


COUNCIL COMMUNICATION

	Number:	21-394	Meeting:	September 13, 2021
	Agenda Item:	28	Roll Call:	21-1420
	Submitted by:	Erin Olson-Douglas, Development Services Department Director		

AGENDA HEADING:

Resolution approving the Conceptual Development Plan and the Parcel Development Agreement for The Slate, a 132-unit senior, 55 plus, housing project at the southwest corner of SW 11th Street and Tuttle Street.

SYNOPSIS:

Sherman Associates (Jackie Nicklaus, Senior Developer, 233 Park Avenue South, Suite 201, Minneapolis, MN 55415) proposes to construct a \$30 million, 4-story, 129-unit independent living senior housing (55 plus) project on 2.2-acres at the southwest corner of SW 11th Street and Tuttle Street in Gray's Landing. The building is proposed to be C-shaped with frontage along SW 11th Street, Tuttle Street, and the proposed paseo constructed by Hubbell as a part of Gray's Station. Access will be provided off SW 11th Street.

The project is proposed to be built in two (2) phases. The first phase will have the 129 units mentioned above. The second phase proposes an additional 120 units in a separate building to the south. Phase 2 is proposed to somewhat mirror Phase 1 with another C-shaped building that will have frontage along the remainder of SW 11th Street and the paseo, as well as Murphy Street.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

- These actions by City Council provide for the necessary land transactions to allow the construction of this project in the Gray's Landing Development Area. Each of the projects will fall under a Minimum Assessment Agreement and be constructed under plans approved by the Urban Design Review Board.
- An \$8.5 million Section 108 U.S. Department of Housing and Urban Development (HUD) loan, along with Developer equity and other project financing elements, was a significant source for the necessary tasks to acquire, clear and remediate the land, construct streets and utilities and redevelop the former industrial brownfields area that is now called Gray's Landing (formerly known as Riverpoint West).
- Sherman Associates continues to pay the semi-annual payments on the Section 108 loan, as well as bringing forward new projects to create new tax increment. This new taxable valuation creates the tax increment (TIF) that is the funding source for making semi-annual payments on the Section 108 HUD Loan.

- The approved Master Development Agreement allows for \$2.8 million in TIF to be used in subsequent projects within Gray's Landing through June 30, 2036. After 10 years of tax abatement, The Slate will be receiving a percentage of TIF back as shown in the Parcel Development Agreement. Payments start in December 2032 and continue through June 2036. The payments will stop when either the \$2.8 million cap is reached or by June 30, 2036.
- This project joins Holiday Inn Express, the Edge at Gray's Landing, the Nexus, New Horizons Daycare, and Gray's Landing Office building to create over \$90 million in new construction in Gray's Landing.
- This senior living project will be geared toward "active seniors" who will enjoy the proximity to downtown and local trails.
- Parking is provided through one (1) level of underground parking (120 stalls), as well as surface spaces (39 stalls).
- The proposed Phase 1 building will include an attached 1-story clubhouse that will house an indoor pool, fitness center, community room, spa, and hobby room.
- Construction is proposed to commence yet this year, with completion expected in 2023.

PREVIOUS COUNCIL ACTION(S):

Date: January 28, 2019

Roll Call Number: [19-0167](#)

Action: [On](#) request from River Point West, LLC (owner) to rezone property in the 400 block of SW 11th Street from "C-3B" (Central Business Mixed-Use) to "PUD" (Planned Unit Development) to allow redevelopment of the property with up to 250 units for senior living within two four-story buildings and to amend the Gray's Station PUD Conceptual Plan, and to approve the Slate at Gray's Landing PUD Conceptual. Moved by Mandelbaum to adopt. Motion Carried 6-1. Nays: Cownie.

BOARD/COMMISSION ACTION(S):

Board: Urban Design Review Board

Date: March 5, 2019

Resolution Number: N/A

Action: Recommend approval of the final conceptual development plan with the incorporation of the Board's comments and continued work with staff on the design. Yes-6. No-0. Abstain-0. Absent-4.

Board: Plan and Zoning Commission

Date: December 20, 2018

Resolution Number: ZON2018-00200

Action: Approval of a motion consisting of Part A) the proposed rezoning is in conformance with the existing PlanDSM Creating Our Tomorrow future land use designation; Part B) approval of rezoning from "C-3B" Central Business Mixed-Use District to "PUD" Planned Unit Development; Part C) approval of amending the Gray's Station PUD Conceptual Plan by removing the portion of the subject property located in that Plan; and Part D) approval of the Slate at Gray's Landing PUD Conceptual Plan subject to 8 amendments. (Yes = 8, No = 0).

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The Office of Economic Development is continuing to work with Sherman Associates on other development parcels within Gray's Landing.

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