



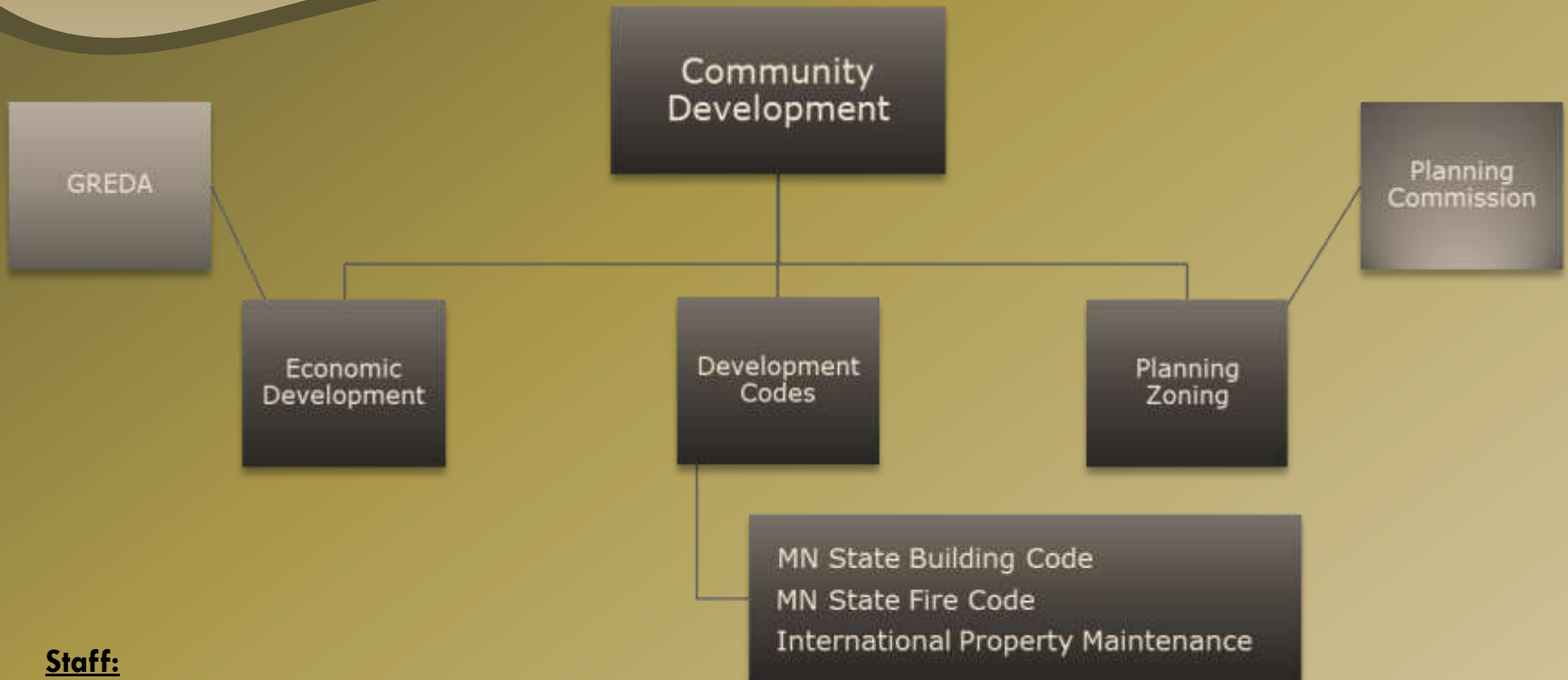
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Community Development Department Report

March 25, 2024



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Staff:

