



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, June 22, 2021
<b>Category:</b>	CONSENT AGENDA
<b>Type:</b>	ACTION
<b>Subject:</b>	Consider Resolution Calling for a Public Hearing to Establish a TIF District
<b>Background Information:</b>	<p>Gabe Olsen, owner of L2A LLC (Suite Liv'n), has requested Tax Increment Financing for the development of two new apartment complexes located on Village Drive. Olsen, along with partner Jeff Huston, currently own seven complexes in Marshall located on Birch Street and Village Drive.</p> <p>Applicant is proposing to develop new workforce apartments with each building providing a total of 24 dwelling units in a mix of one- and two-bedroom units. The 24-unit apartment building proposed at 501 Village Drive would be an addition to 70 units in three buildings that are existing on the property. The 24-unit apartment building proposed at 406 Village Drive would be the only development on the property, replacing an existing single-family home.</p> <p>Per TIF requirement, 40 percent of the units will be occupied by individuals whose incomes are 60 percent or less of the area median income.</p> <p>Increments from a TIF housing district may only be used to finance a "housing project" or public improvements that are directly related to the project, as well as the authority's administrative expenses. The cost of a project includes items such as acquisition, construction, or rehabilitation of the housing, planning, engineering, and architectural services, and related financing costs. Public improvement or infrastructure costs must be directly related to the project.</p> <p>Staff is working with Baker Tilley to analyze the projects proforma, evaluate the value of the development, and determine a reasonable TIF plan for the project. A draft timeline for the project is included for reference.</p> <p>L2A LLC aims to begin construction in the Summer of 2021 with completion in the Summer of 2022.</p>
<b>Fiscal Impact:</b>	
<b>Alternative/ Variations:</b>	
<b>Recommendations:</b>	Approve Resolution Calling for a Public Hearing to Establish a TIF District