



## CITY OF MARSHALL AGENDA ITEM REPORT

<b>Presenter:</b>	Lauren Deutz
<b>Meeting Date:</b>	Tuesday, June 25, 2024
<b>Category:</b>	NEW BUSINESS
<b>Type:</b>	ACTION
<b>Subject:</b>	Pre-Development Agreement Tapestry Companies
<b>Background Information:</b>	<p>The city of Marshall has recently been working with an established developer on the potential development of a 60-unit affordable family apartment complex on London Road.</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.</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 \$10,000 of the Statewide Affordable Housing Aid. The developer is also required to complete the Paris Road extension and in turn, the City would provide \$500,000 in Pooled TIF funds to support the project. The PDA also supports the developer’s application to MN Housing.</p>
<b>Fiscal Impact:</b>	If developed, tax capacity generated
<b>Alternative/ Variations:</b>	Do not proceed with PDA
<b>Recommendations:</b>	Approved Pre-Development Agreement between the City of Marshall and RLIC Land Holdings, LLC, with a termination date of January 31, 2025.