

**THIRD AMENDMENT TO THE
43RD & MAIN
TAX INCREMENT FINANCING PLAN**

TIF COMMISSION APPROVAL:

April 12, 2006 4-15-06
DATE: RESOLUTION NO.

CITY COUNCIL APPROVAL:

June 15, 2006 060613
DATE: ORDINANCE NO.

**THIRD AMENDMENT
TO THE
43rd & MAIN
TAX INCREMENT FINANCING PLAN**

I. INTRODUCTION

The Third Amendment to the 43rd & Main Tax Increment Financing Plan (the "Third Amendment") shall amend the 43rd & Main Redevelopment Plan as approved by the Ordinance No. 940227 on March 24, 1994, the First Amendment to 43rd & Main Redevelopment Plan by Ordinance No. 941149 on September 8, 1994, and the Second Amendment to 43rd & Main Redevelopment Plan by Ordinance No. 040345 on April 8, 2004 (collectively referred to herein as the "Plan"). The Third Amendment provides for revision of the budget items for Design, Engineering, Alternatives Analysis, Streetscape Plan, Main Street and the addition of a new line item named Main Street CID keeping the total budget unchanged. The intent of the Plan remains unchanged other than those changes specifically mentioned herein.

II. SPECIFIC AMENDMENTS

In accordance with this Third Amendment, the Plan shall be amended as follows:

Amendment No. 1: Delete Exhibit 4 of the Plan, entitled "Estimated Redevelopment Project Costs," and insert Revised Exhibit 4 attached hereto, in its stead.

Amendment No. 1

Exhibit 4: Estimated Redevelopment Project Costs

EXHIBIT 4

PROPOSED THIRD AMENDMENT

ESTIMATED REDEVELOPMENT PROJECT COSTS

	AMOUNT	REIMBURSABLE EXPENSE
A. <u>Commission Expenses</u>		
1. Estimated Reimbursable Costs for Plan Implementation ¹		
a. Legal	\$ 50,000	\$ 50,000
b. Agenda	2,000	2,000
c. Staff Time	40,000	40,000
d. Miscellaneous	4,000	4,000
2. Final Development Plan Approval Fees (\$.05 per Square foot @ 229,000)	11,450	11,450
3. Plan Administration and TIF General Expenses (including expenses for affirmative action administration)	<u>230,000</u>	<u>230,000</u> ²
	\$ 337,450	\$ 337,450
B. <u>Redevelopment Project #1 – Expenses – Office Depot Proposal</u>		
1. Land Costs	\$ 0	\$ 0
2. Site Work, including excavation, relocation of existing power transmission line	410,000	323,518 ³
3. Permits/Impact fees	13,000	0
4. Landscaping, lighting	75,000	75,000 ⁴
5. Pylon	0	0 ⁴
6. Parking lot lighting	70,000	70,000 ⁵
7. Building Construction	935,000	215,000 ⁶
8. Development Fee	50,000	0
9. Water/Sewer tap fees	18,000	0
10. Surveys, Tests, As-builts	25,000	0
11. Architect/Engineer	90,000	0
12. Legal	35,000	0
13. Payment and Performance Bond	16,000	0
14. Builders Risk	5,000	0
15. Contingency	75,000	0

16.	Interest Carry	65,000	0
17.	TIF Application Fees	40,000	40,000
18.	Streetscape Improvements (east side of Main Street 41 st -43 rd Streets)	<u>250,000</u>	<u>250,000</u>
		\$ 2,172,000	\$ 973,518

C. Redevelopment Project #2 – H & R Block Proposal

1.	Land Acquisition Expenses	\$ 50,000	\$ 50,000 ⁷
2.	Land Purchase Price	600,000	0 ⁸
3.	Relocation	5,000	5,000 ⁹
4.	Construction Costs (Office & Parking Garage)	12,000,000	0
5.	Streetscape improvements (east and west side of Main Street, including design and Engineering)	450,000	450,000
6.	Street widening	190,000	190,000
7.	TIF Application Fees	<u>40,000</u>	<u>40,000</u>
		\$13,335,000	\$ 685,000

D. Redevelopment Project #3 – Walnut Street Housing

Residential Rehabilitation	\$ 1,580,000	\$ 790,000
Main Street CID	<u>10,000</u>	<u>10,000</u>
	\$ 1,590,000	\$ 800,000¹⁰
Walnut Streetscape 41 st to 44 th Streets	<u>\$ 250,000</u>	<u>\$ 250,000</u>
	\$ 250,000	\$ 250,000¹¹

E. Redevelopment Project #5 & 6

Redevelopment Projects #5 and 6 are projects which will involve rehabilitation and/or redevelopment of commercial properties. These projects are anticipated as future phases in the TIF Plan. Land acquisition and relocation assistance would not be anticipated. TIF participation in Projects #5 and 6 would be limited to necessary site work, public and streetscape improvements.

