## Columbus Consolidated Government Council Meeting Agenda Item

TO:	Mayor and Councilors
AGENDA SUBJECT:	Fort Benning Technology Park Tax Allocation District Fund Grant – Newman's Crossing
AGENDA SUMMARY:	Approval to grant up to \$3,317,340.29 from the Fort Benning Technology Park TAD Fund to provide for infrastructure improvements and financing to provide single-family residential units to a blighted area located at 988 Farr Road.
INITIATED BY:	Planning Department

**Recommendation**: Approval to grant up to \$3,317,340.29 from the Fort Benning Technology Park TAD Fund to provide for infrastructure improvements and financing to provide single-family residential units to a blighted area located at 988 Farr Road.

**Background**: The applicant, Columbus Housing Initiative, Inc., dba NeighborWorks Columbus, is proposing the development of the property located at 988 Farr Road. In the past, portions of this site contained a mobile home park, but it is currently vacant. Under this proposal, 61 new affordable single-family residences would be constructed in one phase. Under this application, the TAD funds would be used to provide for financial costs and for needed infrastructure to include grading, storm drainage, sanitary sewers, water lines, streets, sidewalks, and street lights.

<u>Analysis</u>: This funding will allow the developer to provide for the necessary infrastructure improvements and financial assistance needed for this project. It will further allow for the redevelopment and reinvestment of this area.

**Financial Considerations**: The payout of the \$3,317,340.29 would be over time as determined during the contractual negotiation. Funding would come solely from the Fort Benning Technology Park Tax Allocation District funds and would be funded on a "pay as you go" basis rather than bond financing. No General Funds or other city funding sources would be obligated to the project. To date, this account has a balance of \$117,764.77. Based on the expected value of the homes, the tax increment generated will cover the cost of the grant within 20 years. Home values are estimated at \$190,000, which will generate \$165,867.01/year, for a total of \$4,329,036.

**Legal Considerations**: The Council approved the establishment of the Fort Benning Technology Park Tax Allocation District in 2015 and in doing so designated itself as the redevelopment agency to exercise the provisions of this district and the use of these funds. Approval of this resolution will authorize the City Manager to enter into negotiations with the applicant for the use of the funds and for the timetable of the TAD funds for this project. Final approval of any negotiations will require the action of the City Council.

**Recommendation**: Approval to grant up to \$3,317,340.29 from the Fort Benning Technology Park TAD Fund to provide for infrastructure improvements and financing to provide single-family residential units to a blighted area located at 988 Farr Road.

## RESOLUTION

NO.			

A RESOLUTION AUTHORIZING A GRANT FROM THE FORT BENNING TECHNOLOGY PARK TAX ALLOCATION DISTRICT FUND TO THE DEVELOPMENT KNOWN AS NEWMAN'S CROSSING, AND IMPROVEMENTS OF INFRASTRUCTURE TO INCLUDE GRADING, STORM DRAINAGE, SANITARY SEWERS, WATER LINES, STREETS, SIDEWALKS, AND STREET LIGHT IMPROVEMENTS IN AN AMOUNT NOT TO EXCEED THREE MILLION THREE HUNDRED SEVENTEEN THOUSAND, THREE HUNDRED AND FORTY DOLLARS AND 29 CENTS (\$3,317,340.29); AUTHORIZING THE NEGOTIATION, EXECUTION, AND DELIVERY OF A DEVELOPMENT AGREEMENT AND ANCILLARY DOCUMENTS IN CONNECTION WITH SUCH ALLOCATION; AND FOR OTHER PURPOSES.

