Council Communication

Department: Community Development Case/Project No.: N/A	Ordinance No.: N/A Resolution No.: 24-	City Council: March 11, 2024

Subject/Title

Resolution authorizing and directing the Mayor to execute all documents necessary to satisfy the City of Council Bluffs' obligations and terminating the City's development agreements for the Marketplace Subdivision.

Location

Marketplace Development east of S 24th Street and south of I-80.

Background/Discussion

Background

In June 2007, the City executed a development agreement with RED Legacy Group of Kansas City to complete the retail Marketplace Development. The City agreed to provide tax increment financing (TIF) through the Urban Renewal Area back to the developer with a guaranteed bond of $5,950,000 with the Iowa Finance Authority (IFA). This bond is paid prior to providing back any developer incentive and has a balance of approximately $600,000 remaining.

Discussion

RED Legacy is currently in foreclosure for Marketplace. Because the contract is written that the TIF can be reassigned, Staff and Legacy has agreed to mutually terminate the agreement prior to the sale of the development. Staff wishes to pay off the remaining $600,000 bond balance with general funds and then pay back the balance with the incoming TIF proceeds. This will allow us to terminate all agreements with Legacy and IFA and ensure there is no future claim to the TIF.

Staff Recommendation

Adopt a resolution authorizing and directing the Mayor to execute all documents necessary to satisfy the City of Council Bluffs' obligations and terminating the City's development agreements for the Marketplace Subdivision.

Attachments: Resolution

Submitted by: Courtney Harter, Community Development Director