

**Memorandum
Community and Economic Development**



To: Randall Tweet, Interim City Manager
Subject: Millennia Housing Redevelopment TIF's
Date: October 3, 2016

In furtherance to the September 12, 2016 Study Session presentation by Millennia Housing Development Ltd. regarding their purchase and renovation of Century Woods and Heather Ridge apartment complexes, CED staff has the following recommendation to Council.

CED staff recommends the City engage Kane, McKenna & Associates to assist the City in investigating the desirability and feasibility of utilizing Tax Increment Financing or other appropriate economic development incentives for funding certain redevelopment costs related to Millennia Housing Development Ltd.'s acquisition of Century Woods and Heather Ridge apartment complexes.

The analysis will include such elements, but not be limited to, reviewing the site characteristics of each Project in order to recommend the specific boundaries for each respective TIF district, assessing the potential qualification factors for each under Illinois law, preparing a preliminary analysis for each project assessing the pros and cons of pursuing TIF and/or other forms of economic incentives and provide estimates of tax increment revenues and other supportable public assistance for each project. All findings and determinations will be presented to Council prior to any determination by Council on creating the potential Tax Increment Finance Districts.

Millennia Housing Development, Ltd. agrees to reimburse the City of Rock Island for all costs and fees associated with said hiring of Kane, McKenna for this analysis regardless of the determination of the TIF's approvals or outcomes.

RECOMMENDATION:

That Council approve the hiring of Kane, McKenna & Associates as consultants to analyze Millennia Housing Development's request to establish two project specific TIF's (one for Century Woods and one for Heather Ridge) and direct staff to create a contractual agreement with Millennia Housing Development Ltd. regarding the reimbursement for all costs and fees associated with hiring Kane, McKenna, subject to minor attorney modifications, and authorize execution by the City Manager.

Submitted by: Bret Gardella, Economic Development Manager
Thomas G. Ayers, Interim CED Director

Approved by: Randall Tweet, Interim City Manager