F. Redevelopment Project #7

1.	Land Purchase Price	\$ 411,000	\$ 0
2.	Rehabilitation Costs	100,000	0
3.	Streetscape improvements (east side of Main Street is included as a part of Redevelopment Project #1)	<u>0</u>	<u>0</u>
		\$ 511,000	\$ 0

G. Public Improvements Related, Necessary and Incidental to Redevelopment Projects

1.	Design, Engineering, Alternatives Analysis, Streetscape Plan, Main Street Plan	\$ 90,000	\$ 90,000 ¹²
2.	Construction	350,000	350,000 ¹³
3.	43 rd Street redesign, reconstruction (Broadway – Main), streetscape (Broadway – Walnut)	275,000	275,000
4.	Clearance, landscaping ATA R.O.W. (Broadway Viaduct to Main)	<u>125,000</u>	<u>125,000</u>
		\$ 840,000	\$ 840,000
TOTAL		\$19,035,450	\$3,935,425

- 1 Selected redevelopers shall pay all fees and expenses of the Commission for plan preparation, approval and implementation, including but not limited to staff time, agenda costs, legal fees, printing and publication notices. The selected developer shall be billed for these expenses by the Commission as needed. These expenses shall be considered reimbursable project costs to the developer from the Special Allocation Fund.
- 2 In addition, up to 5% of the annual PILOTS and Economic Activity Taxes deposited in the Special Allocation Fund may be retained by the TIF Commission to cover incidental expenses incurred by the TIF Commission. This amount will be figured and allocated prior to allocation of any other reimbursable costs.
- 3 Actual reimbursements will be for incurred cost of site work, excavation, utility relocation and water detention on site, design and engineering related thereto, and the construction of retaining walls, subject to TIF approval of design.
- 4 Pylon signs are not desired as part of project design and costs have been deleted from the project.
- 5 The design of parking lot lighting, its relationship and effect on Main Street streetscape and Walnut Street residence is very important. This TIF plan increases the developers' proposed budget 100% and makes this a reimbursable cost, subject to TIF approval of design.
- 6 Actual reimbursements will be for design, façade and roof finish treatments, signage and façade lighting treatments, and costs of parapet extension and HVAC screening design treatments, subject to TIF approval of design.
- 7 TIFC and redeveloper will attempt to negotiate site acquisition. TIFC will reimburse all costs required to determine fair market value, negotiations, and any costs incurred by TIFC in necessary condemnation action.
- 8 Costs of land acquisition in excess of the appraised fair market value, if any, shall be reimbursable costs.
- 9 Relocation costs required by law and administrative costs related thereto shall be reimbursable project expenses.
- 10 The TIFC will establish a rehabilitation, matching loan fund for exterior, building code compliance and landscaping of front yard areas. The loans will be at low interest, provided on a 50% matching basis, of up to \$20,000/unit, repayable over a 10-year term. The loans will be lien against the properties. Plans and construction expenses documentation will be subject to TIFC approval.

11 A streetscape plan for Walnut Street will be developed including tall pole street lights and pedestrian lights similar to those on Main Street, landscaping, curbs and sidewalks as may be required, involving city agencies and property owners.

12-13 The rehabilitation and reuse or demolition of the 43rd Street Viaduct will be reviewed in light of ATA Light Rail planning, transportation planning, reuse potential, rehabilitation feasibility and potential park designs which would visually connect Mill Creek Park and the Viet Nam Memorial. A study committee consisting of the TIFC, MainCor, property owners including ATA, Parks and Recreation, City Development, Public Works Landmarks and others will complete this analysis and report its findings and recommendations to the TIFC and City Council. Based on City Council determination the TIFC will fund construction of the desired design.