



## REQUEST FOR GRAND RAPIDS EDA ACTION

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**AGENDA DATE:** October 26, 2023

**STATEMENT OF ISSUE:** Consider adoption of a resolution approving a purchase agreement and a development assistance agreement with SE 7<sup>th</sup> Ave. Distribution, LLC.

**PREPARED BY:** Rob Mattei, Executive Director

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### **BACKGROUND:**

On August 10<sup>th</sup> GREDA approved purchase agreements to acquire three parcels from three private owners, which make up the bulk of the proposed site for the L&M Supply Distribution Center.

On September 28<sup>th</sup> GREDA held a public hearing to consider the sale of these properties to SE 7<sup>th</sup> Ave. Distribution LLC, a real estate holding company established by L&M for the Distribution Center. Also considered at that meeting was the amount of the proposed land write down (reduction in purchase price from fair market value), which constitutes a business subsidy, under the Business Subsidy Act.

This GREDA assistance to SE 7<sup>th</sup> Ave. Distribution, together with the Tax Increment Financing and Tax Abatements approved by the City Council, after their public hearing on the matter on September 25<sup>th</sup>, are addressed within the attached Development Assistance Agreement, between the City, GREDA and SE 7<sup>th</sup> Ave. Distribution.

Also attached is the Purchase Agreement between GREDA and SE 7<sup>th</sup> Ave. Distribution, which contains a purchase price, with a write down as discussed by GREDA on September 28.

The attached resolution approves both the Purchase Agreement and the Development Assistance Agreement.

**REQUIRED ACTION:** Make a motion to adopt the resolution approving a purchase agreement and a development assistance agreement with SE 7<sup>th</sup> Ave. Distribution, LLC.