



CITY OF  
**GRAND RAPIDS**  
IT'S IN MINNESOTA'S NATURE

**CITY COUNCIL WORKSESSION AGENDA**  
**Monday, December 18, 2023**  
**4:30 PM**

CALL TO ORDER: Pursuant to due notice and call thereof, a Worksession meeting of the Grand Rapids City Council will be held on Monday, December 18, 2023 at 4:30 PM in the City Hall Council Chambers, 420 North Pokegama Avenue, Grand Rapids, Minnesota.

ROLL CALL:

BUSINESS:

1. Discuss the recapitalization of the GREDA Capital Projects Fund

REVIEW OF REGULAR AGENDA:

ADJOURN:

Attest: Kimberly Gibeau, City Clerk



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## REQUEST FOR COUNCIL ACTION

**AGENDA DATE:** December 18, 2023  
**AGENDA ITEM:** Discuss the recapitalization of the GREDA Capital Projects Fund  
**PREPARED BY:** Rob Mattei, Director of Community Development

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### BACKGROUND:

GREDA has had a very productive year. Their lead in projects such as the Yanmar expansion, the L&M Distribution Center and the HWY 35 Cannabis Park has aided the proposed and ongoing investment of \$133.2MM in our city, and the proposed creation of up to 800 jobs in the next several years.

This level of GREDA activity has depleted the non-dedicated cash portion of the GREDA Capital Projects Fund. GREDA would like the City Council to consider a loan to GREDA to recapitalize the fund.

### REQUESTED COUNCIL ACTION:



# GREDA Capital Projects Fund 2023 Projected Year End Balance

**1/1/2023 Fund Balance** **\$1,090,452**

**Revenue:**

Blandin Foundation Grants (Dedicated)	\$650,000
City Levy	\$45,010
IRRR Grant (Dedicated)	\$20,000
Loan Payments Received	\$237,466
Investment Income/Misc.	\$31,954
Proceeds from Forest Lake Addition Land Sales	\$58,643
Estimated proceeds from L&M Land Sales	\$313,850

**\$1,356,923**

**Expenses:**

Airport South Ind. Park	\$52,995
Downtown Plan	\$100,312
Great River Acres	\$5,438
Forest Lake Addition	\$35,906
Blandin Foundation Loan Repayment	\$111,161
L&M Distribution Center (Due diligence)	\$82,976
Yanmar Expansion	\$4,491
Ainsworth Site Redevelopment (HWY35 Project)	\$1,605
Misc. Project Expenses	\$26,921
Estimated Cost of L&M Land Purchases	\$1,031,010
Planned GREDA contribution to Infrastructure Project	\$100,000

