

FACT SHEET

CITY OF SHREVEPORT, LOUISIANA

<u>TITLE</u>	<u>DATE</u>	<u>ORIGINATING DEPARTMENT</u>
Resolution stating the City Of Shreveport's endorsement of 624 Downtown Lofts, LLC to participate in the benefits of the Louisiana Restoration Tax Abatement program and to otherwise provide with respect thereto	9/23/2024	Community Development
		<u>COUNCIL DISTRICT</u>
		District B
		<u>SPONSOR</u>

PURPOSE

To approve a 5 year tax abatement renewal 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 624 Downtown Lofts, LLC building was built in 1925 and is in the Shreveport Downtown 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).

Resolution Number 89 of 2020 – City of Shreveport endorsed Studio Network – Shreveport I, LLC, application 20150237-RTA, located at 624 Texas Street, Shreveport, Louisiana 71101, whose property value amounted to \$12,011,694.00, to participate in the Louisiana Restoration Tax Abatement Program.

Resolution Number 91 of 2022 – City of Shreveport approved Studio Network – Shreveport I, LLC to transfer partial ownership of 73.1658% or \$8,788,452.01 to 624 Downtown Lofts, LLC located at 624 Texas Street, Shreveport, Louisiana 71101.

Resolution Number 92 of 2022 – City of Shreveport approved Studio Network – Shreveport I, LLC to transfer partial ownership of 26.8342% or \$3,223,241.99 to Las Palmas Group Lofts, LLC located at 624 Texas Street, Shreveport, Louisiana 71101.

The renewal applicant, 624 Downtown Lofts, LLC, application 20150237-PT-RTA proposes to continue to renovate the long-abandoned Sears building and two adjoining retail buildings totaling approximately 110,000 square feet into forty-eight luxury apartments and approximately 35,000 square feet of office/retail space. The continued renovations include modern design and amenity updates to the residential area, commercial/retail spaces, and the gym and lobby area. Recent improvements include additional elegant awnings, security doors, attractive railings, updated aesthetics, and new and stylish furniture.

The total cost of the project will be \$8,320,191. The City of Shreveport ad valorem taxes abated is \$36,304 per year for five years. The maximum Parish-School Board taxes which will be abated will be \$162,618 per year for the next five years. DDA ad valorem forfeitures will be \$11,282 per year for the next five years.

<u>TIMETABLE</u> Introduction: 09/24/2024 Final Passage: 10/22/2024	<u>ATTACHMENTS</u>
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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.

<u>FINANCES</u> \$ COST OF TOTAL PROJECT – \$8,320,191.00 COST OF THIS RESOLUTION – \$36,304/year INCREASED REVENUE EXPECTED/YEAR – \$36,304/ year after year 2029	<u>SOURCE OF FUNDS</u> N/A
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ALTERNATIVES
(1) Adopt the resolution as submitted, or (2) amend the resolution, or (3) reject the resolution.

RECOMMENDATION

FACT SHEET PREPARED BY:
Felicia L. Bell