CITY OF LA CROSSE

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LEGISLATION STAFF REPORT FOR COUNCIL

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Caption: Resolution approving a development agreement for RyKey Properties, LLC for "The Lofts" development located at Lot 8 in River Point District.

Staff/Department Responsible for Legislation

Julie Emslie; Planning, Development, and Assessment

Requestor of Legislation

RyKey Properties, LLC

Location, if applicable

Lot 8 in the River Point District

Summary/Purpose

RyKey proposes for The Lofts to be the 3nd development in the River Point District, constructing a mixed-used building with 55 apartment units and approximately 2,400ft of commercial space. The project will offer additional residential density to the River Point community and is intended to be a vibrant, mixed-use development where professionals seeking active, healthy lifestyles come to live, work and play

RyKey submitted a request to the City for Tax Increment Financing assistance. City staff and the City's financial consultant, Ehlers, reviewed this request and found that the project fulfilled the requirements for state statute and the City's TIF policy, to include demonstrating a financial need for assistance.

Background

This developer has been engaged with the Redevelopment Authority since April 2023. The developer entered into an option agreement with the RDA for Lot 8 in April 2023. Since then, the developer has been working on planning and design, and submitted their TIF request for this site in June 2023. The Economic and Community Development Commission and Redevelopment Authority reviewed and approved a term sheet outlining the provisions for public assistance at their July 2023 meetings. This Resolution corresponds to the development agreement that was drafted to include those terms as well as further provisions that are standard for the City's TIF-related development agreements. Due to the nature of River Point District, this is a three-party agreement between the City, RDA, and the developer, RyKey Properties.

Fiscal Impact

Approximately $2.9million in new tax increment over the lifetime of the TID (through 2047), with $2.1million provided back to the project through pay-go TIF.

Staff Recommendation

Planning staff recommends approval