

Legislation Text

File #: BILL NO. 19-223, **Version:** 1

An Ordinance approving an amended and restated plan for an Industrial Development Project for Village at View High, approving the issuance of an additional \$6,500,000 of Industrial Development Revenue Bonds for the Project, and approving the amendment of certain documents in connection therewith.

(Note: First reading by Council on October 15, 2019. Passed by unanimous vote.)

Issue/Request:

An Ordinance approving an amended and restated plan for an Industrial Development Project for Village at View High, approving the issuance of an additional \$6,500,000 of Industrial Development Revenue Bonds for the Project, and approving the amendment of certain documents in connection therewith.

Key Issues:

Approval of this ordinance will amend the currently approved Payment in Lieu of Taxes (PILOT) schedule for the project by extending the PILOT schedule by one year from 2028 to 2029; authorize additional bond capacity in the amount of \$6,500,000 for a total maximum principal amount not to exceed \$46,000,000; extend the maturity of the Bonds by one year to December 1, 2029; and extend the term of the Lease by one year to December 1, 2029. Approval of the ordinance would authorize the Mayor, City Manager, Director of Finance, City Clerk and other officials, agents and employees of the City to take such further action and execute such documents, certificates, and instruments as may be necessary or desirable to carry out and comply with the intent of the ordinance.

Proposed City Council Motion:

An Ordinance approving an amended and restated plan for an Industrial Development Project for Village at View High, approving the issuance of an additional \$6,500,000 of Industrial Development Revenue Bonds for the Project, and approving the amendment of certain documents in connection therewith - I move for adoption.

Background:

On February 2, 2017, The City Council passed Ordinance No. 8082 authorizing the City to issue its Taxable Industrial Development Revenue Bonds (Village at View High Project), Series 2017, in the maximum principal amount of \$39,500,000 (the "Bonds"), for the purpose of acquiring and improving certain real property located generally in the vicinity of the northeast intersection of 3rd Street and View High Drive in the City (the "Project Site"), including the construction and improvement of a commercial facility on the Project Site (the "Project Improvements," together with the Project Site, the "Project"). The project consists of the design and construction of the Meridian at View High, a 312-unit high-end multi-family complex in the vicinity of the northeast intersection of 3rd Street and View High Drive. The Company receives tax abatement under the Chapter 100 structure on the real property included in the project. However, the Company makes fixed Payments in Lieu of Taxes in accordance with the approved PILOT schedule. The PILOT schedule was set based on information provided to the Council by City staff regarding the tax payments on comparable properties. The PILOT amount was based on \$1,051 per unit beginning in 2019.

Mark Dunning, Assistant City Manager

David Bushek, Chief Counsel of Economic Development & Planning

Recommendation: Staff recommends approval of the ordinance.