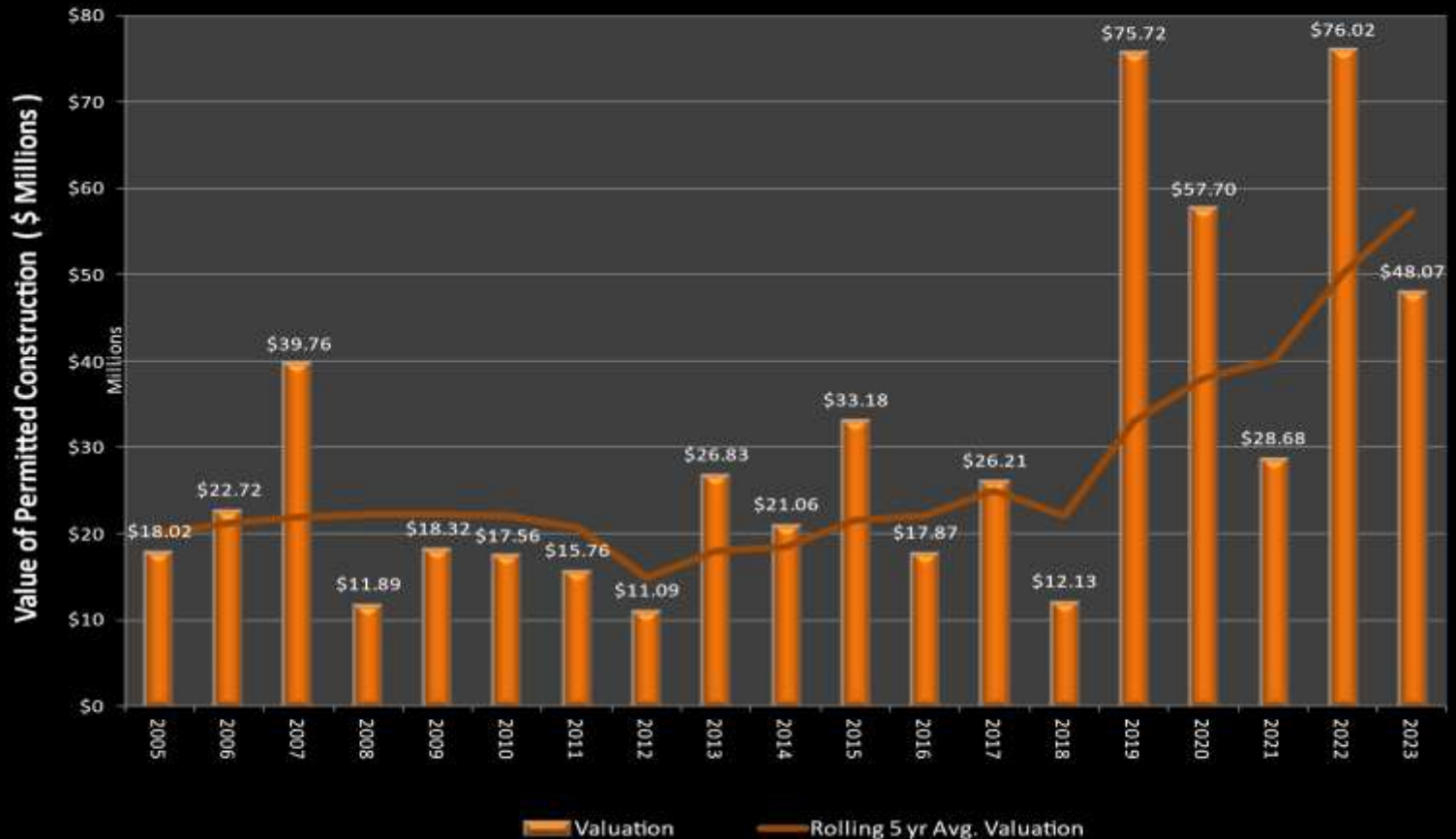
Director of Community Development – Rob Mattei
Administrative Assist./Permit Tech. – Aurimy Groom
Building Official – Jon Peterson
Building Inspector – Paul Martinetto
Assistant Community Development Director – Dan Swenson



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Building Permit Valuation Year End Statistics

