



## REQUEST FOR COUNCIL ACTION

**AGENDA DATE:** September 13, 2021

**AGENDA ITEM:** Consider adoption of a resolution approving the Fifth Amendment to the Amended and Restated Contract for Private Development with Grand Plaza Limited Partnership

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

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### **BACKGROUND:**

The City and D.W. Jones, Inc. (DWJ) entered into an Amended and Restated Contract for Private Development in June of 2008 that established the terms for the City's creation of a TIF Housing District for the redevelopment of the former hospital site on 1<sup>st</sup> St. SE. Subsequent to that, DWJ assigned their rights and obligations under the Contract to Grand Plaza Housing Limited Partnership (GPH).

In addition to GPH committing to the development of affordable apartment and condo-style rental units, the minimum improvements required of GPH included the development of 9 owner-occupied affordable single family homes on the area of the Development Property lying east of 1<sup>st</sup> Avenue SE.

Due to some challenging topography on one of the lots established for the owner-occupied housing making it impracticable to construct a home, that being specifically, Lot 7, Block 1 of the plat of Grand Plaza, the proposed amendment to the Contract would release that lot from the terms and conditions of the Contract.

Initially, GPH collaborated with Black Bear Homes for the development of the affordable owner-occupied single-family homes. When progress stalled after the completion of three homes, GPH has worked with Itasca Habitat for Humanity for the completion of five more homes. With the proposed release of Lot 7 from the terms and conditions of the Contract, the completion of eight affordable owner-occupied single-family homes will have satisfied the minimum improvements under the Contract.

**REQUESTED COUNCIL ACTION:**

Make a motion to adopt a resolution approving the Fifth Amendment to the Amended and Restated Contract for Private Development with Grand Plaza Limited Partnership