**WHEREAS,** to encourage the redevelopment of the area of the City known as Fort Benning Technology Park, the Tax Allocation District (TAD) #1, was duly created by Council under Resolution No. 352-15, which was adopted December 15, 2015; and,

**WHEREAS**, in accordance with O.C.G.A. §36-44-4(a), the Columbus Council ("Council") previously designated itself as the redevelopment agency to exercise the provisions of the Fort Benning Technology Park TAD Redevelopment Area Plan and the Redevelopment Powers Law with the delegation of certain administrative functions to the Columbus Development Authority (Ordinance No.15-51); and,

WHEREAS, the applicant Columbus Housing Initiative, Inc. dba NeighborWorks Columbus has proposed to construct a planned unit development which will consist of 61 affordable single family homes which is projected to provide 70 temporary construction jobs, and over \$4.5 million in investment, has applied for a grant from the Fort Benning Technology Park TAD allocation fund to make necessary infrastructure improvements to include grading, storm drainage, sanitary sewers, water lines, streets, sidewalks, and street light improvements, and to assist with the financial costs; and,

**WHEREAS**, the Project will significantly increase the property tax based in the Fort Benning Technology Park TAD, and provide new affordable housing to the community; and,

**WHEREAS**, based on the expected value of the homes, the tax increment generated will cover the cost of the grant within 20 years. Home values are estimated at \$190,000 which will generate \$165,867.01/year for a total of \$4,329,036.; and,

**WHEREAS**, the Columbus Tax Allocation Committee has reviewed the application from Columbus Housing Initiative, Inc., dba NeighborWorks Columbus, for the grant request, as has found the Project to be within the scope of the Fort Benning Technology Park TAD Redevelopment Plan, impactful, and worthy of a grant from the Fort Benning Technology Park TAD; and,

**WHEREAS,** the Council of Columbus, Georgia, after full review and consideration of the ratings of the Columbus Tax Allocation Committee has determined that it is in the best interest of the city to approve a Project Allocation from the Fort Benning Technology Park TAD in an amount not to exceed three million three hundred seventeen thousand, three hundred and forty dollars and 29 cents (\$3,317,340.29);

NOW, THEREFORE, THE COUNCIL OF COLUMBUS, GEORGIA HEREBY RESOLVES AS FOLLOWS:

Section 1. **Authority.** This Resolution is adopted pursuant to the Development Authorities Law of Georgia (O.C.G.A. §36-62-1, et seq., as amended), the Redevelopment Powers Law(O.C.G.A. § 36-44-1, et seq., as amended), Ordinance No. 15-51, Resolution No. 352-15, and other applicable provisions of law.

Section 2. Approval of Funding of the Project. The Council of Columbus, Georgia hereby authorizes and approves the funding to Columbus Housing Initiative, Inc. dba NeighborWorks Columbus (the "Developer") from the Fort Benning Technology Park TAD fund in an amount not to exceed three million three hundred seventeen thousand, three hundred and forty dollars and 29 cents (\$3,317,340.29) (the "Project Allocation") upon the approval of the agreement by the Council, to fund the construction of the "Project. The Project Allocation will be funded on a "pay as you" go basis and not by the issuance of bonds.

<u>Section 3.</u> **Approval to Negotiate the Grant Agreement.** The Council of Columbus hereby authorizes the City Manager to negotiate, the Grant Agreement, in a form deemed satisfactory to the City Attorney setting forth the terms and conditions relating to the Fort Benning Technology Park TAD funding support of the Project and all instruments, documents and certificates related thereto.

Section 4. Failure to Negotiate and Execute the Grant Agreement. If for any reason the Development Agreement is not negotiated and executed between the Developer and the City within twelve (12) months of the date of this Resolution, the Approved Funding shall expire, provided, however, such Approved Funding may be extended administratively by the City Manager upon good cause shown for an additional twelve (12) month period.

<u>Section 5.</u> **Approval of Final Grant Agreement.** Upon the completion of a negotiated agreement between the Developer and the City, Council shall have final determination in the approval of such agreement.

<u>Section 6</u>. **Conflicts.** All resolutions and parts of resolutions in conflict with this resolution are hereby rescinded to the extent of any such conflict

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Councilor Allen voting Councilor Anker voting Councilor Chambers voting Councilor Cogle voting Councilor Crabb voting Councilor Davis voting Councilor Garrett voting Councilor Hickey voting Councilor Huff voting Councilor Tucker voting	
Lindsey G. McLemore, Clerk of Counc	ril B.H. "Skin" Henderson III. Mayor