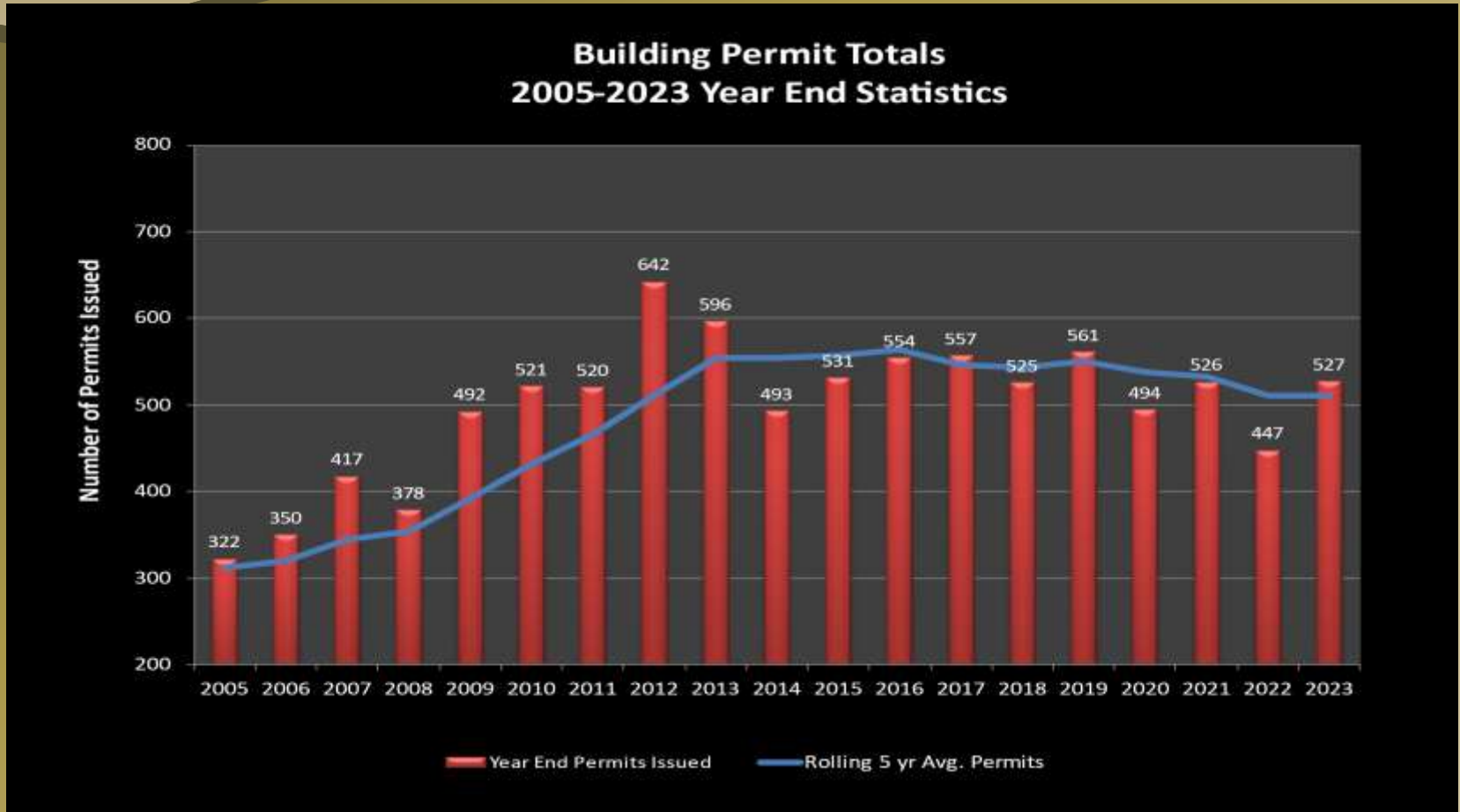
Building Permit Valuation History 2005-2023 Statistics





