    - County: \$4,320
    - Vocational/Tech: \$1,680
    - State: \$170
  - Increment Value Taxes: \$110,300
  - Total Taxes Paid: \$132,360

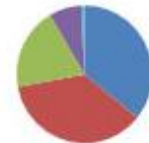
The TIF receives taxes on the increment value at the combined rate of all taxing entities.

	Gross Tax Rate
TIF District	22.06
Total	22.06



All Taxing Jurisdictions continue to receive their share of the tax levy on the base value.

	Gross Tax Rate
City	7.93
School	7.96
County	4.32
Tech. College	1.68
State	0.17
Total	22.06





# Typical TIF District Process

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- A Project Plan is developed by the community creating the District, which defines the project, boundary of the district, costs, financing, economic feasibility, eligibility of community to create a district (limit based on % of equalized value).
- Public notices to all taxing entities, which make up the Joint Review Board.
- Public Hearing at Plan Commission, approval of project plan and boundary.





## Typical TIF District Process, (Continued)

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- Council/Board adopts the boundary and project plan.
- Joint Review Board considers the TIF District proposal and must affirm:
  1. “But for” the TIF, the development would not occur.
  2. The economic benefits of the TIF District are sufficient to compensate for the costs of improvements.
  3. The benefits of the TIF District outweigh the tax increments paid by the taxpayers.
- Department of Revenue must then certify the TIF District.



# Methods of Financing Projects

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## Traditional TIF Investments:

- Community advances the funding for the development on eligible project costs.
- Community repays the debt for projects with annual tax revenues from the increment.

## Developer Financed Projects:

- Community & developer agree on level of investment in project.
- Developer finances the project and is repaid with the annual tax revenues from the increment.



# Plan Commission Role in TIF District

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- Hear public testimony on the proposed boundaries and Project Plan for TIF District #13 (June 28, 2023).
- Consider adoption of the Resolution approving the boundaries and Project Plan, which includes a recommendation to the Common Council to authorize the creation of TIF District #13 (Common Council July 19, 2023)



## Tax Incremental Districts # 13

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# QUESTIONS ???

*“meeting community needs....enhancing quality of life”*