Council Communication

Department: Community Development	Resolution No.: 21 -	PH and 1st Reading: 9-13-2021

Subject/Title

Public hearing on the proposal to enter into a Purchase, Sale, and Development Agreement White Lotus Group and Resolution approving and authorizing execution of a Purchase, Sale, and Development Agreement by and between the City of Council Bluffs and White Lotus Group.

Location

The 2800 block between 1st and 2nd Avenues

Background/ Discussion

Background

Starting in 2012, the City began acquiring property in the west end, specifically between West Broadway and 2nd Avenue from 28th Street to 35th Street. Demolition of structures and site grading have occurred and developers have expressed interest in redeveloping some of the property. Because the property is located in the West Broadway Urban Renewal Area, the process for land disposition is dictated by urban renewal law. It is in the best interest of the City to request proposals for the redevelopment of the sites through a RFP process, beginning with the property located between 32nd and 34th Streets from West Broadway to 2nd Avenue.

White Lotus Group (WLG) proposes an 80-unit multi-family rental housing project along 1st Avenue that will serve families at or below 60% of the area median income and an 8-unit townhome style development along 2nd Avenue that will be owner-occupied. The estimated project cost is $13.3 million.

Discussion

Staff has worked with WLG to negotiate the terms of the development agreement. WLG requests 80% tax increment financing rebate (TIF) for 16 years (from 2027 to 2042) with a maximum rebate amount of $2 million. An additional $1 million is available if the developer completes at least 12 townhome units along 2nd Avenue. The maximum TIF amount is $3 million. HOME Investment Partnership Program (HOME) funds have been granted to assist the affordable apartment units. Additionally, the cost of the land shall be forgiven upon completion as outlined in the agreement.

Recommendation

Staff recommends City Council approve a resolution authorizing execution of a Purchase, Sale, and Development Agreement by and between the City of Council Bluffs and White Lotus Group.

Attachments

1. Resolution
2. Development Agreement