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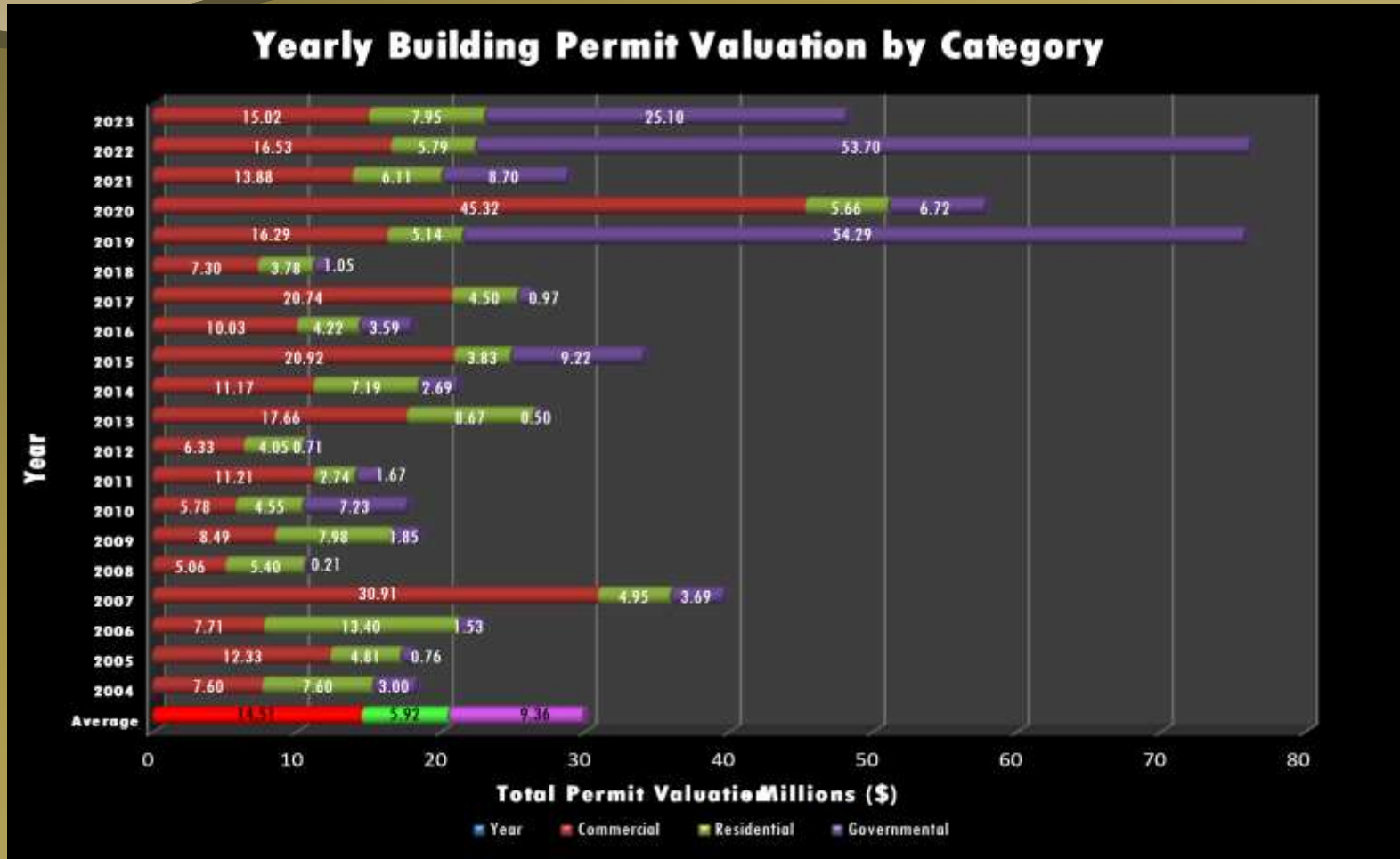
Issued Building Permits Year End Statistics





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Building Permit Valuation by Category Year End Statistics