**\$1,552,815**

**Estimated 12/31/2023 Fund Balance:** **\$894,560**

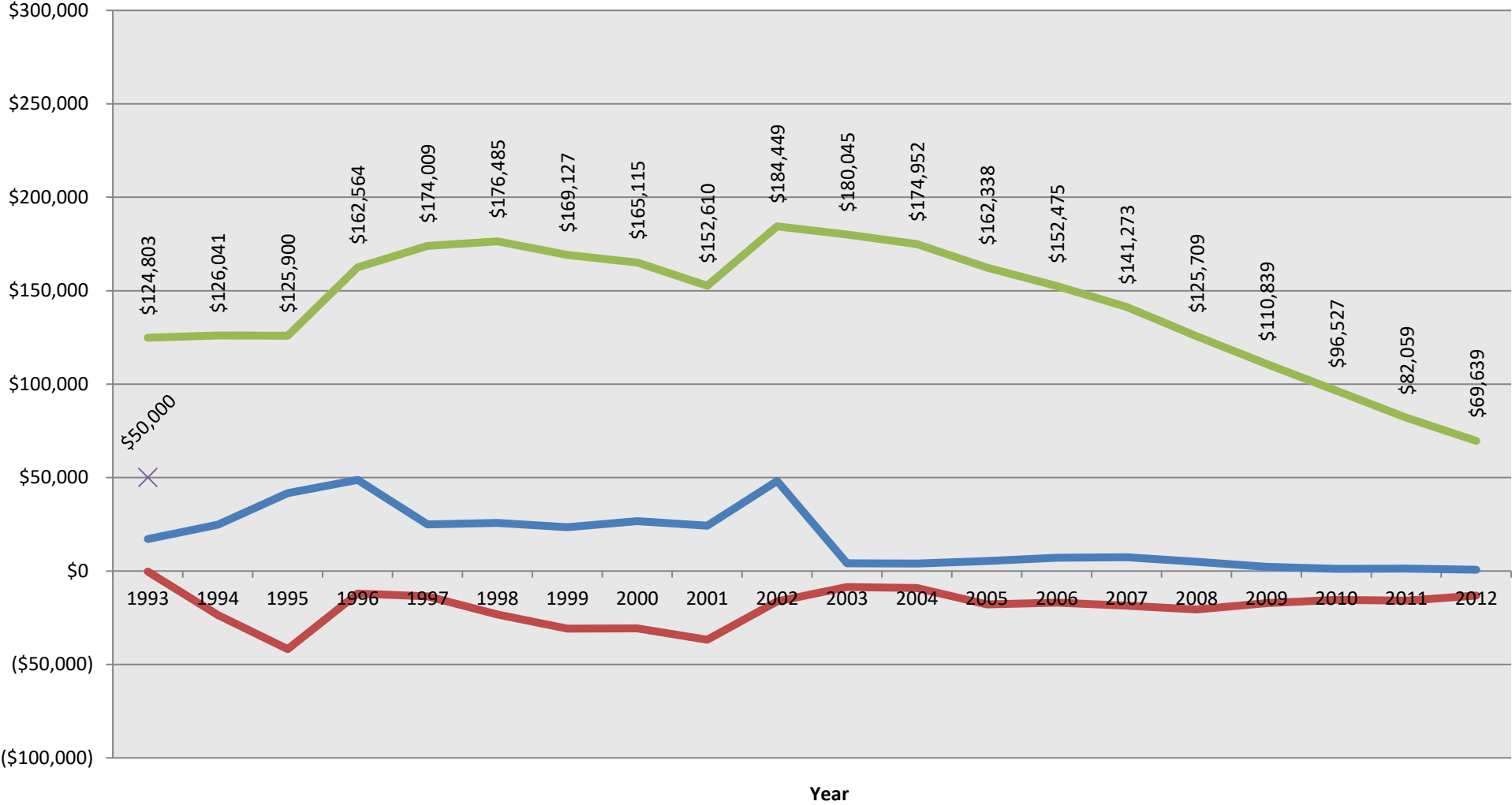
**Dedicated Cash:** **-\$665,000**

**Cash Available for GREDA Projects:** **\$229,560**



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# GREDA Operating Fund Revenue/Expense History 1993-2012



