



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Meeting Date:</b>	Tuesday, January 11, 2022
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	INFO
<b>Subject:</b>	Economic Development Authority Projects Update
<b>Background Information:</b>	<p><b>Block 11</b></p> <p>The EDA has received a proposal from CBC Fischer Group for a three-phase redevelopment project on Block 11. The project phases are as follows:</p> <p>CBC Fischer Group has proposed a three-phase in-fill development on Block 11 located in Downtown Marshall. The project phases are as follows:</p> <p>Phase 1: Three-story building with 33 one-bedroom units and six two-bedroom units (Corner of Lyon St and 1<sup>st</sup> St)</p> <p>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 1<sup>st</sup> and Main St)</p> <p>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 most 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. 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>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 the development. TIF districts are used to fund the revitalization of deteriorating or distressed areas.</p> <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.</p> <p>CBC Fischer Group previously signed a Predevelopment Agreement for the property which expired on December 31<sup>st</sup>. The project will be presented to the Planning Commission on January 12<sup>th</sup> for both a Conditional Use Permit (for the housing portion of the project) and for adherence to the City's current Comprehensive Plan.</p> <p><b>Home Tax Abatement</b></p>

	<p>Per recommendation from Council, the EDA Board recently discussed the Home Tax Abatement Policy which is set to expire at the end of 2022. The program was designed to incentivize the construction of new homes. Although we did see a large increase in the construction of new homes, the EDA board did not feel the program is being used as intended. The board is bringing forth a recommendation for an early termination of the home tax abatement program in June of 2022.</p> <p><b>Façade Improvement</b></p> <p>The EDA recently relaunched its Façade Improvement program which allows business to apply for up to \$10,000 in matching funds for projects that improve the appearance and functionality of their buildings. The board has designated \$100,000 towards the program. Since launching in mid-December, we have received two applications.</p> <p><b>Comprehensive Plan Update</b></p> <p>The EDA is currently assisting with the Comprehensive Plan update being conducted by SRF Consulting. Currently, we are seeking public feedback to help shape future goal areas for the plan. There are two ways for the public to provide input including an online survey, available on the City website, and an Open House which will be hosted at City Hall on January 13<sup>th</sup> from 4:00 pm – 6:00 pm. As of January 6<sup>th</sup>, SRF has had 291 respondents to the survey with a goal of 300 completed surveys. The survey will close on January 17<sup>th</sup>.</p>
<b>Fiscal Impact:</b>	N/A
<b>Alternative/ Variations:</b>	N/A
<b>Recommendations:</b>	Info Only