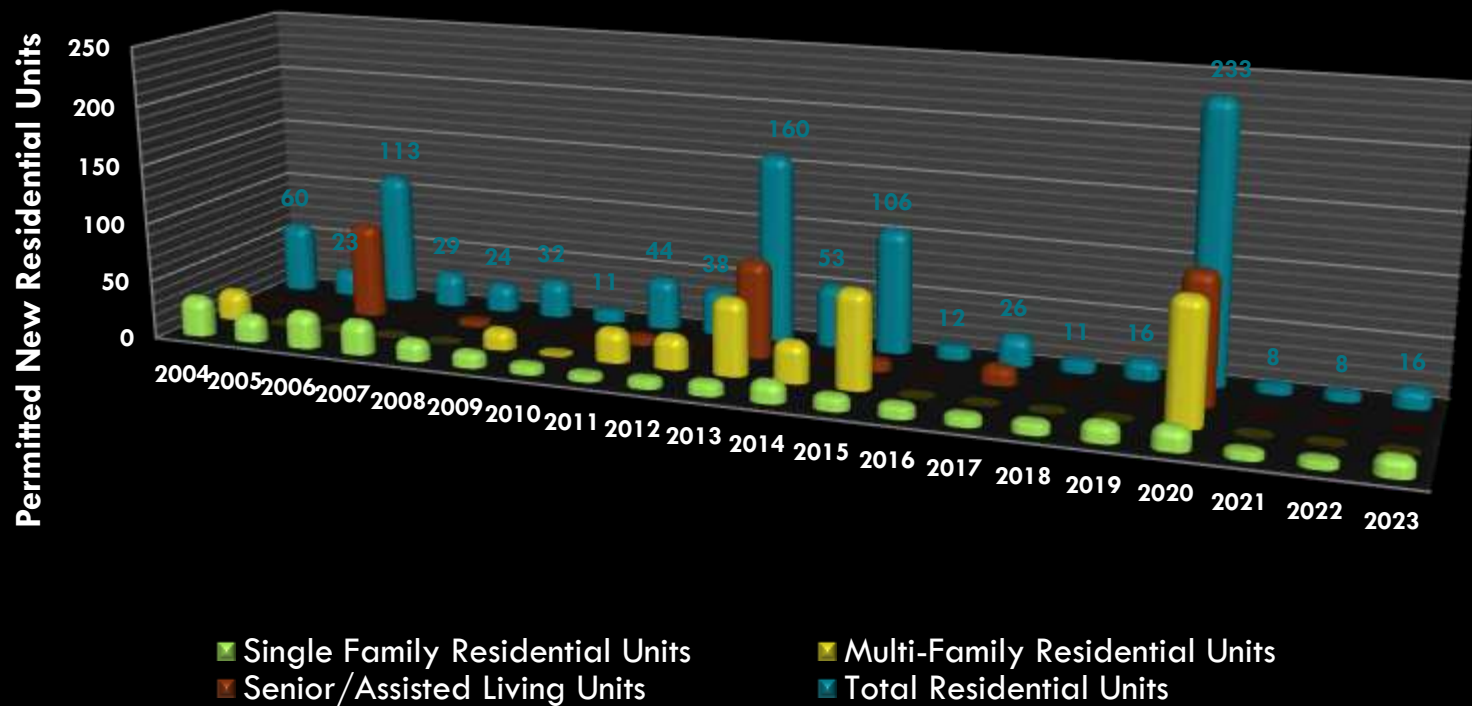




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New Housing Statistics

Grand Rapids New Residential Development History





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2023 Permitted Construction Highlights

- ❖ **16 New Single Family (3 manufactured, & 13 site built SFD's) - \$3,338,000.00**
 - (Ten-year Single-Family Dwelling average/year = 12.82)

- ❖ **Major New Commercial**
 - Yanmar – (840 Lily Lane) - \$2,500,000.00

- ❖ **Commercial/Institutional/Governmental Additions, Remodels & Repairs**
 - City of Grand Rapids Yanmar Area (1401 NW 3rd Avenue) - \$12,000,000.00
 - ISD 318 (800 Conifer Drive) – \$9,500,000
 - Yanmar (840 Lily Lane) - \$1,300,000.00
 - Blandin Foundation (100 N Pokegama Avenue) \$1,300,000.00
 - Automotive Electric (407 NW 6th Avenue)- \$1,200,000.00



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Building Safety Activity

❖ Building Report for 2023

- **Addressed 8 Hazardous Building/Property Maintenance Code violations**
- **Performed 1,380 on-site construction inspections**
- **Competed 124 commercial and 226 residential plan reviews**
- **Received the Delegation from the State of Minnesota to perform building code inspections on State licensed facility projects.**

