

## Update on Military Homes in Tower Park

On September 21, 2010 staff met with city engineers to conduct a cursory inspection of the property. As a result of this inspection, at the November 1, 2010 city council meeting the Board of Council directed staff to solicit “Letters of Interest to Bid” to determine if there was sufficient interest by the development community before contracting with civil and environmental engineers to prepare the necessary documents for inclusion in a bid packet. This step is important to prevent spending funds unnecessarily for engineering work if it is determined that developers are not interested in acquiring the properties.

On December 7, 2010 information was mailed to potential developers. Included in these packets was a copy of a “Letter of Intent to Bid”. The developers were asked to complete this letter and return it to the city no later than January 21, 2011 if they thought they might bid on the acquisition of the properties.

At the February 7, 2011 council meeting, the Board of Council will discuss the “Letters of Intent to Bid” to determine if there is sufficient interest to proceed.

If council determines there is not sufficient interest to proceed, then the homes will remain in the possession of the VA.

If council determines there is sufficient interest to proceed, then staff would be directed to work towards preparing a Request for Proposals (RFP) seeking interested developers to acquire and develop the site in compliance with the environmental abatement requirements (both State and Federal) and in accordance with the deed restrictions, covenants, design guidelines, etc., prepared by the engineer and approved by the city.

Under this scenario the city would not commit to purchasing the property (signing the MOA) until we had a developer contracted to purchase the property from the city for more than the predetermined minimum bid. If the city is successful in finding a developer who will pay the minimum required bid, then the city would acquire the property and immediately transfer it to the developer. The developer would then have two years to complete the infrastructure improvements and rehab the exterior of the homes.