

MEMORANDUM

TO: Board of Estimates

FROM: Dan Rolfs, Community Development Project Manager

DATE: January 7, 2016

SUBJECT: Garver Feed Mill - Negotiations Update

On November 23, 2015, City Staff sent a letter to Baum Development (“Baum”) requesting a timeline for major milestones for the project. Baum responded on Dec 10, 2015 with the following dates for the completion of these milestones:

- June 1, 2016 – Letters of Intent (LOI) from tenants that represent 50% of the space in Garver delivered to City
- June 19, 2016 – Land Use approvals by Common Council for Phase II SIP
 - *April 13, 2016 – Required submittal for informational presentation to UDC*
 - *April 27, 2016 – UDC informational presentation*
 - *May 11, 2016 – SIP submittal*
- July 31, 2016 – Baum to provide evidence of signed construction contract for Garver Feed Mill
- Aug 31, 2016 – Receipt of New Market Tax Credits (NMTC)
- 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.

Staff remains concerned about the viability of the Garver Building. Under this timeline, the earliest that construction would commence is late 2016. If Baum is unable to meet any of the deadlines noted above, Staff recommends a return to the BOE for direction.

Should the Board of Estimates agree to this timeline, Staff proposes that the City set a deadline for closing of Dec 1, 2016.