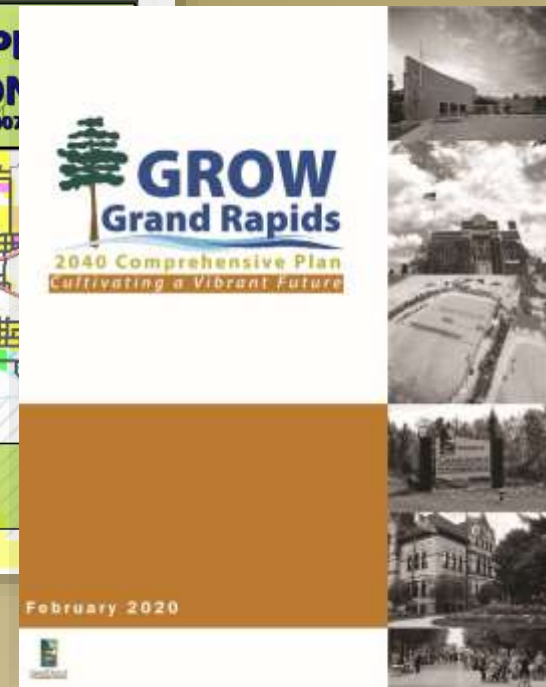
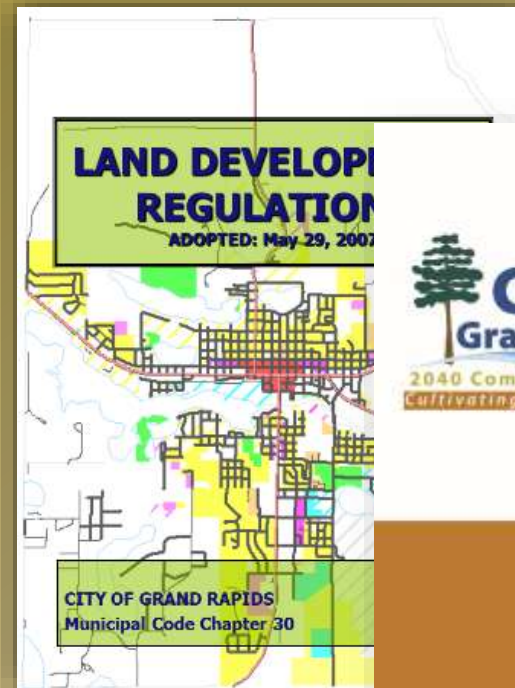


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Planning Commission Activity

❖ 2023 Zoning Requests Addressed by the Planning Commission

- **February (Initiated Text Amendment)**
- **March (Text Amendment Reviewed)**
- **April (Preliminary Plat and Rezone)**
- **May (Final Plat)**
- **July (Two Variances, Rezone)**
- **September (Two Variances)**
- **October (Variance, Rezone)**





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Economic Development Activity



Yanmar Expansion Project

- On June 2, 2023, Yanmar Compact Equipment North America broke ground for their 32,000 s.f. expansion to provide new/upgraded painting capacity
- GREDA/City assistance to this project involved:
 - \$350,000 grant received from MN IRRR for site development.
 - \$450,000 grant from MN DEED, which GREDA used to provide an equipment loan with forgivable terms.
 - GREDA and City coordinated the review and consideration of a Tax Abatement and worked with Itasca County in their consideration of a Tax Abatement to support the project.
- The expansion project is substantially complete, and a certificate of occupancy has been issued.
- In 2023 the project added 49 of the 300+ direct jobs it is estimated to add, in total, over the next four years





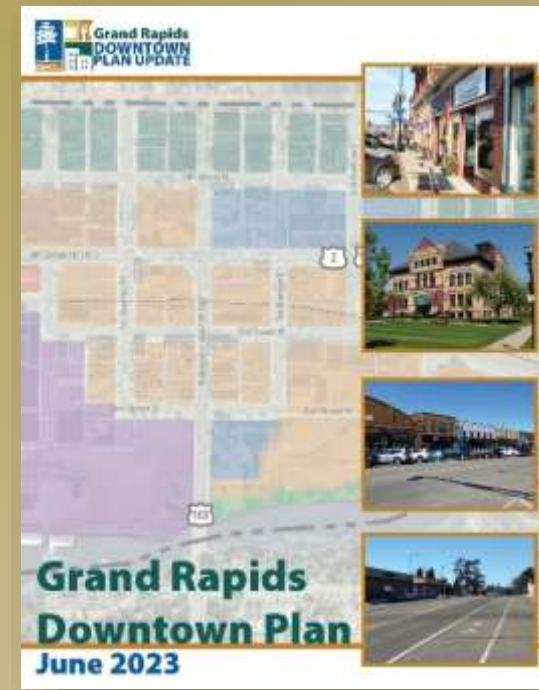
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Economic Development Activity