Revenues Expenses Year End Fund Balance Operating Transfer from City

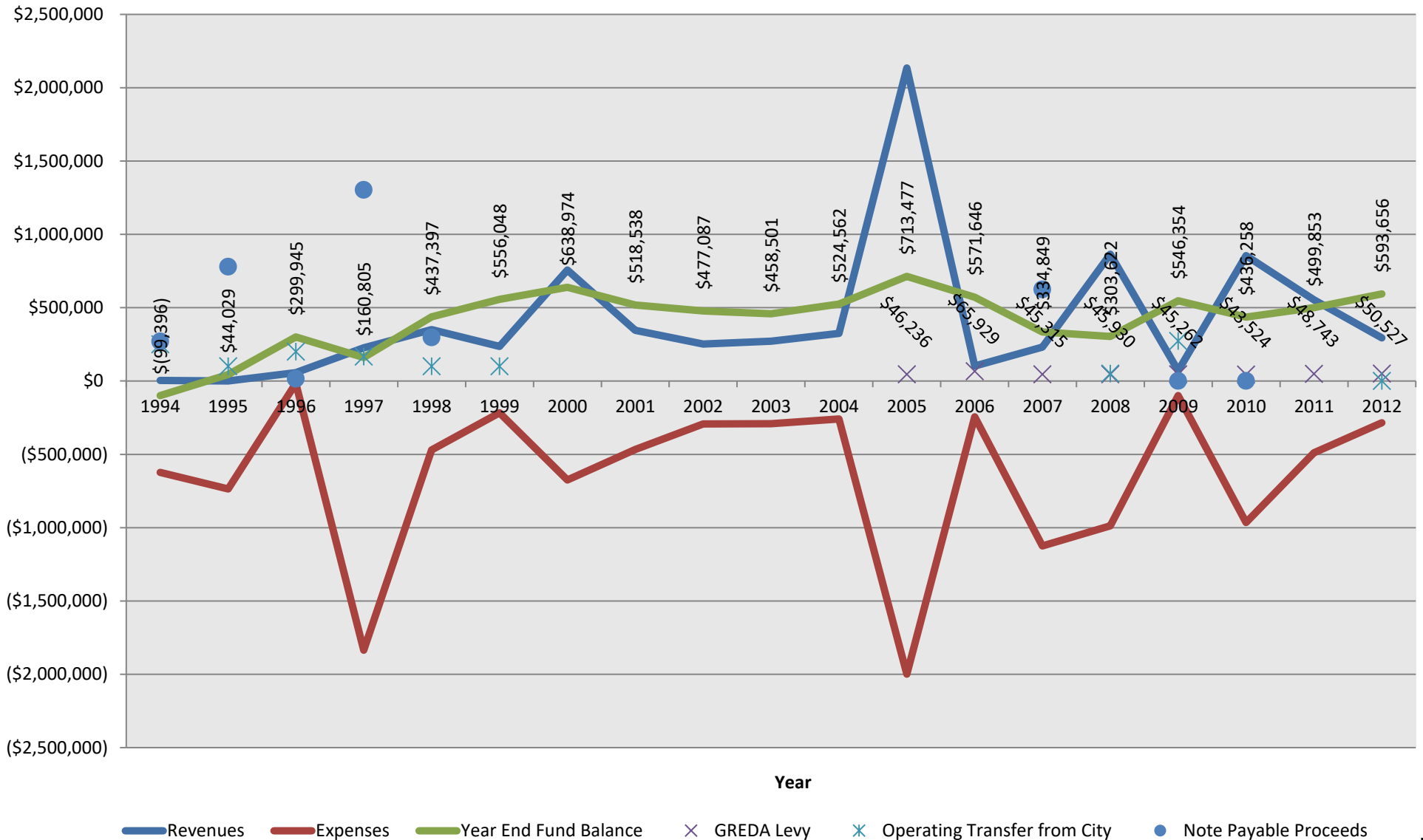
**CITY OF GRAND RAPIDS  
ECONOMIC DEVELOPMENT AUTHORITY  
STATEMENT OF REVENUE and EXPENDITURES  
FOR THE PERIODS ENDING DECEMBER 31, 1993 THROUGH 2008**

	1993 TOTAL	1994 TOTAL	1995 TOTAL	1996 TOTAL	1997 TOTAL	1998 TOTAL	1999 TOTAL	2000 TOTAL	2001 TOTAL	2002 TOTAL	2003 TOTAL	2004 TOTAL	2005 TOTAL	2006 TOTAL	2007 TOTAL	2008 TOTAL
Fund Balance 1/1/XX	\$ 57,993	\$124,803	\$126,041	\$125,900	\$162,564	\$174,009	\$176,485	\$169,127	\$165,115	\$152,610	\$184,449	\$ 180,045	\$ 174,952	\$ 162,338	\$ 152,475	\$ 141,273
TOTAL REVENUES	17,101	24,821	41,654	48,762	24,974	25,753	23,489	26,625	24,272	48,117	4,151	3,981	5,297	7,091	7,353	4,984
TOTAL EXPENDITURES	(291)	(23,583)	(41,795)	(12,098)	(13,529)	(23,277)	(30,847)	(30,637)	(36,777)	(16,278)	(8,555)	(9,074)	(17,911)	(16,954)	(18,555)	(20,548)
Operating transfer in	50,000															
REVENUES > EXPENDITURES	66,810	1,238	(141)	36,664	11,445	2,476	(7,358)	(4,012)	(12,505)	31,839	(4,404)	(5,093)	(12,614)	(9,863)	(11,202)	(15,564)
Fund Balance 12/31/XX	\$124,803	\$126,041	\$125,900	\$162,564	\$174,009	\$176,485	\$169,127	\$165,115	\$152,610	\$184,449	\$180,045	\$ 174,952	\$ 162,338	\$ 152,475	\$ 141,273	\$ 125,709



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# GREDA Capital Project Fund Revenue/Expense History 1994-2012



**CITY OF GRAND RAPIDS  
ECONOMIC DEVELOPMENT AUTHORITY  
CAPITAL PROJECTS FUND**

Item 1.

