



# Downtown Investment Authority

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## Memorandum

**TO:** DIA Board Members

**FROM:** Lori Boyer, CEO

**RE:** Workshop Content, Friday 1/14/2022

**DATE:** January 12, 2022

## Incentives

Attached are revised drafts of each incentive we previously reviewed. These programs have now been revised to include comments from the Board and various members of the public including several developers. Some of the revisions include:

1. Conversion of the office space leasing incentive to a parking cost offset formula. The incentive is still based on the amount of space leased and lease term but is designed to offset parking costs that level the playing field with suburban sites.
2. Significant additions were made to the retail enhancement grant program to include guidelines for waterfront restaurants in existing buildings, new mixed-use buildings, and new free-standing buildings.
3. Revisions were made in the MF REV regarding the waterfront retail/restaurant to address a frontage requirement as well as area, and to include a street frontage retail requirement for those that have frontage on a street as well as the river.
4. The MF REV was modified to only give the base % for units constructed if above a certain density per acre.
5. The MF REV grant minimum size project was reduced to 16 units (from 20) and the small-scale residential grant was revised to cover projects of 4-16 units.
6. The Affordable Housing Loan program was revised to include guidelines to ensure a mix of housing types in each District, adherence to design standards, and taxable status, and similar criteria.
7. The Small-scale residential incentive was revised to modify the eligible unit size to an average 500 square feet rather than a minimum 500 square feet.

### **Redevelopment Projects**

Attached are the proposed Redevelopment Programs and Projects for Northbank and Southbank. These include some original programs and projects as well as many new ones. A separate section was included for City CIP projects that have major impact on Downtown as these will impact the Tiers Analysis.

This list is intended to include all items we know of at this time that we plan to fund in the next five years. There is flexibility to add or delete from the list, but these become clearly authorized uses of funding.

### **Years Tables**

Attached is our working spreadsheet that forms the basis for the Years Tables. You will see that it is essentially long-range budget planning. We have identified funds on hand that carry over as well as new funding required each year. The new funding required was staggered to reflect projected funds available based on current obligations and expected revenue. These are a work in progress and your input as to prioritization will be important to reaching final allocations.

A simplified version is then included in the plan as the Years Table.

### **Tiers Analysis**

The tiers analysis is the process used to evaluate an incentive request that exceeds or does not meet the requirements of any “on the shelf” incentive program. Currently the three tiers are meeting at least two plan goals, establishing financial need or gap, and positive impact on four performance measures. What has evolved is a situation where developers can satisfy the tiers more easily than meet the incentive guidelines which lead to more detailed financial analysis of each project and projects that don’t necessarily meet are overall Downtown vision. The revised tiers include financial gap; meeting 3 or four goals AND several Strategic objectives of that goal without violating any strategic objective; and affirmatively advancing a project in the Years Table. There is a metric for what is worthy of credit in the Years Table. The new language is attached.

### **Performance measures**

Carried forward from the 2014 plan, but open to additions or changes. The measure the success of DIA in data.

### **Benchmarks**

Finally, we are providing the benchmarks that we will track to measure our progress on strategic objectives. We have revised each to identify a trackable data source so that we can annually collect the data requested.