

To: Common Council

From: Planning and Economic Development Committee | Bay Creek Neighborhood Association

Date: November 15th, 2019

Re: Council Agenda ITEM #81 November 19, 2019

BACKGROUND

- 1) The Truman-Olson RFP lists two primary requirements: a full-service supermarket and a connector street (location determined by the city).
- 2) The RFP criteria for selecting who will develop the Truman Olson site includes: the experience of the developer/supermarket team as well as the financial viability of proposal.

CONCERN

Recommended developer has minimal development experience, no experience working with groceries and no attached grocer at this stage.

REQUEST

Common Council authorizes City staff to receive additional information from the top 2 developers to be included as an addendum to staff's report prior to the Finance Committee meeting on November 24, 2019. Including, but not limited to:

- 1) Whether it is possible for Gorman (the City's "Plan B") to submit a WHEDA 9% LIHTC financing request by the December 6, 2019 deadline. Gorman has indicated a willingness to lower its TIF request in order to meet WHEDA's financing requirements. Significance of this is that *should Rule fail to secure grocer by January 16, 2020, Gorman can still be on track to avoid a grocery gap*. Staff has identified this as a possibility in their report on page 09: "While the request for 71% of the TIF generated by the project exceeds the City's adopted TIF policy, City Staff believes that it could be possible to find the approximately \$322,000 of either project savings or developer equity."
- 2) Clarity on Rule Enterprise's development history. Staff report states Rule has 3 successful affordable housing projects completed. Rule's website suggests only one completed 60-unit affordable housing project to date. WHEDA confirms that Rule's second approved project has not yet begun.
- 3) Progress report on Rule's search for a grocer.