



REQUEST FOR COUNCIL ACTION

AGENDA DATE: January 23, 2023

AGENDA ITEM: Consider the adoption of a resolution calling for a public hearing on property tax abatement for certain property in the City of Grand Rapids and granting certain business subsidies to ASV Holdings, Inc., or its affiliates.

PREPARED BY: Rob Mattei, Director of Community Development

BACKGROUND:

In support of the expansion proposed by ASV Holdings, the City of Grand Rapids and GREDA have secured or helped to secure grant and loan funding from the MN Department of IRRR and the MN Department of Employment and Economic Development.

In addition to that support, the City of Grand Rapids proposed to consider supporting the proposed expansion through a tax abatement, consistent with the City's *Economic Development Policies*. The City has received an application for that assistance from ASV in the amount of \$234,000. The application and supporting documentation have been reviewed by staff as well as by the City's fiscal consultant, Ehlers, and the City's economic development attorney at the firm of Kennedy and Graven Chartered. A summary memo from Ehlers is attached for your review with this proposed action to call for a public hearing.

As you can see from the attached schedule, the County will also be considering an abatement at an upcoming public hearing one day after the proposed City public hearing.

REQUESTED COUNCIL ACTION:

Make a motion to adopt a resolution calling for a public hearing on property tax abatement for certain property in the City of Grand Rapids and granting certain business subsidies to ASV Holdings, Inc., or its affiliates.