



**TO:** T.C. Broadnax, City Manager  
**FROM:** Debbie Bingham, Economic Development Specialist, Community and Economic Development  
Ricardo Noguera, Director, Community and Economic Development  
**COPY:** City Council and City Clerk  
**SUBJECT:** Request for resolution– August 2, 2016  
**DATE:** July 15, 2016

---

**SUMMARY:**

Authorizing the appropriate City officials to execute an 8 Year Multifamily Housing Property Tax Exemption Agreement with 25th & Proctor Investors, LLC for the development of 137 multifamily market-rate units at 3910 North 25th Street in the Proctor Mixed Use Center.

**STRATEGIC POLICY PRIORITY:**

This project will foster neighborhood, community, and economic development vitality and sustainability by providing 137 market rate housing units within a designated mixed use center.

**BACKGROUND:**

25th & Proctor Investors, LLC is proposing to develop 137 new market rate rental units in the Proctor Mixed Use Center as described in Exhibit “A” to the Resolution. The housing will consist of 137 units as described in the chart below.

Number of units	Type of Unit	Size	Expected Rental Rate
20	Studio	547 SQFT	\$1094
86	One bedroom, one bath	699 SQFT	\$1398
26	Two bedroom, two bath	1019 SQFT	\$2038
5	Three bedroom, two bath	1190 SQFT	\$2380

The project will also include 140 stalls of parking and 8000 SQFT of retail space. The Community and Economic Development Department has determined that the proposed project qualifies for the 8 year multi-family housing property tax exemption. 25th & Proctor Investors, LLC will enter into an agreement prepared by the City to develop the site as described in the plans on file with the City.

**ISSUE:**

This action would approve the tax exemption through the attached proposed agreement.

**ALTERNATIVES:**

If the resolution is not adopted, the tax exemption will not be granted and the developer has stated that the exemption is necessary to make the project feasible.

**RECOMMENDATION:**

Staff has reviewed the application and has determined that the proposed project qualifies for the 8 Year Multifamily Housing Property Tax Exemption. Staff recommends the Council approve the resolution.

**FISCAL IMPACT:**

The value of the land would continue to be taxed. The City’s portion of the current tax for land is approximately \$2,670 annually. The City’s portion of the tax to be exempted for the proposed



structure is estimated at \$82,000 annually. The project will generate higher revenues for the City at the end of the eight year agreement.