

CITY OF GRAND RAPIDS, MINNESOTA

RESOLUTION NO. _____

**RESOLUTION FINDING PARCELS LOCATED AT 900 NW 4TH
STREET IN THE CITY OF GRAND RAPIDS ARE OCCUPIED
BY STRUCTURALLY SUBSTANDARD BUILDING**

WHEREAS, it has been proposed that the City of Grand Rapids, Minnesota (the “City”) or the Grand Rapids Economic Development Authority (the “Authority”) create one or more tax increment financing districts within the City to be designated as redevelopment districts or renewal and renovation districts as defined in Minnesota Statutes, Section 469.174, subd. 10 and subd. 10a (the “TIF District”); and

WHEREAS, in order to create this type of TIF District, the City and the Authority must make a determination that before the demolition or removal of any substandard building, certain conditions existed; and

WHEREAS, under Minnesota Statutes, Section 469.174, subd. 10(d), the City and the Authority are authorized to deem parcels as occupied by structurally substandard buildings despite prior demolition or removal of the buildings, subject to certain terms and conditions as described in this resolution; and

WHEREAS, in order to deem a parcel as being occupied by a structurally substandard building, the City or the Authority must first pass a resolution before the demolition or removal that the parcel was occupied by one or more structurally substandard buildings and that after demolition and clearance the City or the Authority intended to include the parcel within the proposed tax increment financing district; and

WHEREAS, there exists in the City on the parcels located at 900 NW 4th Street (MN Hwy 2) described in EXHIBIT A attached hereto (the “Parcels”) one structurally substandard building to be demolished or removed (the “Substandard Building Condition”); and

WHEREAS, a parcel is deemed to be occupied by a structurally substandard building if the Substandard Building Condition is met within 3 years of the filing of the request for certification of the parcel as part of the tax increment financing district with the county auditor, and if certain other conditions are met; and

WHEREAS, the Authority intends to cause demolition of the building located on the Parcels, and the City or the Authority may in the future include the Parcels in a redevelopment or renewal and renovation tax increment financing district; and

NOW, THEREFORE, BE IT RESOLVED By the City Council of the City of Grand Rapids, Minnesota as follows:

1. The City Council has received the TIF Analysis Findings for 900 NW 4th Street, dated July 16, 2026 (the “Inspection Report”), from LHB, Inc., finding that, based on an inspection of the building located on the Parcels, such building was determined to be substandard under the definition set forth in the Minnesota Statutes, Sections 469.174 through 469.1794, as amended (the “TIF Act”). Based on the Inspection Report and other information available to the City Council, the City Council finds that the building on the Parcels is structurally substandard to a degree requiring substantial renovation or

clearance and at least 15% of the area of each the Parcels identified on EXHIBIT A attached hereto is occupied within the meaning of Section 469.174, subd. 10 of the TIF Act.

2. After the date of approval of this resolution, the building on the Parcels may be demolished or removed by the City or the Authority, or such demolition or removal may be financed by the City and the Authority, or may be undertaken by a developer under a development agreement with the City or the Authority.

3. The City and the Authority intend to include the Parcels in a TIF District, and to file the request for certification of such district with the Itasca County Auditor/Treasurer (the “County Auditor”) within 3 years after the date of demolition of the building on the Parcels.

4. Upon filing the request for certification of a new TIF District, the City or the Authority will notify the County Auditor that the original tax capacity of the Parcels must be adjusted to reflect the greater of (a) the current net tax capacity of the parcels; or (b) the estimated market value of the Parcels for the year in which the building was demolished or removed, but applying class rates for the current year, all in accordance with Section 469.174, subd. 10(d) of the TIF Act.

5. City and Authority staff and consultants are authorized to take any actions necessary to carry out the intent of this resolution.

6. The City authorizes expenditure of available tax increments and other available funds to pay the costs of such demolition or removal, in such amounts as determined necessary for such purpose by the City’s Finance Director.

Approved by the City Council of the City of Grand Rapids, Minnesota this 27th day of July, 2026.

Mayor

ATTEST:

City Clerk

EXHIBIT A

PARCELS

Parcel A: PID 91.420.2610

Parcel B: PID 91.420.2511

Parcel C: PID 91.420.2510