



REQUEST FOR GRAND RAPIDS EDA ACTION

AGENDA DATE: June 13, 2024

STATEMENT OF ISSUE: Conduct a public hearing to consider approval of a Purchase and Development Agreement with and conveyance of property to Housing and Redevelopment Authority of Itasca County

PREPARED BY: Rob Mattei, Executive Director

BACKGROUND:

On July 27, 2023, GREDA considered support of a second proposal submitted to the Minnesota Housing Finance Administration (MHFA) by the Housing and Redevelopment Authority of Itasca County (HRA) to purchase to be eight additional platted single family home sites from GREDA for a project to develop and sell another eight affordable single-family homes, as a community land trust (CLT) on the site of the former Forest Lake Elementary School.

The funding request submitted by the HRA for the project was approved by MHFA in December of 2023. GREDA has completed the subdivision of this property as Forest Lake Addition, comprised of 22 single-family parcels. The initial sale of eight lots to the HRA have resulted in all eight with new single-family homes under varying stages of construction.

The HRA would like to commence construction on these additional eight single family homes this fall. These single-family homes will be available for purchase by working families earning 80% of the area median income or less and the future affordability of the homes would be ensured by the development being structured as a CLT.

The purchase price of the eight lots described in the Purchase and Development Agreement is \$6,300.00 per lot, as agreed previously in the GREDA resolution of support, for a total of \$50,400.00, with a closing no later than July 31, 2024.

The economic benefit of this project is to provide much-needed housing to accommodate our current and expanding workforce and to create additional tax base in the City.

RECOMMENDATION:

Conduct a Public Hearing to consider entering into a purchase and development agreement between GREDA and Housing and Redevelopment Authority of Itasca County.

Public Hearing protocol:

- State the purpose of the public hearing.
- Verify that legal notice of the public hearing has been made.
- Staff will present the background.
- Request public input on the proposed agreement either in favor, or in opposition, and ask that any person from the public wishing to make a statement state their name and address for the record.
- After public input is received, entertain a motion to close the public hearing portion.
- Close the public hearing, give final consideration to the agreement, and entertain any motion to amend the terms, or motions to approve or disapprove of the agreement in its original or amended form.

REQUIRED ACTION: If GREDA finds it advisable to enter into the attached agreement, they should pass a motion adopting the attached resolution approving the purchase and development contract with and conveyance of property to Housing and Redevelopment Authority of Itasca County.