



City of Grand Forks Staff Report

APPROVED & ACCEPTED
by City Council

12/05/2016

Candice Stjern
Candice Stjern
Acting City Auditor

Committee of the Whole – November 28, 2016
City Council – December 5, 2016

Agenda Item: Housing First Project

Submitted By: Meredith Richards, Planning & Community Development Deputy Director

Staff Recommended Action: Authorize staff to submit application to ND Division of Community Services for \$335,000 of 2016 HOME Program funds for this project

Committee Recommended Action: Refer to City Council with recommendation to approve.

Council Action:

BACKGROUND:

On June 20, 2016, City Council approved donating LaGrave Park (behind the Police Dept. on 1st Avenue S.) to Grand Forks Homes for the development of a 42-unit “Housing First” project. Approval was contingent on providing adequate replacement parking for the Police Department, relocating the skate park, and the project securing development funds. Council also prioritized 2016 HOME funds (\$335,000) for the project, contingent on award of other funds necessary to construct the facility. Based on subsequent work by those involved, Council revised that approval on September 19 as follows:

- 1) Sale of the property to the Grand Forks Housing Authority (GFHA) for \$350,000, subject to appraisal;
- 2) Sale is contingent on buyer securing funding approval from the Federal Home Loan Bank, Housing Trust Fund and/or Low Income Housing Tax Credit program(s) sufficient to construct a Housing First facility;
- 3) Closing to occur on or before 12/31/16.

The changed terms 1) were reflective of confidence that sales proceeds would be sufficient to cover the cost of constructing replacement parking on the Police Dept. grounds, and 2) recognized that while the Housing First project drove discussion about a new skate park, relocating it was not a contingency that could or should be met by GFHA. A purchase agreement was then executed on September 21.

Since that time, an appraisal was completed that valued the property at \$325,000, and GFHA has received notice from the North Dakota Housing Finance Agency that a combined \$8,238,500 in

Housing Trust Fund and Low Income Housing Tax Credit funding was awarded to this project. All contingencies have been met for the sale to close this year, and it appears very likely the project will break ground next spring. Staff therefore seeks authorization to submit an application for \$335,000 in HOME funds to assist with construction of the project.

FINDINGS AND ANALYSIS:

- HOME Program funds may be used only for housing-related activities that assist low- to moderate-income households. Each year, the City must provide a plan to NDDCS for its proposed use of HOME funds. This was done after City Council's June action that prioritized all \$335,000 in 2016 HOME funds to this project. The project has now secured major funding, so the next step is to work with GFHA to develop a formal HOME application. Authorization to submit that application to NDDCS is the action requested now.
- City Engineering and Police Dept. staff will continue working together on design, bidding and construction of the parking lot expansion, to be funded with sales proceeds. The cost of PD's preferred parking option was estimated in Fall 2016 at \$180,000.
- City and Park District staff and stakeholders have discussed options for relocating the skateboard park. Kannowski Park, located at 619 S. Fourth Street (south of the raw water intake facility), has been identified as a strong contender. This site is owned by the City and operated by the Park District under a long-term lease. It connects to the Greenway and bike path, and contains restrooms, playground equipment and a lighted parking lot. Incorporating skate park elements, either temporary or permanent, would be relatively simple and cost-effective, especially as compared to "wet side" alternatives. A public/neighborhood meeting to get feedback on this option is tentatively planned for December 14.

SUPPORT MATERIALS:

- Housing First site plan
- Kannowski Park aerial photo



PROJECT DATA	
SITE AREA	33,593 SF ± (0.77 ACRES)±
BUILDING (42 UNIT)	1
UNITS	
ONE BEDROOM	33
ONE BEDROOM ACCESSIBLE	9 (21%)
TOTAL UNITS	42 UNITS
DENSITY	55 UNITS/ACRE
PARKING	
OFF-STREET STALLS	18
TOTAL ON-SITE PARKING	18 PROVIDED

CLIENT

GRAND FORKS HOUSING AUTHORITY
GRAND FORKS, ND

PROJECT DESCRIPTION

PERMANENT SUPPORTIVE HOUSING

CITY GRAND FORKS

STATE ND

ISSUE DATES

SD	SCHEMATIC DESIGN	6/9/2016
MARK	DESCRIPTION	DATE

PROJECT NO: 20162020

DRAWN BY: RBH

CHECKED BY: HT

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DRAWING TITLE

SITE PLAN





MINNESOTA AVE

S 4TH ST

WOODLAND AVE

S 5TH ST

Kannowski Park