**Statement of Revenue and Expenditures  
FOR THE PERIODS ENDING DECEMBER 31, 1993 THROUGH 2012**

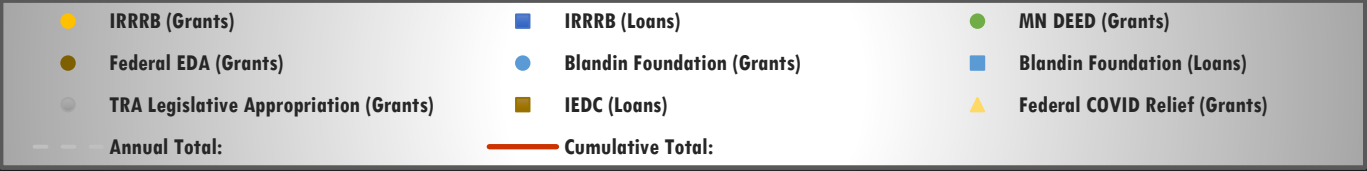
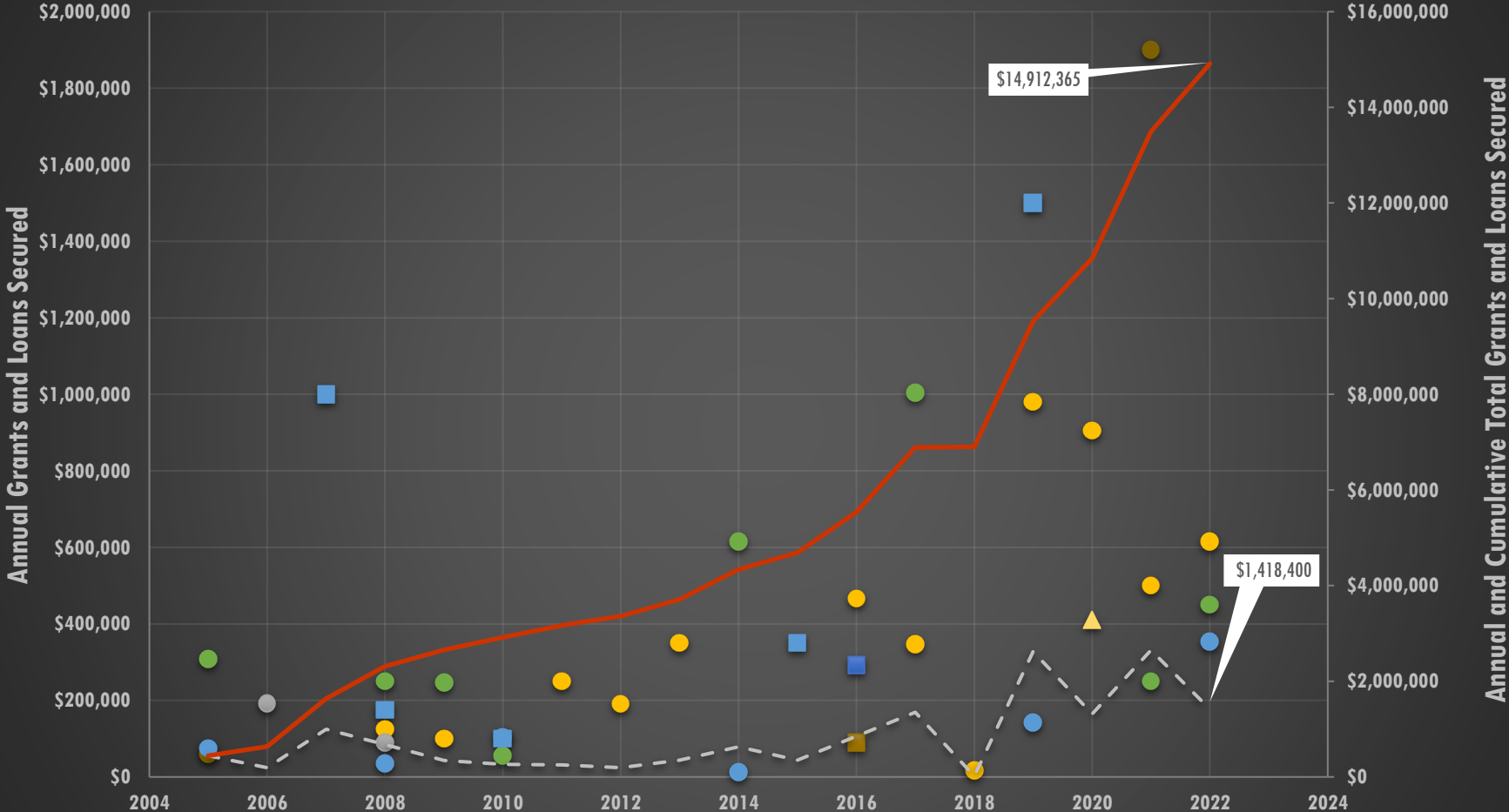
	1993 TOTAL	1994 TOTAL	1995 TOTAL	1996 TOTAL	1997 TOTAL	1998 TOTAL	1999 TOTAL	2000 TOTAL	2001 TOTAL	2002 TOTAL	2003 TOTAL	2004 TOTAL	2005 TOTAL	2006 TOTAL	2007 TOTAL	2008 TOTAL
Fund Balance 1/1/XX	\$ -	\$ -	\$ (99,396)	\$ 44,029	\$ 299,945	\$ 160,805	\$ 437,397	\$ 556,048	\$ 638,974	\$ 518,538	\$ 477,087	\$ 458,501	\$ 524,562	\$ 713,477	\$ 571,646	\$ 334,849
TOTAL REVENUES	-	4,516	308	56,484	227,038	349,891	235,608	757,003	346,429	251,361	272,264	324,215	2,134,352	102,302	230,784	865,404
TOTAL EXPENDITURES	-	(623,322)	(736,079)	(15,858)	(1,836,027)	(470,550)	(216,957)	(674,077)	(466,865)	(292,812)	(290,850)	(258,154)	(1,998,804)	(244,133)	(1,124,393)	(987,396)
