



## Legislation Text

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**File #:** 23-1133, **Version:** 1

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**Meeting Date:** May 4, 2023

**To:** Members of the Housing & Redevelopment Authority

**From:** Melissa Hanson, Housing Coordinator  
Jake Reilly, Community Development Director

Introduction to Northcountry Cooperative Foundation (NCF) Concept Plan.

**Action Requested:**

HRA to consider NCF's cooperative concept plan and authorize staff to enter into a limited exclusive agreement for NCF to pursue the development of HRA/City owned land at Southbridge and to seek funding sources and appropriate builders.

**Summary Report:**

The HRA owns approximately 7.27 acres of undeveloped land in the Southbridge area near Spring Creek Park. Adjacent to the HRA land, the City owns an additional 4.4 acres of parkland. The HRA has been exploring a variety of development options to create affordable, sustainable, workforce housing citywide with a goal to incorporate an ownership option in this neighborhood. NCF believes that they have a homeownership concept that could fit what the HRA is looking for and has proposed to develop a single-family neighborhood using a cooperative ownership structure.

NCF is a 501(c)3 nonprofit organization founded in 1999 in Minneapolis. NCF's goal is to "transform lives and communities through cooperative (co-op) enterprise." They carry out this charge by providing technical assistance and cooperative education to cooperative organizations. NCF provides co-op development and support services to affordable housing co-ops. Over their twenty (20) year history, they have worked to create an ecosystem that supports housing co-ops through organizing and educating stakeholders about the benefits of the model and by advocating for the creation of financial and operational tools that housing co-ops need to succeed. As one of several cooperative development centers around the country, NCF delivers ongoing education, organizational development, and support.

**Alternative Options:**

The HRA could choose not to pursue this concept in this neighborhood. Staff will pursue additional locations with this developer and pursue additional housing options with different developers.

**Financial Impacts:**

Unknown at this time. If the project were to move forward, financial considerations including but not limited to a land conveyance or other subsidy would likely occur. The proposal also anticipates water and wastewater infrastructure and roadway/sidewalk improvements would be turned back to the city for on-going maintenance. A limited exclusive development agreement (sometimes called a tentative development agreement) is a non-binding agreement between the developer and the municipality that has the effect of letting would-be funders

know that the project has the support and backing of the public financing agency. The HRA/City is likely to contribute land to the project at a future date and accept any new roads, sidewalks and in-ground utilities as city infrastructure.

**Tentative Timelines:**

- November 2022-January 2023 - Community Development Staff shared Sustainable Building Policy requirements, Housing Study, and information specific to HRA owned land.
- February 2023 - NCF provided a preliminary pro-forma, NCF shared possible layouts of the neighborhood. NCF worked with City Planners regarding Land Development Code. NCF/HRA began exploring grant opportunities.
- March 2023 - Request for a subcommittee of HRA members to provide input.
- April 2023 - NCF toured the HRA owned land, met with HRA subcommittee and met with City Engineering.
- May 2023 - NCF presentation of concept to HRA
- Remainder of 2023
  - Site control
  - Pursuit of funding
  - Continued concept development
  - Select manufacturer/builder
- 2024 - Development Agreement
- 2024-2025
  - Construction
  - Operations