

## MEMORANDUM

TO: Board of Estimates

FROM: Dan Rolfs, Community Development Project Manager

DATE: August 22, 2016

SUBJECT: Garver Feed Mill Timeline Update

In an email dated July 14, 2016, The Baum team notified the City they wish to delay closing on Garver until March 15, 2017. The Board of Estimates approved a closing deadline on Garver of no later than December 1, 2016.

Baum's request for delay is due to the fact that the Federal Government has increased the NMTC allocation from \$3.5 to \$7 billion. This increase in allocation has delayed the announcement of NMTC awards until as late as November 2016. Because of this delay in the NMTC award announcement, the Baum team is proposing to move the closing deadline back to March 15, 2017.

At its July 25, 2016 meeting, the BOE discussed a revised timeline for the Baum team regarding the redevelopment of the Garver Feed Mill. The revised timeline that was discussed included the following highlighted dates (NOTE: the previous deadlines have been crossed out):

- **Deadline Met** - June 1, 2016 – Letters of Intent (LOI) from tenants that represent 50% of the space in Garver delivered to City
  - **NOTE:** Baum provided City Staff with copies of leases that represent more than 50% of the space in Garver.
- **Deadline Met** - July 19, 2016 – Land Use approvals by Common Council for Phase II SIP
  - **Deadline Met** - *April 13, 2016 – Required submittal for informational presentation to UDC*
  - **Deadline Met** - *April 27, 2016 – UDC informational presentation*
  - **Deadline Met** - *May 11, 2016 – SIP submittal*
- **November 15**, ~~July 31, 2016~~ – Baum to provide evidence of signed construction contract for Garver Feed Mill
- **November 15**, ~~Aug 31, 2016~~ – Receipt of New Market Tax Credits (NMTC)
- **January 31, 2017** ~~Sixty days after receipt of NMTC allocation~~ – Evidence of financing for remainder of the project, including private financing, Historic Tax Credits (HTC), NMTC, developer equity, grant funds, and any other sources.
- Closing on the sale of Garver and associated ground leases by no later than **March 15, 2017** ~~Dec 1, 2016~~.

**Term Sheet:** The Baum Team has requested that a Term Sheet be presented to the City Council for review and action by the end of September 2016. City staff will introduce a draft general term sheet at the September 6, 2016 Council meeting, with referrals to the Board of Park Commissioners and Board of Estimates, and final action by Council on September 20, 2016. This term sheet will outline the major terms and conditions of the ground leases, the sale of the building, and the City contribution to the project.