Note payable proceeds	-	269,410	779,196	14,642	1,302,749	297,251									624,500	
Operating transfer in	-	250,000	100,000	200,648	167,100	100,000	100,000									49,819
Proceeds from land sales	-	-	-	-	-	-	-	-	-	-	-	-	53,367	-	32,312	40,946
Proceeds from bonds	-	-	-	-	-	-	-	-	-	1,209,411	-	-	-	-	-	-
Operating transfer to primary gov't	-	-	-	-	-	-	-	-	-	(1,209,411)	-	-	-	-	-	-
<b>REVENUES &gt; EXPENDITURES</b>	<b>-</b>	<b>(99,396)</b>	<b>143,425</b>	<b>255,916</b>	<b>(139,140)</b>	<b>276,592</b>	<b>118,651</b>	<b>82,926</b>	<b>(120,436)</b>	<b>(41,451)</b>	<b>(18,586)</b>	<b>66,061</b>	<b>188,915</b>	<b>(141,831)</b>	<b>(236,797)</b>	<b>(31,227)</b>
Fund Balance 12/31/XX	\$ -	\$ (99,396)	\$ 44,029	\$ 299,945	\$ 160,805	\$ 437,397	\$ 556,048	\$ 638,974	\$ 518,538	\$ 477,087	\$ 458,501	\$ 524,562	\$ 713,477	\$ 571,646	\$ 334,849	\$ 303,622
GREDA Levy													\$ 46,236	\$ 65,929	\$ 45,315	\$ 45,930

