



Legislation Text

File #: 19-1110, **Version:** 1

City Council Meeting Date: October 1, 2019

To: Mayor and City Council
City Administrator

From: Nate Carlson, Economic Development Coordinator

Public Hearing on TIF Request for Fifth Street Lofts.

Action Requested:

The City Council will hold a public hearing on the TIF request for Fifth Street Lofts. See “Public Hearing Procedure (taken from City Council Rules of Business)” in the Summary Report section provided in this memorandum.

Summary Report:

No action is taken during the public hearing. Following the public hearing, Council will be considering a Resolution for approval of the TIF District and the TIF Agreement.

Project Background Summary

Rebound Stencil Development, LLC is proposing to construct a \$13.66 million urban residential complex at the southwest corner of 5th Street East and Washington Street. The proposed redevelopment project includes enclosed parking for tenants. There are significant site improvements with this redevelopment project, as well as site acquisition costs. These costs, as well as the shortfall in operating cash flow, are eligible uses for TIF as well as other incentives that will be considered by the EDA and the City to make the project financially feasible.

See attached presentations for details on the project and proposed tax increment financing. City staff and Nick Anhut with Ehlers will be presenting at the meeting.

Public Hearing Procedure (taken from City Council Rules of Business):

A Public Hearing is used by the City Council to solicit the public's comments on various projects or City operation procedures.

- A. The Chair will open the hearing by identifying the subject.
- B. Staff presentation - staff will give a presentation on the subject.
- C. Applicant's presentation- if needed.
- D. Public Input - The public will have the opportunity to speak for or against the issue. The public may ask questions, make comments, voice support, agree or disagree with the issue.
 1. The Chair will recognize a speaker at the podium and comments/conversation will be between the Chair and speaker; and between the Chair and Council Members.

2. At the podium the speaker must give their name, address, and if representing a business, must give the name of the business or corporation. If an Attorney or consultant is representing a client, the client must be identified for the record.
 3. Speakers will be allowed to speak a maximum of two (2) minutes per item (not including interpreter's time).
 4. Speakers who have material to be handed out to the City Council Members will pass the material to the City Administrator. The City Administrator will then pass the information to the appropriate people. A minimum of twelve (12) copies are needed.
- E. Questions or Clarifications from City Council - After the public input of the public hearing is completed, the City Council may request questions or clarifications prior to closing the public hearing. This section will be used when there are questions related to the topic on which the public hearing is being held. Questions should be succinct and avoid being rhetorical or leading in nature. Subsequent actions of the City Council provide for opportunities for further questions or clarifications from the City Council.
- F. Any material to be entered into the record shall be noted. Any written communication presented to the City Council during a City Council meeting shall be read into the record or summarized for the record or simply delivered to the City Council, as the City Council may determine. They shall then be recorded in the minutes by title and filed with the minutes in the office of the City Clerk.
- G. Motion to Close Hearing - The Chair will state if there is an extension of time for public input into the hearing. If not, the City Council will make a motion, second, and vote on closing the public hearing.

Alternative Options:

N/A

Financial Impacts:

- TIF Amount Requested: \$1,804,000 (Present Value)
- Type of TIF District: Redevelopment District (25-year duration)
- TIF Uses: Site improvements, redevelopment costs and assistance with annual cash shortfall
- TIF Funding Structure: "Pay-as-you-go"

Timelines:

June 27 - Developer presented project to EDA Board

July 1 - Developer submitted Subsidy application

July 23 - Developer presented project to Council

August 30 - Rice County and Northfield School District notified of draft TIF Plan

September 18 - Publication of notice of public hearing for TIF

October 1 - Council holds public hearing on TIF

October 1 - Council consideration of Resolution approving TIF District and TIF Agreement