



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: September 22, 2022

STATEMENT OF ISSUE: Consider adoption of a resolution approving a second amendment to a Preliminary Development Agreement with Cambium Development, LLC.

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

GREDA entered into a Preliminary Development Agreement with 4A Management, LLC on September 23, 2021. The Agreement established 4A Management as the sole developer of the GREDA Block 18 site (former location of the VFW) and granted 4A Management 180 days to pursue due diligence efforts focused on their planned development of a boutique hotel and restaurant on the site.

On March 10, 2022, GREDA approved an amendment, which assigned the rights under the Agreement to a newly formed entity, Cambium Development, LLC, and extended the term of the Agreement by 180 days.

Staff continues to receive frequent updates from Cambium. Most recently, they have narrowed down their selection of a hotel management company to two candidates. They have also completed a professional market study for the project, which supports the need for the project in our hospitality market.

With the term of the first amendment recently expiring, and with progress toward the project continuing, Cambium has requested an additional extension to the Agreement, established within the proposed Second Amendment to the Preliminary Development Agreement. The Second Amendment will extend the Agreement an additional 180 days from adoption.

RECOMMENDATION:

REQUIRED ACTION: Pass a motion adopting a resolution approving a second amendment to a Preliminary Development Agreement with Cambium Development, LLC.