A Dynamic Community... in the heart of MN

- Designated OZ Site
- Central Business District Location
- Redevelopment
- $5M, 10-12K s.f., 3-Story Mixed-Use Building
- Street Level Retail/Commercial Storefronts
- Upper Levels Market-Rate Housing

ELIGIBILITY
<table>
<thead>
<tr>
<th>Statistic</th>
<th>Value</th>
<th>Rank in MN</th>
</tr>
</thead>
<tbody>
<tr>
<td>Median family income</td>
<td>$64,419</td>
<td>40-60th Percentile</td>
</tr>
<tr>
<td>Median household income</td>
<td>$58,125</td>
<td>60-80th Percentile</td>
</tr>
<tr>
<td>Homeownership Rate - Percent of Units Owned</td>
<td>79.2%</td>
<td>40-60th Percentile</td>
</tr>
<tr>
<td>Number of renter occupied units with 0 bedrooms</td>
<td>12</td>
<td>20-40th Percentile</td>
</tr>
<tr>
<td>Number of renter occupied units with 1 bedroom</td>
<td>84</td>
<td>40-60th Percentile</td>
</tr>
<tr>
<td>Number of renter occupied units with 2 bedrooms</td>
<td>95</td>
<td>20-40th Percentile</td>
</tr>
<tr>
<td>Number of renter occupied units with 3+ bedrooms</td>
<td>80</td>
<td>20-40th Percentile</td>
</tr>
<tr>
<td>Percentage of renter occupied housing units built before 1950</td>
<td>15.5%</td>
<td>40-60th Percentile</td>
</tr>
<tr>
<td>Percentage of renter occupied housing units built 1950-1979</td>
<td>60.5%</td>
<td>80-100th Percentile</td>
</tr>
<tr>
<td>Percentage of renter occupied housing units built 1980 and later</td>
<td>24.0%</td>
<td>20-40th Percentile</td>
</tr>
<tr>
<td>Median Rent</td>
<td>$600</td>
<td>20-40th Percentile</td>
</tr>
<tr>
<td>Median Home Sale Price in CY 2016 (open-market, arms-length transactions)</td>
<td>$105,500</td>
<td>0-20th Percentile</td>
</tr>
<tr>
<td>Median Age of Housing Stock</td>
<td>56</td>
<td>60-80th Percentile</td>
</tr>
<tr>
<td>Rental Vacancy Rate for Affordable Housing Developments (Minnesota Housing and USDA Rural Development)</td>
<td>8.1%</td>
<td>80-100th Percentile</td>
</tr>
</tbody>
</table>
• Three (3) Parcels
• Owned by the EDA
• Across from City Hall
• Central Business District Location
• One block up from the Riverfront
Historic Downtown

Key Economic Impact for the Central Business District

- High foot traffic downtown venue
- Core of commercial buildings along Prentice Street from Oak Street to 9th Avenue that date from the 1870s to the 1970s with some newly constructed buildings
- A new landmark for downtown Granite Falls
Steps from the Riverfront

The Minnesota River is the downtown’s main asset

- Granite Falls Riverfront Revitalization (GFRR)
- Multi-use whitewater recreation area
- Recreational kayak/raft chute
- Future economic benefit estimate derived from the park greater than $1,055,900 per year

ECONOMIC IMPACT
The proposed new development plan for the site will be for demolition of currently vacant dilapidated site structures and construction of a $5M, 10-12k s.f., three-story mixed-use building. The first floor will consist of retail/commercial storefronts. The upper two levels will consist of units available for market-rate housing. Total new residential unit occupancy will be approximately 28 units.
Investment Opportunity

ESTIMATED RATE OF INVESTOR RETURN

<p>| | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Project</td>
<td>$5,170,000</td>
</tr>
<tr>
<td>Opportunity Fund Investment</td>
<td>$5,000,000</td>
</tr>
<tr>
<td>Estimated Investor Return</td>
<td>10.38%</td>
</tr>
</tbody>
</table>

ECONOMIC IMPACT
Key Redevelopment

With the development of a mixed-use commercial building focusing on apartment rentals on the upper floors, the project will bring a much-needed facelift to the proposed location.

Existing Vacant Site Structures

- Primarily vacant since 2001
- Age, roof damage and associated water infiltration
- Current dilapidated condition

A New Landmark

- Mixed use commercial
- High foot traffic venue
- Downtown revitalization

ENVIRONMENTAL IMPACT
The Main Street Approach
The Main Street Approach is a time-tested framework for community-driven, comprehensive revitalization.
Buildings and Lighting

**Efficient Existing Public Buildings** {BP no.1}
1 star - Action 2:
Make no/low cost indoor lighting and operational changes in city-owned/school buildings to reduce energy costs.

2 star - Action 4:
Implement information technology efforts and city employee engagement to reduce plug loads, building energy use and workflow efficiency.

**Efficient Existing Private Buildings** {BP no.2}
2 star - Action 1:
Create or participate in a marketing/outreach/incentive program to promote/achieve residential energy/water use reduction and energy efficiency.

**Efficient Outdoor Lighting and Signals** {BP no.4}
2 star - Action 2:
Purchase LEDs for all future street lighting and traffic signals.

**Building Redevelopment** {BP no.5}
2 star - Action 1:
Adopt an historic preservation ordinance/regulations to encourage adaptive reuse.

Land Use

**Comprehensive, Climate and Energy Plans** {BP no.6}
1 star - Action 4:
Include ecological provisions in the comprehensive plan that explicitly aim to minimize open space fragmentation and/or establish a growth area with expansion criteria.
Social Impact

Key Economic Impact for the Central Business District

Analysis of market data and leakage reports will provide accurate information to target specific industries needed in the Granite Falls community. Mixed-use commercial/retail space accompanied by adequate multifamily housing will attract new families and businesses while aiding existing businesses in talent acquisition and retention.

- EDA ownership & development
- Municipal business subsidies/incentives available
- Committed relocation to avoid displacement
- Integrated part of mainstreet revitalization
- Enhanced market-rate housing availability
- A new landmark for the Central business District
Thank You!

CATHY ANDERSON

Phone
320-564-2255 (Ext. 4)

Email
CATHY.ANDERSON@GRANITEFALLS.COM