



Department Source: City Manager
To: City Council
From: City Manager & Staff
Council Meeting Date: May 15, 2017
Re: Application for Tax Increment Financing

Executive Summary

State statutes require the governing body of each political subdivision considering the use of tax increment financing (TIF) for a redevelopment plan area to formally authorize the issuance of a Request for Proposal (RFP) process for each proposed project. A project has been identified in the downtown area where the developer has indicated a need for TIF in order to move forward with their plans,

Discussion

Staff has been made aware of a redevelopment project to be considered for the potential use of tax increment financing. An application for TIF has been received for the construction of an approximately 73,000 square feet, seven story hotel tower on the site at 1104 East Walnut Street (see attached). The site is located due north of the existing Broadway Hotel, and is just west of the Short Street garage. The new tower would be connected to the existing hotel via enclosed walkways at the 4th and 7th floors.

With Council approval, an RFP will be issued inviting applicants to formally apply for tax increment financing in conjunction with the submittal of a detailed redevelopment plan for the proposed project. Once applications are received, they will be reviewed by the City's Tax Increment Financing (TIF) Commission who will hold public hearings as part of their review process. A recommendation will then be made by the TIF Commission to approve or deny the application. In addition to the already established criteria approved by Council for TIF applications, all proposals will be judged on the following minimum criteria:

- a. the merit and viability of the proposal for redevelopment described in the submission;
- b. the quality and detail of the submission;
- c. the ability of the submission to aid in enhancing the tax base of the City and of other taxing districts levying taxes in the redevelopment area, increasing employment in the City, and eliminating blight from the redevelopment area.

Fiscal Impact

Short-Term Impact: TBD
Long-Term Impact: TBD



Vision & Strategic Plan Impact

Vision Impacts:

Primary Impact: Downtown, Secondary Impact: Development, Tertiary Impact: Economic Development

Strategic Plan Impacts:

Primary Impact: Not Applicable, Secondary Impact: Not Applicable, Tertiary Impact: Not Applicable

Comprehensive Plan Impacts:

Primary Impact: Land Use & Growth Management, Secondary Impact: Economic Development, Tertiary Impact: Not Applicable

Legislative History

Date	Action
03/04/2013	B57-13 Authorizing a Second Amendment to the Redevelopment Agreement with Broadway Lodging, LLC and Columbia TIF Corporation relating to the Regency Hotel TIF Redevelopment Plan& Project.
07/02/2012	B159-12 Authorizing a First Amendment to Redevelopment Agreement with Broadway Lodging, LLC and Columbia TIF Corporation relating to the Regency Hotel TIF Redevelopment Plan& Project.
02/21/2011	B40-11 Designating a portion of the City of Columbia as a redevelopment area; approving the Regency Hotel financing (TIF) redevelopment plan and project.
02/21/2011	B41-11 Approving a redevelopment agreement in connection with the Regency Hotel TIF Redevelopment& Project.

Suggested Council Action

Approval of the legislation authorizing staff to initiate a formal RFP process to consider the use of tax increment financing for the project as described.