



AGENDA ACTION FORM

Consideration of a Resolution to Amend and Expand the Riverbend Redevelopment District and Approve Tax Increment Financing for The Arbor Townhome Project

To: Board of Mayor and Aldermen
 From: Chris McCartt, City Manager *CM*

Action Form No.: AF-200-2024
 Work Session: August 5, 2024
 First Reading: N/A
 Final Adoption: August 6, 2024
 Staff Work By: Bower/ Harmon
 Presentation By: Jessica Harmon

Recommendation:
 Approve the Resolution.

Executive Summary:
 This project is located within the Riverbend Redevelopment District which was designated as a Redevelopment District by the Kingsport Housing & Redevelopment Authority("KHRA") in 2015 and expanded in 2016. The project is located along Riverbend Drive with one parcel being in the Riverbend Redevelopment District and two parcels bordering the district. KHRA recommends expanding the district to accommodate the entire project. The two additional parcels are constrained with unique site features such as a 48" private storm line, a development free restriction and a sinkhole.

TIF may be utilized to finance eligible redevelopment costs for the redevelopment project which includes a housing project and related amenities.

The project consists of the construction of 92 new townhomes and three new public streets. The total estimated costs of all the proposed improvements to be made by Landstar Development is \$4,197,832. The proposed improvements by the Developer include infrastructure, addressing stormwater improvements, and other development related costs. The Developer will also design and build a public parking lot with approximately 25 spaces estimated at a value of \$375,000. In addition, the Developer will complete a channel along the 48" private stormwater line to alleviate any flooding that could occur should the pipe fail and is an estimated expense of \$200,000. The TIF request is for \$1,100,000 in increment financing for the completed project over 15 years and includes a 40% holdback. The proposed project would generate approximately \$54,835 dollars annually in new tax revenue to the city.

KHRA held a public hearing on July 15th, 2024 and approved the Tax Increment Financing Amendment. The amendment will go before the Sullivan County Commission on August 15, 2024.

Attachments:

1. Resolution
2. TIF Amendment
3. Redevelopment District Map
4. Project Area Map
5. Site Plan
6. Parking Lot Concept

	<u>Y</u>	<u>N</u>	<u>O</u>
Cooper	—	—	—
Duncan	—	—	—
George	—	—	—
Montgomery	—	—	—
Olterman	—	—	—
Phillips	—	—	—
Shull	—	—	—