Downtown Plan Projects and Initiatives

- GREDA has begun implementing goals identified by the Downtown Plan, which was completed in June of 2023
- GREDA issued a \$75K loan under the Downtown Entertainment Loan program for Riverfest, which was paid back in full.
- GREDA established a loan program with forgivable terms for upgrades mandated by the State Building Code to older downtown buildings.
- GREDA received grants from the Blandin Foundation and MN IRRR to fund the Downtown Organization Project. GREDA has hired Economic Development Services, Janna King, to lead an advisory group of 20 Downtown stakeholders through the process of structuring a sustainable downtown organization.
- GREDA staff worked with a developer/retailer that is considering the renovation of the former Pluemers Furniture store.
- GREDA staff worked with a developer/restaurantier considering a downtown location.
- GREDA staff worked with the Free-Range Food Co-op in their search for a location for their planned grocery store.





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Economic Development Activity



L&M Fleet Supply Distribution Center

- L&M Fleet Supply accepted a proposal from the City and GREDA to provide TIF and Tax Abatement business assistance as well as a land write down on GREDA's sale of a 46-acre site for the development of a new 210,000 square foot, state of the art distribution center for L&M Fleet Supply.
- The L&M Distribution Center Project will retain the 81 FTE positions currently employed in the existing distribution facility in LaPrairie. In addition, the project will create 31 full-time positions within the first two years of operation. Average hourly wage, including benefits \$36.61.
- GREDA closed on the acquisition of private property and simultaneous sale to SE 7th Avenue Distribution (L&M Supply subsidiary) in mid-December.
- Construction is set to begin in May of 2024.



	MN IRRR	MN DEED/GREDA	Equity	Bank	City	Itasca County	Total
Property Acquisition		717,160	78,460	235,390			1,031,010
Site Work Construction			1,189,600	3,568,800			4,758,400
Building Construction			2,632,700	24,856,400	4,251,800	1,401,100	33,142,000
Purchase of M&E	2,500,000	2,000,000		10,452,000			14,952,000
FFE and Software			537,500	1,612,500			2,150,000
Total Project Cost	\$2,500,000	\$2,717,160	\$4,438,260	\$40,725,090	\$4,251,800	\$1,401,100	\$56,033,410



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Economic Development Activity



Single Family Housing – Forest Lake Addition

- GREDA developed and recorded a new subdivision entitled Forest Lake Addition, creating 22 single family home lots.
- GREDA discounted and sold 8 lots to Itasca County HRA for their development of owner-occupied single-family affordable homes, structured as a Community Land Trust.
- In 2024, GREDA will consider the sale of 8 more lots to Itasca County HRA. The HRA has already secured additional funds from the MHFA for these additional homes.
- GREDA discounted and sold 2 lots to Itasca County Habitat for Humanity, also for owner-occupied single-family affordable homes.





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Economic Development Activity



Multi-Family Housing and Manufactured Housing Community Prospects

- GREDA has a preliminary development agreement in place with Oppidan Inc., the developer of the Pillars project. Oppidan is performing due diligence on a proposed 132-unit apartment on a GREDA parcel located north of the West Elementary School in the plat of Great River Acres.
 - On GREDA's behalf, the City received a \$200,000 grant from MN IRRR for pre-development work such as soil borings, phase 1 environmental report and preliminary site design.
 - The City has submitted a \$750,000 grant request to the new MN IRRR Housing grant program.
 - GREDA staff is currently working with Oppidan to prepare an MHFA Workforce Housing grant application for an April 30, 2024, submittal.
- Staff is in early conversations with a developer preparing a concept for market rate apartments on the GREDA Block 20/21 site, located north of the library.
- Staff continues to work with local investors performing due diligence on a concept for a 60-unit housing community on the former WWTP site.





