



CITY OF MARSHALL AGENDA ITEM REPORT

| | |
|--------------------------------|---|
| Meeting Date: | Tuesday, January 25, 2022 |
| Category: | CONSENT AGENDA |
| Type: | ACTION |
| Subject: | Call for Public Hearing on the Establishment of TIF District 15-1 |
| Background Information: | <p>Project Details CBC Fischer Group has proposed a three-phase in-fill development on Block 11 located in Downtown Marshall. The project phases are as follows: Phase 1: Three-story building with 33 one-bedroom units and six two-bedroom units (Corner of Lyon St and 1st St) Phase 2: Three-story building with 18 one-bedroom units and four two-bedroom units plus 4,420 sq ft of first floor commercial. (Corner of 1st and Main St) Phase 3: Three-story building with 18 one-bedroom units and four two-bedroom units plus 4,420 sq ft of first floor commercial. (Corner of College and Main St)</p> <p>The project includes 83 parking units with anticipated additional on-street parking on Lyon Street.</p> <p>According to our recent Housing Study, Marshall has a need for 124 new market rate apartment units. In addition, there is a need for 665 general occupancy housing units within the City.</p> <p>The additional commercial space would also be beneficial to the Downtown District as vacancy rates are low and interest has been shown for retail and office space in the district.</p> <p>TIF Background The City of Marshall is considering the establishment of a Tax Increment Financing (TIF) Redevelopment District to assist with financing a portion of the costs associated with construction of a three-phase housing and mixed-use commercial development on Block 11. TIF districts are used to fund the revitalization of deteriorating or distressed areas.</p> <p>"Redevelopment district" means a type of tax increment financing district consisting of a project, or portions of a project, within which the authority finds by resolution that one or more of the following conditions, reasonably distributed throughout the district, exists:</p> <ol style="list-style-type: none"> a. parcels consisting of 70 percent of the area of the district are occupied by buildings, streets, utilities, paved or gravel parking lots, or other similar structures and more than 50 percent of the buildings, not including outbuildings, are structurally substandard to a degree requiring substantial renovation or clearance; b. the property consists of vacant, unused, underused, inappropriately used, or infrequently used rail yards, rail storage facilities, or excessive or vacated railroad rights-of-way; c. tank facilities, or property whose immediately previous use was for tank facilities, as defined in section 115C.02, subdivision 15, d. a qualifying disaster area, as defined in subdivision 10b. |

| | |
|-------------------------------------|--|
| | <p>The City anticipates using tax increment revenue to finance eligible costs associated with redevelopment of the site including acquisition, site improvements, parking improvements (public and private), and public improvements, as well as related administrative expenses. Tax increment from a redevelopment TIF cannot be used to construct buildings.</p> <p>Construction of Phase I is expected to start Spring of 2022. Phase I will include 33 one-bedroom apartments and 6 two-bedroom apartments.</p> |
| Fiscal Impact: | - |
| Alternative/ Variations: | - |
| Recommendations: | Call for Public Hearing on the Establishment of TIF District 15-1 |