



# CITY OF LA CROSSE

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## LEGISLATION STAFF REPORT FOR COUNCIL

File ID

23-0205

Caption

Resolution approving development agreement with MSP for The Driftless Apartments and Townhomes.

Staff/Department Responsible for Legislation

Planning

Requestor of Legislation

Planning Staff

Location, if applicable

River Point District

Summary/Purpose

This Resolution approves a development agreement, including the parameters of TIF assistance, for The Driftless Apartments and Townhomes, the first development scheduled to break ground in the River Point District this year. Plans include 120 units of affordable/workforce housing. Amenities include on site parking, community room, outdoor patio, on-site leasing office, storage, tot lot.

Background

City Staff, the RDA, and Ehlers have been working directly with MSP for almost 2 years to bring this project to fruition. MSP was awarded highly competitive tax credits for this development in 2022. Due to the current development climate (financing and construction costs primarily), it was very challenging to close the financial gap to make this project feasible. MSP must have all financing finalized by March 31, 2023, to include this legislation, or they will lose their allocated tax credits from WHEDA. Without the LIHTC credits, the project will not be able to move forward. At all.

Fiscal Impact

85% of tax increment generated by the project during the life of the TID

Staff Recommendation

Planning staff recommends approval.