

## Legislation Text

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**File #:** BILL NO. 17-223, **Version:** 1

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AN ORDINANCE APPROVING THE PETITION FOR ESTABLISHMENT OF THE 740 NW BLUE PARKWAY COMMUNITY IMPROVEMENT DISTRICT.

(Note: First reading by City Council on October 19, 2017.)

AN ORDINANCE APPROVING THE PETITION FOR ESTABLISHMENT OF THE 740 NW BLUE PARKWAY COMMUNITY IMPROVEMENT DISTRICT.

Key Issues:

This ordinance will approve the formation of the 740 NW Blue Parkway Community Improvement District.

Proposed City Council Motion:

I move for adoption of AN ORDINANCE APPROVING THE PETITION FOR ESTABLISHMENT OF THE 740 NW BLUE PARKWAY COMMUNITY IMPROVEMENT DISTRICT.

Background:

The memorandum from Gilmore & Bell provides a full summary of the project and background, including the evolution of the project budget and the proposed reimbursable costs.

The Petition provides for the redevelopment of about 3.5 acres of property located at 740 NW Blue Parkway, which is currently occupied by the Bank of the West building. The applicant's budget indicates that total project costs are anticipated to be about \$12.5 million, which includes blight remediation costs. The total requested CID reimbursement is \$1.32 million, which is about 10.6% of the total project costs.

The CID is proposed to fund blight remediation costs, which would bring the site to a "greenfield" state to facilitate new development with new users. The CID is proposed to fund only blight remediation costs which are itemized in the project budget and not property acquisition costs.

The CID funding source would be a 1% sales tax on new development in the project which would provide reimbursement for the blight remediation costs. The CID sales tax will be in effect until the developer has been reimbursed with interest, but the CID will not last longer than 25 years.

The Ordinance provides that if a Cooperative Agreement is not entered into between the City and the District within 6 months, the Council can take action to nullify and render void the approval and formation of the CID.

Timeline:

The District's Five Year Plan, attached as Exhibit C to the Petition, provides a timeline for the District. Developer's amortization schedule indicates that the project will be partially occupied in 2018 and fully occupied by 2020.

