Council Communication

Department: Community Development Department	Resolution No. 21- __	City Council: 9-27-2021

Subject/Title

A RESOLUTION APPROVING THE ASSIGNMENT AND ASSUMPTION OF AGREEMENT FOR PRIVATE DEVELOPMENT BETWEEN 103 W BROADWAY LLC AND KOCV FUND I, LLC AND AUTHORIZING THE MAYOR TO EXECUTE THE ACKNOWLEDGMENT OF ASSIGNMENT BY CITY OF COUNCIL BLUFFS.

Background/Discussion

In 2016, City Council approved Resolution 16-172 authorizing the development agreement between the City of Council Bluffs and Pottawattamie County Development Corporation (PCDC). This agreement provided tax increment financing (TIF) for the redevelopment of the property located at 103-115 West Broadway, now known as the Rise Building. The approved TIF amount provided an 80% rebate for 15 years with a maximum rebate amount of $750,000.

The agreement also stated PCDC was authorized to sell the property to J Development, the developer, at an agreed upon time with the TIF rebate transferring to the new entity. In January 2020, J Development purchased the property from PCDC under 103 W Broadway, LLC.

J Development now wishes to sell the property to Kentro Group of Denver, Colorado. Under the name KOCV Fund I, LLC the company purchase the property and assume all incentives. In order to reassign the TIF, the City must agree to the transfer.

Should the transfer of incentive be approved, KOCV Fund I, LLC shall receive the remaining TIF payments available until the end of the 15th year or the maximum rebate amount of $750,000 is met. No additional incentives shall be provided. KOCV will also be required to meet all tax payment deadlines and submit required annual reporting to be eligible for the rebate.

Recommendation

Approval of Agreement and authorization is recommended.

Attachments

1) Assignment and Assumption of Agreement for Private Development
2) Resolution