

EXHIBIT A

The reasons and facts supporting the findings for the approval of the Tax Increment Financing Plan for Point of Rocks Tax Increment Financing District, as required pursuant to Minnesota Statutes, Section 469.175, Subdivision 3 are as follows:

1. *Finding that Point of Rocks Tax Increment Financing District is a housing district as defined in M.S., Section 469.174, Subd. 11.*

Point of Rocks TIF District consists of one parcel. The development will consist of 114 units of multi-family rental housing. All or a portion of which will receive tax increment assistance and will meet income restrictions described in M.S. 469.1761. At least 40 percent of the units/homes receiving assistance will have incomes at or below 60 percent of statewide median income. Appendix E of the TIF Plan contains background for the above finding.

2. *Finding that the proposed development, in the opinion of the City Council, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future.*

The proposed development, in the opinion of the City, would not reasonably be expected to occur solely through private investment within the reasonably foreseeable future: This finding is supported by the fact that the development proposed in this plan is a housing district that meets the City's objectives for development and redevelopment. Due to the high cost of building affordable new housing in the City and the cost of financing the proposed public improvements, this project is feasible only through assistance, in part, from tax increment financing. The developer was asked for and provided an application and a pro forma as justification that the developer would not have gone forward without tax increment assistance.

The increased market value of the site that could reasonably be expected to occur without the use of tax increment financing would be less than the increase in market value estimated to result from the proposed development after subtracting the present value of the projected tax increments for the maximum duration of the TIF District permitted by the TIF Plan: The City reasonably determines that no other development of similar scope is anticipated on this site without substantially similar assistance being provided to the development.

3. *Finding that the TIF Plan for Point of Rocks Tax Increment Financing District conforms to the general plan for the development or redevelopment of the municipality as a whole.*

The Planning Commission reviewed the TIF Plan and found that the TIF Plan conforms to the general development plan of the City.

4. *Finding that the TIF Plan for Point of Rocks Tax Increment Financing District will afford maximum opportunity, consistent with the sound needs of the City as a whole, for the development or redevelopment of Project Area No. 1 by private enterprise.*

Through the implementation of the TIF Plan, the HRA will provide an impetus for residential development, which is desirable or necessary for increased population and an increased need for life-cycle housing within the City.