

Legislation Text

File #: 2017-1269, **Version:** 2

Conceptual Economic Development Incentive Request/Presentation - Pine Tree Plaza; NSI Investments LLC, Applicant

Issue/Request:

Conceptual Economic Development Incentive Request/Presentation - Pine Tree Plaza; NSI Investments LLC, Applicant

Key Issues:

In accordance with the City's adopted Economic Development Incentive Policy, NSI Investments LLC is presenting a conceptual incentive request for a proposed rehabilitation of the Pine Tree Plaza shopping center. The proposed development includes a new façade to the existing center, additional landscaping, and parking lot improvements. The proposed development is within the City initiated conceptual master plan area referred to as Envision LS. A Preliminary Development Plan is currently in the development approval process and pending City Council consideration. NSI Investments LLC is requesting incentives through the use of a Blighted Community Improvement District (CID) and imposing a sales and use tax of up to 1% on all taxable retail sales within its boundaries.

The proposed development is located within the M-291 South Targeted Planning Area.

The total estimated project cost is \$9.3 million and would include exterior improvements to the existing center including a new front façade, roofing, parking lot improvements, signage, ADA repairs, and landscaping. The applicant is proposing reimbursement for approximately \$2.8 million in project costs. See attached Exhibit A. City staff is recommending eligible reimbursement costs be limited to approximately \$2.6 million. See attached Exhibit B.

The applicant and staff are seeking City Council's feedback and direction prior to committing additional resources necessary to formally prepare and present the plan for formal consideration by the City Council.

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 City Council.

Background:

On November 3, 2016, the City Council adopted a Master Development Plan, known as EnVision LS, for an area generally bounded by Pine Tree Plaza on the north, Adesa and adjacent properties fronting South M-291 Highway on the west, on the south by 16th Street east of South M-291 and Union Pacific Railroad on the east. The Council also approved the rezoning of the property to Planned Mixed Use (PMIX), at the same meeting.

On March 2, 2017, the Council adopted the Envision LS Area Development Plan Design Standards.

On April 21, 2017, NSI Investments LLC submitted a Petition for the Creation of a Community Improvement District to be known as PINETREE COMMUNITY IMPROVEMENT DISTRICT to City Staff for review.

On May 22, 2017, NSI Investments LLC and City Staff had a meeting to discuss the originally proposed CID Petition.

On May 23, 2017, NSI Investments LLC withdrew the originally proposed CID Petition.

On May 24, 2017 a "red-lined" CID Five Year Plan was requested by NSI Investments LLC.

On May 26, 2017 a redraft of the CID Five Year Plan was submitted to NSI Investments LLC.

On May 31, 2017 NSI Investments submitted a revised CID Five Year Plan.

On June 2, 2017 Gilmore & Bell, P.C. submitted the current draft CID Five Year Plan to NSI Investments LLC. This draft is included as Exhibit D.

At this time, the applicant has submitted an application for Preliminary Development Plan and is scheduled to be considered in a public hearing by the Planning Commission on June 13, 2017 and is scheduled to be considered in a public hearing by the City Council on July 13, 2017.

Presenter:

Trent Overhue, NSI Investments, LLC - Applicant

Rich Wood, Gilmore & Bell - Economic Development Counsel for the City

City Staff