\* Year 1996: Operating transfer includes \$100,648 from Industrial Park

\* Year 1997: Operating transfer includes \$63,477 from Storefront Renovation and \$3,623 from City Beautification

Total City Contribution: \$1,632,596  
Total Non-City Revenue: \$11,172,292

# Grand Rapids EDA Outside Funding Secured





Year	2005	2006	2007
TRA Legislative Appropriation (Grants)		\$192,000	
IRRRB (Grants)			
IRRRB (Loans)			
MN DEED (Grants)	\$309,000		
Federal EDA (Grants)	\$60,000		
Federal COVID Relief (Grants)			
Blandin Foundation (Grants)	\$75,000		
Blandin Foundation (Loans)			\$1,000,000
IEDC (Loans)			
Annual Total:	\$444,000	\$192,000	\$1,000,000
Cumulative Total:	\$444,000	\$636,000	\$1,636,000

Description	2005	2006	2007
TRA Legislative Appropriation (Grant)		Arch. Planning NC Tech. Lab.	
IRRRB (Grant)			
IRRRB (Loan)			
MN DEED (Grant)		Airport S. IP Infra (6th Ave.)	
Federal EDA (Grant)		Blandin West Ind. Park Planning	
Federal COVID Relief (Grants)			
		Downtown Plan	
Blandin Foundation (Grant)			
			Downtown Acquis. PRI
Blandin Foundation (Loan)			
IEDC (Loan)			

2008	2009	2010	2011	2012	2013
\$90,000					
\$125,000	\$100,000		\$250,000	\$191,000	\$350,000
\$250,000	\$247,175	\$56,250			
\$35,175		\$105,000			
\$175,000		\$100,000			
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\$675,175	\$347,175	\$261,250	\$250,000	\$191,000	\$350,000
\$2,311,175	\$2,658,350	\$2,919,600	\$3,169,600	\$3,360,600	\$3,710,600

2008	2009	2010	2011	2012	2013
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Airport S. IP Grading

Blandin Bldg. Demo.

DRHH Site Improv.

St. Joe's demo

St. Joe's demo 2 & DC  
Mfg. Site Improv.

Hammerlund Site  
Improv.

Airport S. IP Infra (33rd  
St.)

SCDP Comm. Rehab. &  
IEIP Cleanup Inv.

IEIP Cleanup

Riverfront Plan

MN Intel. Rural Com. &  
RF Inter. Signs

CBIL Prog. Recap. PRI

Block 20/21 Soil  
Remediation

2014	2015	2016	2017	2018	2019
		\$466,000	\$346,440	17,200	\$980,846
\$615,552		\$293,000	\$1,003,720		
\$12,000					\$142,000
	\$350,000				\$1,500,000
		\$90,000			
\$627,552	\$350,000	\$849,000	\$1,350,160	\$17,200	\$2,622,846
\$4,338,152	\$4,688,152	\$5,537,152	\$6,887,312	\$6,904,512	\$9,527,358

2014	2015	2016	2017	2018	2019
		Kiesler Hse Site & Swan Machine Site	Rapids Brewing, Sammy's Pizza Demo and Airport Utilities	Sawmill Demo	North Homes, Anytime Fitness, G.R.Across infra.,UPM WWTP, Resid. Demo.
		Hangar Purchase			
SCDP Comm. & Resid. Rehab.			SCDP & MIF for ASV		
Central School Feasibility Study					
	Kent Prop. Acquis. PRI				Miss. River Park CBIL and Redevelopment Loan PRI
		Hangar Purchase			

2020	2021	2022
\$905,000	\$ 500,000	\$ 615,000
	\$ 250,000	\$ 450,000
	\$ 1,900,607	
\$411,000		\$ 353,400

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\$1,316,000	\$2,650,607	\$1,418,400
\$10,843,358	\$13,493,965	\$14,912,365

2020	2021	2022
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GRPUC Solar, ICC student center, EWCL program, MDI, KAXE	Infrastructure to former Ainsworth	Yanmar Site, YMCA, Cambium, Janicke Demo, Downtown Plan
	Infrastructure to former Ainsworth	MIF for Yanmar
	Infrastructure to former Ainsworth	
Coronavirus Small B. Relief Grants		Downtown Plan, Downtown Entertainment Fund

Recap of Loan to EDA Different Senarios

Loan Start date 1-01-2024

First Payment due 6-30-2024

\$50,000 Due Annually  
with no Interest Due  
15 years to pay off  
last payment 12-31-2038

\$50,000 Due Annually  
with 1.75% Interest Due  
17.5 years to pay off  
last payment 6-30-2041  
\$123,702.25 interest

Stepped Payments Annually  
with no Interest Due  
7 years to pay off  
last payment 12-31-2030

Stepped Payments Annually  
with 1.75% Interest Due  
7.5 years to pay off  
last payment 6-30-2031  
\$62,825.35 interest

<u>Year</u>	
2024	50,000
2025	70,000
2026	90,000
2027	110,000
2028	130,000
2029	150,000
2030	150,000
2031	-
	<u>750,000</u>

<u>Year</u>	
2024	50,000
2025	70,000
2026	90,000
2027	110,000
2028	130,000
2029	150,000
2030	150,000
2031	62,825
	<u>812,825</u>