Council Communication

Department: Community Development Department	Resolution No. 25- __	City Council: 2-24-2025

Subject/Title

A resolution approving the Consent to Security Agreement and Assignment of Development Agreement for the private development between 34th and 1st Holdings, LLC and Enterprise Bank and authorizing the Mayor to execute the acknowledgment of assignment by City of Council Bluffs.

Background/Discussion

In 2021, City Council approved Resolution 21-208 authorizing the development agreement between the City of Council Bluffs and 34th and 1st Holdings, LLC (amended agreement 23-337). This agreement provided tax increment financing (TIF) for the redevelopment of the property located at South 34th Street and 1st Avenue, now known as the Treehouse Development. The development agreement authorized the following incentives:

1. Phase I: Provide a sliding scale rebate with three (3) years 95% rebate, five (5) years 90% rebate, five (5) years 85% rebate and two (2) years 80% rebate for a total of 15 years. Additionally, the minimum assessment will be delayed to be completed December 31, 2025 and be fully assessed January 1, 2026. Minimum assessment of $13,915,403.
2. Phase II: Provide an 80% rebate for a period of 17 years to be completed by December 31, 2027 and fully assessed January 1, 2028. Minimum assessment of $9,341,062.
3. Phase III: Provide an 80% rebate for a period of 17 years to be completed by December 31, 2028 and fully assessed January 1, 2029. Minimum assessment of $13,615,674.

The development is eligible for a maximum TIF rebate of $10 million. Additionally, the Treehouse project was awarded $1.5 million in Housing Development Program (HDP) funds (Resolution 24-167).

34th and 1st Holdings, LLC now wishes to assign the TIF payments and HDP funds to Enterprise Bank. In order to reassign the incentives, the City must agree to the transfer.

Should the transfer of incentive be approved, 34th and 1st Holdings, LLC shall receive all TIF payments made. The remaining balance of HDP shall be paid directly to the bank upon submittal of required documentation.

Recommendation

Approval of Consent to Security Agreement and Assignment of Development Agreement is recommended.

Attachments

1) Consent to Security Agreement and Assignment of Development Agreement for Private Development
2) Resolution