



## REQUEST FOR COUNCIL ACTION

**AGENDA DATE:** August 12, 2024

**AGENDA ITEM:** Consider the adoption of a resolution approving a Purchase Agreement for the purchase of real property located in the City of Grand Rapids from Independent School District No. 318

**PREPARED BY:** Rob Mattei, Director of Community Development

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### **BACKGROUND:**

The present zoning of the former ISD 318 Administration Building at 820 NW 1<sup>st</sup> Avenue is PU (Public Use). This zoning is intended to accommodate essential public facilities that provide governmental, educational, recreational, cultural and health care services.

Since the relocation of the District's administration offices to the former Southwest School, the property has been for sale on the open market. However, the limited uses allowed in PU zoning, for this 31,000 sq. ft. building, have made the sale and reuse of the property a challenge. The property is surrounded by R-2 (One and Two Family Residential) zoning and, thus, legally, a change in zoning is limited to an expansion of that same type of zoning, as other designations would be considered spot zoning.

The proposed option to raze the building and redevelop the site into eight owner-occupied single family home sites, in partnership with Itasca County HRA, has their interest and support (letter attached). This approach and a potential offer by the City to purchase the property for a price of \$87,000 have been discussed with Superintendent, Matt Gross.

Most of the cost to purchase the property would be funded by the \$79,000 remaining balance of ARPA Covid-19 funds. Should the City Council move forward with this acquisition, GREDA would subsequently assume title from the City and act as the lead in managing this redevelopment.

I have had some encouraging preliminary discussions with both IRRR and the Blandin Foundation regarding financial support for this effort. An estimated Sources and Uses of Funds is attached for review.

GREDA has reviewed this redevelopment plan and is interested in leading this effort. Should the Council approve this purchase and close on it with the School District, the Council will, at subsequent meeting be asked to approve a Quit Claim deed transferring ownership to GREDA.

**REQUESTED COUNCIL ACTION:**

Make a motion to adopt a resolution approving a Purchase Agreement for the purchase of real property located in the City of Grand Rapids from Independent School District No. 318.