

Legislation Text

File #: 2018-2030, **Version:** 2

Conceptual Economic Development Incentive Request Presentation - Summit Orchards Community Improvement District, Summit Orchards Partners, LLC.

Issue/Request:

Conceptual Economic Development Incentive Request Presentation - Summit Orchards Community Improvement District, Summit Orchards Partners, LLC

Key Issues:

Summit Orchards Partners, LLC will be presenting a conceptual economic development incentive request to the Mayor and City Council to seek input/feedback and direction on the creation of a Community Improvement District (CID) for a proposed retail/restaurant development project. See background section for additional details regarding the proposed project.

Should the Mayor and City Council wish to pursue the formal creation of the CID, staff and the developer will prepare the proposal for public hearing and formal consideration of the CID.

Proposed City Council Motion:

I move to direct the applicant and staff to continue to prepare the economic development incentive request for formal consideration by the Mayor and City Council.

Background:

Summit Orchards Partners, LLC has submitted a preliminary economic development incentive request to form a Community Improvement District (CID) for a proposed retail/restaurant development project. The overall proposed development encompasses approximately 19 acres located on the north side of Chipman Road between Donovan Road and Outerview Road. The proposed development entails approximately 108,809 square feet of retail and restaurant uses.

The proposed CID does not encompass the entire proposed development. The proposed CID would encompass approximately 16.76 acres and 86,828 square feet of the restaurant/retail uses. The estimated total project cost is \$49.5M and the proposed CID would reimburse the developer through a 1% sales tax approximately \$3.5M which is approximately 7% of the total project budget. Although this percentage is at or below the threshold identified in the adopted Economic Development Incentive Policy, staff encouraged the developer to present the proposed project and incentive in a conceptual presentation as a significant portion of the public improvements will require ongoing maintenance and oversight.

The proposed CID as presented would reimburse the developer for improvements related to the following:

- * West bound Chipman Road right-in/right-out (public road)
- * Ward Road median adjustment and right turn lane (public road)
- * Chipman Road entry/internal drive (private road for public use)

- * East/West internal drive and utility construction (private road for public use)
- * Outerview Road improvements (private road for public use)
- * North/South entry/internal drive from Donovan (private road for public use)
- * Site development and land reimbursement for approximately .33 acres of public use
- * Pylon signage, Gateway features, public art, social space
- * Contingency, soft costs, legal fees, etc. related to public improvements

Development Background: On May 19, 2016 the City Council adopted Ordinance #7885 approving a Preliminary Development Plan for Summit Orchards.

Impact/Analysis:

Should the proposed CID be enacted, an additional 1 cent sales tax would be collected within the CID boundary to reimburse the developer for public improvements and could be reduced to a lesser sales tax rate after developer reimbursement of eligible costs in order to fund ongoing CID maintained public improvements such as the internal drives within the development.

Mark Dunning, Assistant City Manager

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David Christie, Summit Orchards Partners, LLC