



REQUEST FOR COUNCIL ACTION

MEETING DATE: May 16, 2022

PREPARED BY: Brett Angell, Economic Development Manager

AGENDA ITEM: Assignment of tax financing increment note and estoppel certificate related to the Hilger TIF district

PREVIOUS ACTIONS:
None.

RECOMMENDED COUNCIL ACTION:
Motion to approve Resolution No. 22-089

COMMENTS:

The Hilger tax increment financing (TIF) district, which is in the broader gravel mining area (GMA) soils deficiency district, was granted to IDP-ODC Arbor Industrial, LLC in order to aid in the costs related to the environmental clean-up of the property and subsequent construction of Arbor Lakes Corporate Center. In December 2020 the property was sold and the TIF development agreement was assigned to the buyer, PRIM Arbor Lakes, LLC. The TIF note was not included as part of that sale. As the property was sold, staff anticipated that the TIF note would be sold and transferred to a new entity in the near future.

Recently, IDP-ODC Arbor Industrial, LLC has made the decision to transfer the TIF note related to this district to Arbor Lakes TIF, LLC. This entity is related to Inland Development Partners, which was one of two developer partners which completed Arbor Lakes Corporate Center. The assignment of the TIF note allows for Arbor Lakes TIF, LLC to be the direct benefactor of increment payments.

An estoppel certificate related to the proposed sale of the TIF note is required from both the city and the EDA. The estoppel certificate reaffirms the status of the project and certain components of the TIF development agreement.

ATTACHMENTS:

Attachment A: Resolution No. 22-089
Attachment B: City and EDA estoppel certificate