



REPORT TO: SEDA

MEETING DATE: JULY 19, 2021

Agenda Item:	5b. SEDA-21-09
Prior Council Action/Related Items:	SEDA-21-05 06.21.21
Background / Issue:	<ul style="list-style-type: none"> • The Stillwater (Re) Investment Plan (A Stillwater Downtown/Campus Link Project Plan) is Stillwater’s Tax Increment Financing District #3 (TIF3). • Trustees authorized staff to reach a redevelopment agreement with Lilly’s Lavender, LLC at the June 21, 2021 meeting.
Proposal/Solution:	<ul style="list-style-type: none"> • Consider the proposed redevelopment agreement between Lilly’s Lavender, LLC (redeveloper) and Stillwater Economic Development Authority (SEDA) to further the redevelopment in TIF3.
Financial Impact/Funding Source(s):	<ul style="list-style-type: none"> • Financial Impact is as follows: <ul style="list-style-type: none"> ✓ SEDA will borrow up to \$54,471 from Stillwater Utility Authority (SUA) to fund the upfront construction advancement to Lilly’s Lavender, LLC. ✓ Advancement to be repaid from TIF3 as property, personal property and 2% sales taxes are collected over 10 years at 1.75% per annum. ✓ Property and personal property taxes will be credited against the advancement up to the extent of the minimum payment. Sales tax will be credited against the advancement in excess of the minimum payment thus further reducing the advancement balance. ✓ Minimum annual tax payments to begin in December 2022 to coincide with the increased taxable value of the project.
Related Strategic Priority:	#1 Effective Services & Accountable Government: To provide effective services and accountable government for all citizens

by practicing fiscal responsibility, transparency and outstanding customer service.

#2 Motivated Management: To serve with integrity and demonstrate proactive leadership, motivated management and smart planning skills that focus on results needed to create a better community.

#5 Quality of Life: To develop partnerships that create a high quality of life with equal access to services and amenities; strong and connected neighborhoods; and a healthy economy and business atmosphere that align with community values.

Recommended Action/Motion:	Motion to approve the redevelopment agreement with Lilly's Lavender, LLC.
Prepared By:	Melissa Reames, Deputy City Manager
Reviewed By:	Patti Osmus, Assistant to the City Manager
Submitted By:	Norman McNickle, City Manager
Attachment(s):	Redevelopment Agreement