



July 12, 2022

Minnesota Housing Finance Agency
400 Sibley St.
Suite 300
St. Paul, MN 55101-1998

RE: Itasca County HRA Community Land Trust Project

Dear Sir or Madam,

The Grand Rapids City Council, at its meeting held on July 11, 2022, reviewed and endorsed the housing development proposal of the Itasca County HRA. The HRA proposes the construction of eight units of affordable owner-occupied single-family homes as a community land trust project within the city of Grand Rapids. The proposed site for this project is the cleared site of the former Forest Lake Elementary School, owned by the Grand Rapids Economic Development Authority (GREDA). GREDA is developing a subdivision of this site that will create 24 single-family housing sites, in total.

This endorsement is based upon the findings that the project will meet locally identified housing needs and that the proposed housing is in short supply in the local housing market. This need is evidenced by the November 2019 City of Grand Rapids Housing Study, prepared by Community Partners Research.

The City proposes to consider local financial assistance for this project as part of its endorsement, through establishment of a tax increment financing housing district.

Additionally, the City pledges to fund the construction of sanitary sewer and water service, from existing mains, to each lot in the subdivision. The projected cost of this project is \$789,000 or \$33,000 per lot. To fund this project, the City will be utilizing a \$407,000 portion of its American Recovery Plan allotment and other sources, such as; the Minnesota Department of Iron Range Resources Community Infrastructure grant program, City Public Improvement funds and TIF.

The Grand Rapids City Council endorsement is evidenced by their approval of Resolution 22-_____, a copy of which is included with this letter.

Additionally, the Grand Rapids City Council makes the following findings, as additional support for the Itasca County HRA Community Land Trust project:

- The City of Grand Rapids will fast track the zoning and building permit review and approval.

- The City of Grand Rapids has not implemented and will not be charging SAC/WAC to the development.

With the expansion of a local manufacturer, ASV/Yanmar, expected to add an additional 360 employees in our community over the next five years, our need for additional, affordable housing has never been so acute. Thank you for your consideration of this important project.

Sincerely,

Dale Christy
Mayor