



Legislation Details

File #:	21-1188	Version:	1	Name:	
Type:	ITEMS FOR INDIVIDUAL CONSIDERATION	Status:		Approved	
File created:	6/11/2021	In control:		Office of Economic Development	
On agenda:	6/23/2021	Final action:			
Title:	<p>Authorize a fourth amendment to the 2016 Chapter 380 Grant Agreement ("2016 Chapter 380 Agreement") with WCWRD Inc and its affiliate or subsidiaries ("Developer"), a third amendment to the Tax Increment Development, Chapter 380 Grant, and Chapter 380 Loan Agreement ("2018 TIF/Chapter 380 Agreement") with Developer, and any amendments to any other documents, including but not limited to deeds of trust and promissory notes, necessary to accommodate the Red Bird Mall Redevelopment Project ("Project") in accordance with the City Council-approved terms, approved as to form by the City Attorney, related to the Project generally located at the southeast corner of Camp Wisdom Road and Westmoreland Road in the Mall Area Redevelopment TIF District to: (a) modify Programmatic Requirements in the 2018 TIF/Chapter 380 Agreement to (i) reduce by 60,000 gross square feet (from a minimum of 100,000 gross square feet to a minimum of 40,000 gross square feet) the Developer's requirement to construct new retail, restaurant, and entertainment buildings and (ii) authorize the Developer to use reasonable efforts to prepare and convey property within the Project site to a hotel developer; (b) clarify authorization for the Developer to obtain mezzanine and preferred equity financing and authorization for the City to enter into intercreditor agreements and/or recognition agreements, as applicable; (c) extend the maturity date on the loan ("Loan") authorized by the 2018 TIF/Chapter 380 Agreement by five years until June 2038; (d) authorize the release of a portion of the property within the Project site ("Sears Property") to a third-party purchaser upon completion of the initial phase of tenant improvements and prior to the Loan's maturity date; and (e) modify the Developer's ability to sell the Project prior to maturity of the Loan, subject to the Loan and assignment of the 2018 TIF/Chapter 380 Agreement; and as consideration for the amendments: (i) increase the Developer's Minimum Investment Requirement by \$5,000,000.00 for the Project from \$130,000,000.00 to \$135,000,000.00, (ii) add a requirement to the Programmatic Requirements that the Developer make reasonable efforts to prepare and convey property within the Project site for a grocery store or renovate and lease space within an existing building within the Project site for a grocery store, (iii) require that the Developer pay interest current on the Loan to the extent that the TIF Subsidy does not fully repay the Loan during the extended term, and (iv) prohibit the Developer from distributing any net proceeds of the sale of the Sears Property to equity shareholders and require the Developer to use the net proceeds to either repay debt that is senior to the City's lien in payment priority, pay for remaining Infrastructure Work, invest in additional building improvements on property secured by the City's lien, or acquire additional properties in the Project area to be added to the City's collateral - Financing: No cost consideration to the City</p>				

Sponsors:

Indexes: 8

Code sections:

Attachments: 1. Exhibit A, 2. Resolution

Date	Ver.	Action By	Action	Result
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