



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Lauren Deutz
Meeting Date:	Tuesday, June 23, 2026
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Pre-Development Agreement Tapestry Companies
Background Information:	The city of Marshall has been working with an established developer on the potential development of a 42-unit affordable family apartment complex. The developer will be applying for the MN Housing Tax Credit funding to support project costs which would allow the units to be at or below 50% AMI. To help reduce development costs, the project will also be moving to Legion Field pending a rezone of the site. The City's most recent Housing Study, completed in 2021, indicated a need for 75 shallow-subsidy units, and 128 deep-subsidy units through 2030. A Pre-Development Agreement (PDA) would give the developer the option to acquire the property for \$210,000 and a cash incentive of \$210,000 will be made to the developer. The EDA also approved the use of \$100,000 of the Statewide Affordable Housing Aid. The developer would also receive \$200,000 of EDA funding to assist with additional infrastructure costs on the site. The PDA also supports the developer's application to MN Housing.
Fiscal Impact:	If developed, tax capacity generated
Alternative/ Variations:	Do not proceed with PDA
Recommendations:	Approved Pre-Development Agreement between the City of Marshall and Family Housing of Marshall, LP, with a termination date of January 31, 2027.