



June 7, 2018

Leah Hall, Community Development director
Three Rivers Community Action, Inc.
1414 North Star Drive
Zumbrota, MN 55992

RE: Spring Creek II Townhomes

Dear Leah Hall:

At the June 5, 2018, meeting, the Northfield City Council reviewed and endorsed the Spring Creek II Townhomes housing development proposal that will create 32 new family rental townhomes in the City of Northfield. 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 low vacancy rates for limited affordable rental housing units in the City of Northfield and the demand analysis included in the Market Study conducted by Lea & Company in May, 2018.

As part of its endorsement, the City also proposed local financial assistance through the use of tax increment financing (TIF). The Northfield City Council approved an allocation of Tax Increment Financing with a principle amount not to exceed a current value of \$439,729.00 for a term of 26 years for the Spring Creek II Townhomes proposal. This assistance will be in the form of pay-as-you-go TIF.

The City Council endorsement is evidenced by the City Council's approval of Resolution Number 2018-061, a copy of which is included with this letter.

Sincerely,

A handwritten signature in black ink, appearing to be "BM" or "Ben Martig".

Ben Martig
City Administrator