



CITY OF MARSHALL AGENDA ITEM REPORT

Presenter:	Lauren Deutz
Meeting Date:	Tuesday, June 24, 2025
Category:	NEW BUSINESS
Type:	ACTION
Subject:	Pre-Development Agreement Tapestry Companies
Background Information:	<p>The city of Marshall has been working with an established developer on the potential development of a 60-unit affordable family apartment complex.</p> <p>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.</p> <p>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.</p> <p>A Pre-Development Agreement (PDA) would give the developer the option to acquire the property for \$325,000 and a cash incentive of \$325,000 will be made to the developer. The EDA also approved the use of \$102,195 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.</p>
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 RLIC Land Holdings, LLC, with a termination date of January 31, 2026.