



MEMORANDUM

“...meeting community needs...enhancing quality of life.”

TO: Common Council and Mayor Hanna
FROM: Karen Harkness, Community & Economic Development Director
DATE: September 23, 2015
RE: RiverHeath Development Agreement

The Fifth Amendment to the RiverHeath Development Agreement positions this development for long term success. The next phase in this multi-phased development is the construction of an apartment complex and a commercial building.

An overview of amendments are below:

- 1.) In order for a financial institution to make a loan to a developer based on TIF funding, the TIF revenue cannot be suspended. The proposed Fifth Amendment addresses this concern by removing the construction phasing, references to specific buildings constructed on a defined timetable, and the penalty of being reimbursed 20% of the increment instead of 90% of the increment if particular phases and specific building projections were not met on a timeline set 8 years ago.
- 2.) The Developer is still required to complete a Traffic Impact Analysis (TIA) by February 1, 2016. The Developer is no longer responsible for costs of infrastructure improvements recommended by the TIA. With the successful development of the skate park in Telulah and re-development of the Banta Bowl, traffic increases/challenges are no longer contributed only by the RiverHeath development.
- 3.) The City will be given an easement for the trail which the Developer will construct to City standards.
- 4.) The Development Agreement maintains the requirements for the Developer to construct \$55 million in value and the total aggregate principal amount of the City's payment to the developer remains \$9,750,000.

If you have any questions please feel free to contact me at 920-209-9520.