

CITY OF WASHINGTON

PLANNING & DEVELOPMENT DEPARTMENT

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MEMORANDUM

TO: Mayor Manier and City Council
FROM: Jon R. Oliphant, AICP, Planning & Development Director
SUBJECT: TIF Pay Request #1 – S&S Properties, 116-124 Peoria St., Phase 2
DATE: February 27, 2018

Summary: Staff seeks authorization to make the first of three annual TIF subsidy payments to S&S Properties, LLC, in an amount of \$2,202.79 as reimbursement for interior building improvements as part of Phase 2 construction at 116-124 Peoria Street.

Background: On July 17, 2017, the City entered into a TIF redevelopment agreement with Scott Fitzgerald of S&S Properties, LLC, to allow for interior building improvements for the business units at 116-124 Peoria Street.

The work was to consist of the buildout of the unit closest to Business 24 (116 Peoria Street) to convert the former law office to a salon. The project would also increase power to the building, update the breaker boxes, and convert the original boiler to a mini pit system with baseboard heating. A potential lease with a salon business did not occur, so the buildout of that unit did not occur, though the interior demo was completed. All other electrical work was finished. Mr. Fitzgerald will likely be selling the property soon to a new owner that intends to renovate the entire building to more exact specifications.

Staff has reviewed the invoices that were submitted for this project, which total \$33,041.94 and is less than the original estimate of \$69,763. The redevelopment agreement stated that there be a 20% base subsidy for this project. As a result, the total not-to-exceed subsidy is \$6,608.39 to be paid in three installments. Staff requests authorization to make the first payment in an amount of **\$2,202.79**.

This item is scheduled for consideration as a consent agenda item at the March 5 City Council meeting.