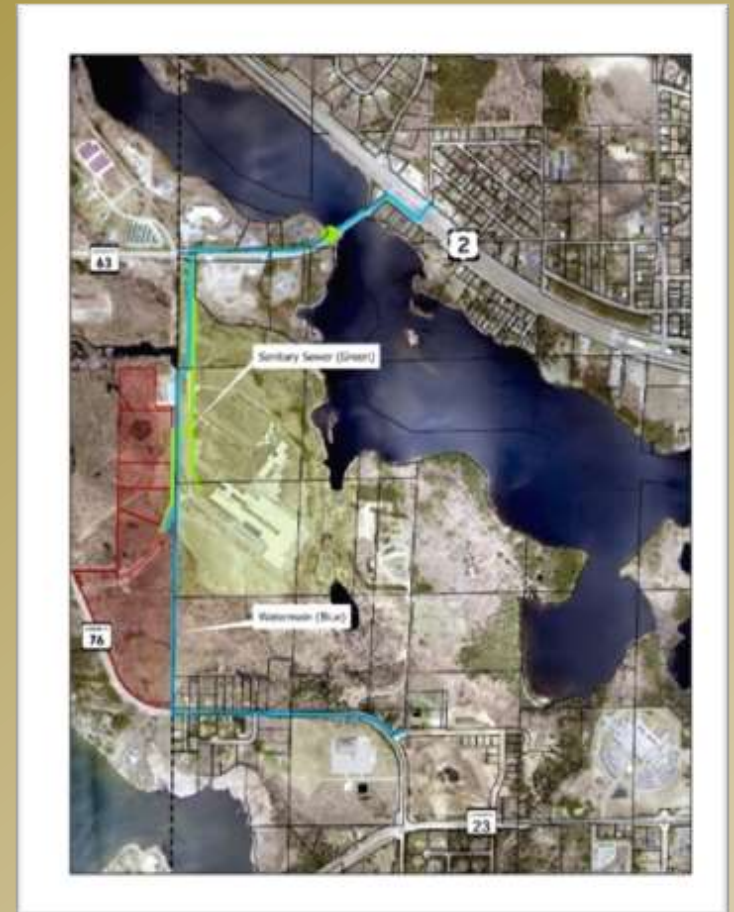
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Economic Development Activity



Grand Rapids/Cohasset Industrial Park Infrastructure Project

- This infrastructure project, to serve the former Ainsworth Industrial Site with sanitary sewer and water, which was funded with contributions from the Federal Economic Development Administration, MN DEED, MN IRRR, GRPUC, GREDA, City of Grand Rapids, City of Cohasset and IEDC, is now complete.
- The project final construction cost came in at \$4,566,590, which was \$131,000 under the original bid contract.
- All sources of funding have been claimed and received in full, except for the final 10% disbursement of funds from the Federal EDA, which is in process.
- This infrastructure has already proven to be an important asset, as it was a required feature of the site for the proposed HWY 35 Cannabis Grow & Manufacturing project.





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Economic Development Activity



Redevelopment of the Ainsworth Industrial Site

HWY 35 Cannabis Grow and Manufacturing Facility

- In July 2023, GREDA and the City responded to an opportunity to support a proposed redevelopment of the former Ainsworth industrial site at 502 Co. Rd. 63. The proposed project involved the purchase of the site by the newly formed Minnesota Company, HWY 35, LLC
- HWY 35 sought support and assistance from MN IRRR, MN DEED, the City and GREDA for the renovation of the vacant industrial building and site for cannabis grow and manufacturing facility.
- The proposed project involves the buildout of 240,000 s.f. of the building in two equally sized phases and will be a \$67MM investment between capital improvements and equipment.
- Each of the two phases of the project is anticipated to add 200 jobs in Grand Rapids, ranging in wages from \$18-\$30/hour, exclusive of benefits.
- Two business loans, with forgivable terms based on reaching employment targets, totaling \$20MM, were approved by MN IRRR and MN DEED in October of 2023.
- HWY 35 closed on their purchase of the property in February of 2024, and has plans to begin their buildout in April of 2024.





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Questions?