

CITY OF NORTHFIELD
HOUSING AND REDEVELOPMENT AUTHORITY
RESOLUTION NO. 2019-05

Dated: March 21, 2019

RESOLUTION FOR SITE CONTROL OF PARCEL 22.07.3.03.003 AND SUPPORT OF TAX
INCREMENT FINANCING

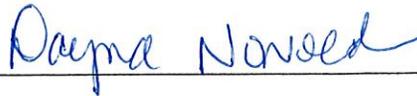
- WHEREAS, the Northfield Housing and Redevelopment Authority (HRA) owns 11.18 acres described as:
Southbridge 2nd Addition, Outlot A, Rice County PID 22.07.3.03.003
- WHEREAS, it is the purpose of the HRA to remedy the shortage of housing for low and moderate income residents in situations in which private enterprise would not act without government participation or subsidies; and
- WHEREAS, the HRA is supporting a proposal to develop Southbridge 2nd Addition, Outlot A as a mixed-income housing development; and
- WHEREAS, the HRA partnered with non-profit developer Three Rivers Community Action, Inc. (TRCA) to create 28 affordable workforce townhome rental units, known as Spring Creek Townhomes, completed in 2012, and
- WHEREAS, the HRA is partnering with TRCA to expand the existing Spring Creek Townhomes by adding 32 affordable, workforce townhome rental units to be known as Spring Creek II, and
- WHEREAS, Three Rivers Community Action, Inc. (the " Developer ") has proposed to build a multi - family housing development consisting of thirty-two (32)townhome units in the City of Northfield (the "Spring Creek II Development "); and
- WHEREAS, The Developer further intends to submit an application to the Minnesota Housing Finance Agency (MHFA) for an allocation of tax credits for the Development, the success of which is predicated on support of the Development by the City, including through the commitment of tax increment financing for the project; and
- WHEREAS, the Developer projects a funding gap and is requesting support of tax increment financing to address the funding gap for the Development;
- WHEREAS, City consultants have provided a tax increment financing preliminary project tax capacity estimate showing annual net increment of \$31,872 available for 26 years;

WHEREAS, The Housing & Redevelopment Authority has reviewed the proposal for the Development, and hereby finds and determines that the Development fulfills a need for high - quality affordable housing in the City, which is currently in short supply.

NOW, THEREFORE, BE IT RESOLVED, BY THE HOUSING AND REDEVELOPMENT AUTHORITY OF THE CITY OF NORTHFIELD THAT:

The Housing and Redevelopment Authority of Northfield hereby supports the following:

1. The donation of up to 4.5 acres to Three Rivers Community Action Agency, Inc. contingent upon a successful Tax Credit application for the Spring Creek II project.
2. The Housing and Redevelopment Authority supports the use of, pay-as-you-go, Tax Increment Financing for Spring Creek II infrastructure and soil remediation improvements.



Dayna Norvold, Chair



Jayne Hager Dee, Secretary

VOTE: NORVOLD ZWEIFEL HAGER DEE FINK NYSTROM