

**GRAND RAPIDS ECONOMIC DEVELOPMENT AUTHORITY
CITY OF GRAND RAPIDS
ITASCA COUNTY
STATE OF MINNESOTA**

RESOLUTION NO. _____

**SUPPORTING THE MODIFICATION OF A TAX INCREMENT
FINANCING DISTRICT WITHIN MUNICIPAL DEVELOPMENT
DISTRICT NO. 1**

WHEREAS, on November 28, 2022, after a duly noticed public hearing, the City Council of the City of Grand Rapids, Minnesota (the “City”) adopted a modification to the Development Program (the “Development Program Modification”) for the City’s Municipal Development District No. 1 (the “Development District”) and a Tax Increment Financing Plan (the “TIF Plan”) for Tax Increment Financing District No. 1-14: Arbor Wood (the “TIF District”), a redevelopment district located within the Development District, all in accordance with Minnesota Statutes, Sections 469.124 through 469.133 and Sections 469.174 through 469.1794, all as amended (the “Act”); and

WHEREAS, on April 22, 2024, the City Council will consider a modification to the TIF Plan for the TIF District, including but not limited to, updates to the project description, the name of the TIF District and the budget of the TIF District (the “TIF Modification”)

WHEREAS, in accordance with the TIF Modification, HWY35, LLC, a Minnesota limited liability company, or an affiliate thereof or an entity related thereto (collectively, the “Redeveloper”), has requested tax increment financing assistance in connection with the proposed redevelopment of an existing site for use as a cannabis extraction (manufacturing) lab and space for other cannabis related businesses (the “Project”) on certain property located within the City (the “Property”); and

WHEREAS, the proposed TIF Modification have been presented to the Board of Commissioners (the “Board”) of the Grand Rapids Economic Development Authority (the “Authority”), and the Board has reviewed the TIF Modification and the Redeveloper’s proposal for the Project and information regarding the proposed tax increment financing assistance; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Grand Rapids Economic Development Authority as follows:

1. The Authority supports the TIF Modification and the use of a portion of the tax increment generated from the TIF District to assist the Redeveloper with financing a portion of the extraordinary redevelopment costs of the Project.
2. The Authority supports the creation of the TIF District and the adoption of the TIF Modification; provided, however, that final authorization of tax increment financing assistance for the Project contemplated in the TIF Plan is solely within the discretion of the City Council following all proceedings required pursuant to the Act.

Approved this April 11, 2024 by the Board of Commissioners of the Grand Rapids Economic Development Authority.

President

ATTEST:

Secretary