


## COUNCIL COMMUNICATION

	Number:	25-330	Meeting:	September 8, 2025
	Agenda Item:	40	Roll Call:	25-1221
	Submitted by:	Cody Christensen, Development Services Director		

### AGENDA HEADING:

Resolution Approving Preliminary Terms of an Urban Renewal Development Agreement with ECG Southridge, LP for the construction of a 160-unit apartment building located at 7210 SE 14th Street.

### SYNOPSIS:

ECG Southridge, LP (Hunter Nelson, Managing Member; 1030 16th Avenue South, Suite 500, Nashville, TN 37212) is proposing the construction of a 160-unit apartment building at 7210 SE 14th Street. Total project cost is estimated at \$61,733,000, with construction anticipated to begin in the fall of 2026 with completion expected in fall 2028.

The Office of Economic Development has negotiated preliminary terms of an urban renewal development with ECG Southridge, LP, which provides for tax increment to serve as a core mechanism for responding to a financing gap, as presented by the development team. Additional details on the final terms are provided in the fiscal impact section below.

### FISCAL IMPACT:

Amount: The financial terms propose a capped project generated tax increment financing (TIF) maximum value of \$1,380,798 in project-generated tax increment on a net-present-value basis (NPV) (at a 4.5% discount rate) based on the following schedule: 90% in years 1-4, 85% in years 5-9, 80% in year 10. The TIF is estimated to comprise 2.23% of the total project financing.

The current assessed value of the existing property is \$65,927. Upon completion of the project, the total assessed value of the property, including building and land is estimated at \$6,400,000.

Year	Estimated Taxes Received Without Project*	Estimated Taxes Received With Project**	Incentive Paid	Estimated Net Taxes Received
Sum 10 Years	\$ (2,866)	\$ 2,711,779	\$ 2,253,805	\$ 457,974
Sum 20 Years	\$ (6,359)	\$ 6,016,410	\$ 2,253,805	\$ 3,762,605
Sum 30 Years	\$ (10,616)	\$ 10,040,745	\$ 2,253,805	\$ 7,786,941

\*Taxes include all property taxing authorities (not just City property tax dollars)

\*\*Taxes received estimates used the following assumptions: 2.5% growth in re-assessment years, 1.5% growth in non-re-assessment years.

Funding Source: Tax Increment generated by the project in the Southside Urban Renewal Area.

**ADDITIONAL INFORMATION:**

- The \$61.7 Million project is located on land that has not been developed.
- 100% of the units will be restricted to residents at 60% of area median income.
- The Developer is planning all-electric appliances and HVAC (Heating, Ventilation, and Air Conditioning) units.
- The Developer will participate in MidAmerican Energy's Commercial New Construction energy efficiency program.

Site Context:









**PREVIOUS COUNCIL ACTION(S): NONE**

**BOARD/COMMISSION ACTION(S): NONE**

**ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:**

- City Council – Final Terms of an Urban Renewal Development Agreement and Certificate of Completion
- Urban Design Review Board – Preliminary and Final Design, Appropriateness of Financial Incentives

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