



## Engineering Department

**DATE:** May 14, 2024

**FROM:** Gabe Schell, City Engineer

**ITEM:** Development Agreement with Grendahl Design Company

**REQUEST:**

Consider approval of Development Agreement with Grendahl Design Company, LLC

**BACKGROUND INFORMATION:**

Grendahl Design Company, LLC is developing two parcels in north Bismarck located west of Ottawa Street and south of East LaSalle Drive. A 3,200 sf commercial retail building will be constructed on each parcel as part of this project. There is approximately 2,400 feet of Ottawa Street that is currently constructed as a ditch section of roadway, of which approximately 195 feet is adjacent to the two Grendahl Design Companies parcels. See attached Exhibit 1.

The City of Bismarck's development policy would require that Ottawa Street adjacent to the Grendahl Design Company sites be constructed to the current City standard as part of this development. However, without adequate petitions for the remainder of Ottawa Street, the reconstruction would not take place at this time.

This development agreement, along with a companion petition for street improvements, allows the developer to forego the improvement of Ottawa Street at this time until such time that the City has received sufficient petitions from the benefiting properties to create the improvement district.

**RECOMMENDED CITY COMMISSION ACTION:**

Approve the Development Agreement with Grendahl Design Company, LLC.

**STAFF CONTACT INFORMATION:**

Gabe Schell, City Engineer, 701-355-1507, [gschell@bismarcknd.gov](mailto:gschell@bismarcknd.gov)

**ATTACHMENTS:**

1. development agreement and petition
2. Exhibit 1 Grendahl

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Above this line used for recordation purposes only.

### DEVELOPMENT AGREEMENT

The City of Bismarck (the "City") and Grendahl Design Co LLC (the "Owner") make this Development Agreement with regard to the development of parcels (the Property) located in Bismarck, North Dakota and described as follows:

Lot 6 & west 35' of vacated Ottawa St adjacent to Lot 6 and Lot 7 & west 35' of vacated Ottawa St adjacent to Lot 7, Block 26, Sonnet Heights Subdivision to the City of Bismarck, Burleigh County, North Dakota

The Owner desires to develop this Property for commercial use. The Property is located on the west side of Ottawa Street and south of E. Lasalle Drive. The city would normally require the improvement of Ottawa Street adjacent to the site at the time of the development of the Property. The parties are in agreement that the improvement of Ottawa Street adjacent to the Property is not necessary for the further development of the site at this time and can be delayed until such time as the City creates a street improvement district in accordance with N.D.C.C. Ch 40-22. In exchange for the City's agreement to delay the requirement of the improvement of Ottawa Street between 43<sup>rd</sup> Avenue and Canada Avenue, the parties agree as follows:

1. The City will approve the site plan and issue building permits in its normal course of business. Prior to such approvals or permits being issued, the Owner will execute and deliver a petition for the improvement of Ottawa Street for that portion adjacent to the Property. By entering into this Agreement, the Owner also agrees to waive their right to protest a special assessment district formed to Ottawa Street that includes the roadway between 43<sup>rd</sup> Avenue and Canada Avenue. This agreement will be placed of record in the title for the Property, and all successors in interest agree to waive their right to protest the special assessment district under N.D.C.C. Ch 40-22 by accepting delivery of title. The City also agrees that in order to activate the petition, any project for the improvement of Ottawa Street between 43<sup>rd</sup> Avenue and Canada Avenue must include the entire width of the roadway.

2. It is the intention of the parties that this Agreement will run with the land as to the parcels within the plat and that the Owner will have the obligation to inform any successor in interest of the terms of this Agreement and the successor's obligation to abide by this Agreement and include compliance with this Agreement as a condition in any written instrument of conveyance of real property for the site.
3. The terms of this agreement shall be considered a covenant running with the land and bind all future owners in the same manner as if they had personally entered this agreement.

This Agreement shall bind the parties, their successors, assigns and heirs.

Dated this 7<sup>th</sup> day of May, 2024



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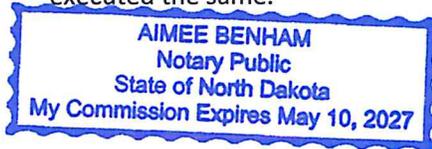
Roger Grendahl  
Owner  
Grendahl Design Co

STATE OF NORTH DAKOTA     )

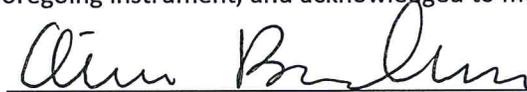
) ss.

COUNTY OF BURLEIGH     )

On this 7<sup>th</sup> day of May, 2024, before me personally appeared Roger Grendahl, known to me to be the person who is described in and who executed the within and foregoing instrument, and acknowledged to me that s/he executed the same.



(SEAL)



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Notary Public  
State of North Dakota

**PETITION FOR PERMANENT STREET IMPROVEMENT**

**DATE:** \_\_\_\_\_

To the Honorable Board of City Commissioners  
Bismarck, North Dakota  
Commissioners:

The undersigned owners of the property liable to be assessed for the improvement respectfully petition your Honorable Board to have permanent street improvements completed on:

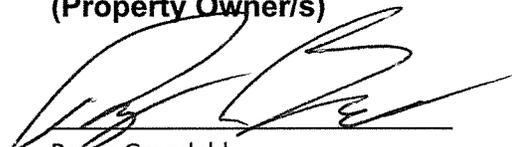
Ottawa Street between 43<sup>rd</sup> Avenue and Canada Avenue

It is agreed that the necessary permanent street improvements be completed following the installation of the necessary water and sewer service line stubouts by the abutting property owner(s) and that 100% of the paving cost of said permanent street improvements be assessed to or other funding arrangements made by the benefitted property according to the Current Development Costs Policy. For parcels not zoned residential, 40% of the permanent street improvement cost may be prepaid by the benefitted petitioned property. It is agreed that 100% of any temporary street improvements shall be prepaid by the benefitted petitioned property.

**PROPERTY DESCRIPTION**

Lot 6 & West 35' of vacated Ottawa St adjacent to and Lot 6 and Lot 7 & West 35' of vacated Ottawa St adjacent to Lot 7, Block 26, Sonnet Heights Subdivision to the City of Bismarck, Burleigh County, North Dakota

**SIGNATURE  
(Property Owner/s)**



Roger Grendahl  
Owner  
Grendahl Design Company

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For City Engineer Use Only

\_\_\_\_\_  
Approved by Gabe J. Schell, PE  
City Engineer, Bismarck, ND

\_\_\_\_\_  
Date

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 2024

\_\_\_\_\_  
Michael T. Schmitz  
President, Board of City Commissioners

Attest: \_\_\_\_\_

Jason Tomanek  
City Administrator

STATE OF NORTH DAKOTA     )

) ss.

COUNTY OF BURLEIGH     )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2024, before me personally appeared Michael T. Schmitz and Jason Tomanek, known to me to be the person who is described in and who executed the within and foregoing instrument, and acknowledged to me that s/he executed the same.

\_\_\_\_\_  
Notary Public  
State of North Dakota

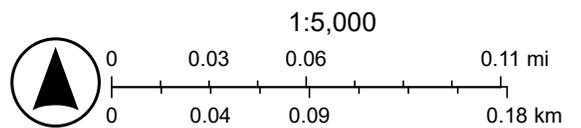
(SEAL)

# Grendahl Design Company



5/7/2024

## Exhibit 1



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