



Legislation Details (With Text)

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Title: RESOLUTION AUTHORIZING AGREEMENT WITH SPIRIT VALLEY LAND COMPANY TO CONSTRUCT KAYAK BAY DRIVE AND UTILITIES AND PROVIDE FOR ASSESSMENT OF UTILITY COST.

Sponsors:

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Attachments: 1. Exhibit A

Date	Ver.	Action By	Action	Result
3/26/2018	1	City Council	adopted	

RESOLUTION AUTHORIZING AGREEMENT WITH SPIRIT VALLEY LAND COMPANY TO CONSTRUCT KAYAK BAY DRIVE AND UTILITIES AND PROVIDE FOR ASSESSMENT OF UTILITY COST.

CITY PROPOSAL:

RESOLVED, that the proper city officials are hereby authorized to enter into an agreement, substantially in the form of that attached hereto as exhibit A, with Spirit Valley Land Company, LLC., a Minnesota limited liability company, pursuant to which the city conditionally commits to construct Kayak Bay Drive from Grand Avenue to Spirit Landing, to construct utilities in the road right-of-way and to pay certain pre-development costs and committing the company to pay the cost of the utilities, all sums payable by either party to be payable to and from working fund no. 411-035-5530-PI 2018-1403 (permanent improvement fund, capital projects, improvements other than buildings, project - Kayak Bay Road & utilities).

STATEMENT OF PURPOSE: The purpose of this resolution is to authorize a conditional agreement with Spirit Valley Land Company ("Company") for the construction of Kayak Bay Drive from Grand Avenue to recently-approved Spirit Landing and other related development. This resolution is being brought forward at this time to allow both the city and the owner to proceed with their respective plans for development of the Landing and the property adjacent to the road.

The city will be building the road as described as part of the St. Louis River development plan and is necessary to make the Landing fully accessible, including handicapped accessible, to the general public.

The Company owns a number of tracts of land on either side of the proposed road and wishes to coordinate its development of that property with the city's proposed development, including the installation of utilities in conjunction with the road.

Under the agreement the city will design the road and utilities under its recently-approved contract with Westwood Engineering. The Company will agree to pay for 20% of the cost of the utilities, including its share of the engineering costs, "up-front" and will agree to have the balance assessed against its property as well as giving the city a note and mortgage against the property for the remaining balance.

As part of the agreement, the city will be reimbursing the Company for some costs that the Company incurred and for some right-of-way necessary for the road in an amount to be approved by council when the final amount is determined. The right-of-way reimbursement will be in accordance with MnDOT appraisal standards.