



Legislation Text

File #: EDA Res. 2019-006, **Version:** 1

DATE: October 24, 2019

TO: Members of the Economic Development Authority

FROM: Nate Carlson, Economic Development Coordinator
Mitzi Baker, Community Development Director

EDA Resolution Approving Sale of 510 Washington Street

SUMMARY AND ACTION REQUESTED:

The EDA Board shall make a motion to approve Resolution 2019-006 the sale of 510 Washington Street to Rebound Stencil Development, LLC for \$1.00.

BACKGROUND:

Rebound Real Estate is requesting TIF assistance, EDA-land contribution and an EDA Loan. The redevelopment project requires a land contribution of 510 Washington Street, which the EDA authorized purchasing for \$212,000. Closing occurred on September 6th.

The EDA Loan Review Committee met on August 14, 2019, to review the subsidy application. Following the discussion, Committee members recommend the TIF request proceed to the Council for approval and that the EDA consider contributing the 510 Washington Street property to the project. However, the Committee did express concerns regarding the loan request from the developer. The Committee directed staff to communicate those concerns and negotiate terms of the loan that would limit the EDA's risks.

The EDA Board shall review the following terms for the Rebound Real Estate, LLC request:

- EDA Land Contribution: \$212,000
 - 510 Washington Street Property
 - Closing contingent upon Council TIF approval
 - Recourse provision if project is not completed within 2 years

The EDA Board reviewed this request at the August 22 EDA Board meeting and made a motion to authorize staff to draft documents for the sale of 510 Washington Street. The negotiated purchase agreement is attached to this report for Board review.

OPTIONS:

- Make a motion to approve EDA Resolution 2019-006
- Take no action.

RECOMMENDATION:

Staff recommends the EDA approve Resolution 2019-006.