



MEMORANDUM

To: Mayor and City Council

From: Andy Quittner, City Attorney

Date: May 8, 2017

Subject: Resolution terminating Chapter 380 Agreement with Nolte Farms, LLC.

In 2015, Nolte Farms, LLC (Walter Armstrong, President) submitted a land use plan for a 121 acre mixed use subdivision (the "Project") south of the Meadows of Nolte Farms. The Project was to include a mix of apartments, houses, business, an assisted living center, and a large amount of public space. The projected community was designed as a walkable, planned unit development.

Because of the large amount of public space, the Project, as designed, would not be as economically feasible when compared to most standard subdivisions. As a result Nolte Farms, LLC sought assistance from the City in the form of a Chapter 380 Agreement. The Agreement would reimburse Nolte Farms for approximately 1/2 of the cost of public infrastructure through payments based on increased property tax (and new sales tax) beginning January 1, 2017.

Since the Agreement was signed, nothing has happened with the project. Further, no plans have been submitted to the city. The Agreement requires that Nolte Farms submit an annual report outlining funds spent, timeline of completions, etc. No report has been submitted.

In accordance with the Agreement, the City sent formal notice that Nolte Farms was in default and that, absent some activity or response on part of Nolte Farms, the City would terminate the agreement. More than 50 days has past, and Nolte Farms has not responded.

The Resolution under consideration terminates the Chapter 380 Agreement.