

**FACT SHEET
(Councilman Jeff Everson- District B)**

TITLE	DATE	ORIGINATING DEPARTMENT
RESOLUTION STATING THE CITY OF SHREVEPORT'S ENDORSEMENT OF VENYU SOLUTIONS, LLC TO PARTICIPATE IN THE BENEFITS OF THE LOUISIANA RESTORATION TAX ABATEMENT PROGRAM AND TO OTHERWISE PROVIDE WITH RESPECT THERETO (2015-1818)	October 25, 2016	DEPARTMENT OF COMMUNITY DEVELOPMENT REVIEWING AGENCY DEPARTMENT. OF COMMUNITY DEVELOPMENT

PURPOSE
To approve a 5 year tax abatement on the ad valorem tax increase resulting from the restoration of the building.

BACKGROUND INFORMATION
A 1983 State Constitutional Amendment provided for the Restoration Tax Abatement Program as an incentive for restoration in historic preservation, economic development, and downtown development districts. The **VENYU SOLUTIONS, LLC** building located at 601 Milam Street was built in 1956 and is in the Shreveport Downtown Development Authority District and Central City Economic Development District.

This tax abatement will need to be approved by the State Board of Commerce and Industry after the resolution is approved by the City Council (including public hearing).

The applicant, **VENYU SOLUTIONS, LLC** fully renovated a former vacant 80,000 square feet building (Selber Bros. Building) and rebuilt original storefront display windows that have been infilled with masonry; installed imagery approved by Louisiana State Historic Preservation Office; replaced curtain wall glazing on front façade to match original design; rebuilt falling south parapet wall; cleaned and repaired all brick and stone, resealed and repointed where needed; cleaned, repaired and resealed all remaining original windows; repaired roofing where required; installed new mechanical and electrical equipment in the Equipment Yard; and installed new mechanical and equipment above the Loading Dock.

The total cost of the project was \$15,500,000.00. The maximum Parish-School Board taxes which will be abated will be \$271,410.00 per year for the next five years.

TIMETABLE
The abatement will become effective after introduction to the City Council on October 25, 2016, and approval (after public hearing) on (November 22, 2016), and State Department of Commerce and Industry approval.

SPECIAL PROCEDURAL REQUIREMENTS
Notice of the time and place of the public hearing is published at least twice in the official Journal of the City. The first publication must appear at least ten days before the date of the hearing.

FINANCES		
COST AND REVENUE PROJECTIONS	COST of total project was \$15,500,000.00* COST of this resolution \$76,759.00 /year*	SOURCE OF FUNDS CITY _____%
	RELATED annual operating Costs \$ -0-	\$ <u> N/A </u> %
	INCREASED 76,759.00 / year after year 2021	\$ _____%
		NON-CITY \$ _____% \$ _____%

DISCUSSION
Alternatives:

1. Approve the application.
2. Disapprove the application.

CONCLUSION
Alternative number 1 is recommended. The application conforms to the established guidelines for participation in the program.

FACT SHEET PREPARED BY: Frederick Lewis
Department of Community Development

RESOLUTION NO. _____ of 2016

RESOLUTION STATING THE CITY OF SHREVEPORT'S ENDORSEMENT OF VENYU SOLUTIONS, LLC TO PARTICIPATE IN THE BENEFITS OF THE LOUISIANA RESTORATION TAX ABATEMENT PROGRAM AND TO OTHERWISE PROVIDE WITH RESPECT THERETO

BY:

WHEREAS, the Restoration Tax Abatement has been created by the Electors of the State of Louisiana as an Act 445 of 1983, and amended in Act 783 of 1984, Article VII, Part II, Section 21(H) of the Louisiana Constitution and Louisiana R.S. 47:4311-4319, to authorize the Board of Commerce and Industry, with the approval of the Governor and the local governing authority and in accordance with procedures and conditions provided by law, to enter into a contract granting property owners who propose the expansion, restoration, improvement or development of an existing structure or structures in a downtown development district, historic district, or economic development district, established in accordance with law, the right to pay ad valorem taxes based upon the assessed valuation of the property prior to the commencement of the expansion, restoration, improvement or development; and

WHEREAS, the City of Shreveport desires to promote economic activity, create and retain job opportunities, and improve the tax base throughout the City for the benefit of all citizens; and

WHEREAS, it is the desire of the City Council to foster the continued growth and development (and redevelopment) of the City to the continued prosperity and welfare of the City; and

WHEREAS, this project is located in the Downtown Development District and the Center City Economic Development District; and

WHEREAS, this project is a commercial property;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Shreveport in due, regular, and legal session convened that the City Council hereby approves the **VENYU SOLUTIONS, LLC** application **20151818** for participation in the Louisiana Restoration Tax Abatement Program.

BE IT FURTHER RESOLVED that if any provision or item of this resolution or the application thereof is held invalid, such invalidity shall not affect other provisions, items or applications of this resolution which can be given effect without the invalid provisions, items or applications and to this end the provisions of this resolution are hereby declared severable.

BE IT FURTHER RESOLVED that all resolutions or parts thereof in conflict herewith are hereby repealed.

APPROVED AS TO LEGAL FORM:

City Attorney's Office