Council Communication
November 18, 2019

Department: Community Development	Resolution No. 19-_____	Resolution Setting PH: 11-18-19 Public Hearing: 12-16-19 Resolution Approving: 12-16-19

Subject/Title

Resolution making final determination on potential transfer of interests in real property to Argent Baxter JV Council Bluffs, L.L.C. and taking additional action approving and authorizing execution of the Development Agreement by and between the City of Council Bluffs and Argent Baxter JV Council Bluffs, L.L.C.

Background/Discussion

This development agreement replaces a previous agreement with a related company known as "Argent Development Group, LLC". In summary, the previous agreement was for two residential towers, one with apartments and one with condominiums. That agreement had a minimum assessment of $33,354,000 and tax increment financing payments of $12 million over 15 years. Sale of the property was to be for $751,180.

Argent Baxter JV Council Bluffs, L.L.C. submitted a revised development proposal regarding the construction of a single residential tower on Block 1 of River's Edge Subdivision, in the amended Playland Park Urban Renewal Area. A development agreement has been drafted that describes the roles and responsibilities of the City and Developer. Although the agreement contains numerous provisions, the primary commitments contained in the agreement include:

- Developer acquires Block 1 of River's Edge Subdivision (75,118 sq. ft.) for $751,180, which is approximately $10.00 psf.
- The building will include a single tower with parking on lower levels and approximately 13 floors of residential. The mix of residential units will include up to 210 apartments in the range of 700-1,300 sq. ft. and 24 condominium units averaging approximately 1,000 sq. ft. An outdoor amenity deck will be included for residents.
- The company expects to initiate construction by July 1, 2020 and be completed by February 1, 2022.
- The project will include a minimum assessment agreement of $45,000,000.
- An 18 year tax increment financing rebate equal to 75% of captured property taxes is proposed to be provided to the Developer. The Development Agreement sets maximum rebates over the 18 year term at $23,000,000.

Staff Recommendation

Approval of the resolution

Attachments

1) Resolution
2) The development agreement for Argent Baxter JV Council Bluffs, L.L.C. has been provided under separate cover.

Prepared and approved by: Brandon Garrett, Director, Community Development Department

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