



STAFF REPORT

DATE: September 7, 2021
CONSENT

AGENDA ITEM: Approve Security Reduction for Lake Elmo Senior Living (Independent Living)

SUBMITTED BY: Jack Griffin, City Engineer

REVIEWED BY: Kristina Handt, City Administrator
Chad Isakson, Assistance City Engineer

ISSUE BEFORE COUNCIL: Should the City Council approve a security reduction for Lake Elmo Senior Living (Independent Living) as itemized below?

PROPOSAL DETAILS/ANALYSIS: Staff has received and processed a request to reduce the development security for Lake Elmo Senior Living (Independent Living). This request has been reviewed and the following reduction is being recommended for approval, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City:

	<u>Current Security Amount</u>	<u>Proposed Security Amount</u>
1. Lake Elmo Senior Living:	\$ 508,550	\$ 252,300

Work within the development has progressed in accordance with the development agreement and to the extent necessary to support a reduction in the security as detailed in this report.

FISCAL IMPACT: It is the City's goal to retain at all times during the subdivision improvements a security amount that is adequate to ensure completion of all elements of the improvements as protection to the City tax payers against the potential of developer default. With this reduction, the remaining security amount held by the City remains sufficient to complete the remaining improvements.

RECOMMENDATION: Staff is recommending that the City Council approve, *as part of the Consent Agenda*, the security reduction for Lake Elmo Senior Living (Independent Living) as detailed in this report and supporting documentation, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City. If removed from the consent agenda, the recommended motion for the action is as follows:

“Move to approve security reduction for Lake Elmo Senior Living (Independent Living) as detailed in the attached Security Reduction Worksheet, contingent on the developer being current with all other payments and obligations in accordance with the Development Agreement, including a positive escrow balance as required by the City.”

ATTACHMENTS:

1. Security Reduction Worksheet – Lake Elmo Senior Living (Independent Living).

LAKE ELMO SENIOR LIVING

Time of Performance: October 31, 2021

DEVELOPMENT AGREEMENT AMOUNTS

CATEGORY	CONSTRUCTION	125% REMARKS	REDUCTIONS					
			#1	#2	#3	#4	#5	#6
Grading	\$205,000	\$256,250 100%			\$256,250			
Sanitary Sewer	\$99,700	\$124,625 75%	\$62,313	\$31,156				
Watermain	\$115,000	\$143,750 75%	\$71,875	\$35,938				
Storm Sewer (w/pond structures)	\$134,600	\$168,250 50%	\$84,125					
Street and Trail Cut at Entrance	\$10,000	\$12,500 50%	\$6,250					
Bituminous Trails	NA	NA						
Surface Water Facilities	NA	NA						
Street Lighting	NA	NA						
Street Signs and Traffic Control Signs	NA	NA						
Private Utilities (electricity, natural gas, telep	NA	NA						
Landscaping	\$46,865	\$58,581						
Tree Preservation and Restoration	NA	NA						
Wetland Mitigation and Buffers	NA	NA						
Monuments	\$1,000	\$1,250						
Erosion Control	\$20,000	\$25,000						
Record Drawings	\$8,000	\$10,000						

TOTALS

\$640,165

\$800,206

RELEASED AMOUNTS:

\$224,563

\$67,094

\$256,250

CUMMULATIVE AMOUNTS:

\$224,563

\$291,656

\$547,906

SECURITY AMOUNT REMAINING:

\$575,644

\$508,550

\$252,300

DATE:

1/19/2021

2/2/2021

9/7/2021