



MAYOR AND COUNCIL COMMUNICATION

DATE: 11/4/15

CONSENT

ITEM #: 11

AGENDA ITEM: Reassignment of Inwood development contract

SUBMITTED BY: Clark Schroeder

THROUGH: Clark Schroeder

REVIEWED BY: Dave Snyder

SUGGESTED ORDER OF BUSINESS:

- Introduction of Item.....Staff
- Report/PresentationStaff
- Questions from Council to Staff..... Mayor Facilitates
- Public Input, if Appropriate..... Mayor Facilitates
- Call for Motion..... Mayor & City Council
- Discussion Mayor & City Council
- Action on Motion Mayor Facilitates

PUBLIC POLICY STATEMENT: NO POLICY BEING DECIDED

SUMMARY AND ACTION REQUESTED: Hans Hagen Homes, Inc., a Minnesota corporation (“Hagen”) is the developer under that certain Development Contract dated June 9, 2015 by and between the City of Lake Elmo, a Minnesota municipal corporation (the “City”) and Hagen (the “Public Sewer and Water Contract”), and that certain Development Contract by and between the City and Hagen (the “Site Grading Contract”, and collectively with the Public Sewer and Water Contract, the “Development Contracts”), both of which relate to the development of certain real property located in the County of Washington, State of Minnesota, and as more particularly described in the Development Contracts. Hagen is considering the transfer and sale of substantially all of its assets (the “Asset Sale”), including its rights under the Development Contracts, to M/I Homes of Minneapolis/St. Paul, LLC, a Delaware limited liability company (“M/I”), which is an affiliate of M/I Homes, Inc., a public homebuilding company.

BACKGROUND AND STAFF REPORT:

With the reassignment there needs to be a determination of cash escrow that would transfer in this sale from Hans Hagen to M/I homes. Due to the limited amount of time to prepare this document staff have not completed the exact amount which will be left to transfer. This amount will be filled in after consulting with Planning, Finance, and Engineering.

RECOMMENDATION:

Staff recommends the City Council ... take the following action / with the following motion:

“Move to reassign development contracts from Hans Hagen Homes to M/L Homes, LLC.”

ATTACHMENT(S): *Reassignment contract and Letter from Hans Hagen Home*