

- Signage repair and improvements
- Landscaping improvements
- Lighting improvements.

Developer estimates that the CID will generate about \$360,000 in sales tax revenues in the first year of the CID, and increasing each year due to sales growth. Developer estimates that this will generate sufficient funds during the life of the CID to fund all projected costs.

The ordinance also approves a cooperative agreement for implementation of the CID. The cooperative agreement contains the following safeguards and protections for the City:

- The City Finance Department would receive the CID revenues from the Department of Revenue and disburse the revenues pursuant to the terms of the agreement. The City will receive a portion of the CID revenues as reimbursement for this for this administrative work.
- Reimbursable project costs which are incurred by the Developer or other private parties will be reviewed and approved by City staff and the District prior to reimbursement from District revenues.
- The CID will be a political subdivision of the state and must follow all applicable laws such as the Sunshine Law and annual budgeting laws.

The sales tax would go into effect after the approval of a ballot measure in an election that will be conducted by the Jackson County Election Authority among the property owners in the CID area. The CID sales tax would be in addition to the other sales taxes already in effect in the shopping center area, which includes local sales taxes imposed by the City, County and Zoo District.

Impact/Analysis:

This CID would impose a new 1% sales tax that would be in addition to the existing sales taxes, which would create the following total sales tax rate in the CID area:

4.225% - State
2.250% - City
1.250% - County
0.125% - Zoo District
1.000% - CID
8.850% - Total

This request presents no direct impact to City general revenues. This will result in up to 25 years of additional 1% sales tax to fund rehabilitation improvements in the CID area.

Timeline:

Developer would conduct the sales tax election in early 2021 and begin implementation of the rehabilitation project in 2021.

Curt Peterson, Polsinelli Law Firm
Trip Ross, Cadence Commercial Real Estate

David Bushek, Chief Counsel of Economic Development & Planning
Mark Dunning, Assistant City Manager

Recommendation: Staff recommends approval of the petition.

Committee Recommendation: Not applicable.