



HAAN DEVELOPMENT

Multifamily & Commercial Development

July 15, 2020

City of Brookings
Attn: Paul Briseno, City Manager
520 3rd Street, Suite 230
Brookings, SD 57006

Re: Edgebrook Townhomes fee waiver request

Dear Paul,

It was nice speaking with you about the new multifamily housing project we're proposing in Brookings, to be known as Edgebrook Townhomes. This project will be located on the east side of Ace Avenue in the Southland Addition and will include 40 townhome-style units with attached garages and individual entries. Edgebrook Townhomes will have an attractive design that will look quite similar to our other development in Brookings, Prairie View Townhomes, located on 12th Street South directly across from Mickelson Middle School.

We intend to apply for housing tax credits ("HTC") with South Dakota Housing Development Authority ("SDHDA") in its August 31, 2020 funding round. If we're awarded tax credits the project will be subject to income and rent restrictions through a land use restriction agreement, meaning the units will be affordable to working households for years to come. The Brookings Affordable Housing Task Force ("BAHTF") concluded "The City's shortage of affordable housing has reached a breaking point. Much of the housing in the City is not affordable to low- and moderate-income households and working families..."

Each year SDHDA holds a competitive funding round and is able to fund only about one out of every three applications it receives. SDHDA uses a scoring matrix that gives points for certain items such as construction style and finishes, location, and overall readiness to proceed. The scoring matrix also provides points for projects that receive local municipal incentives.

We would like to formally request a waiver of all City development fees such as meter fees, building permit fees, and plan review fees. This request is consistent with the recommendations made by the BAHTF in its Final Report dated October 12, 2017 and presented to the Brookings City Council at its October 24, 2017 meeting. That report outlined a number of initiatives that the City could implement to address the severe shortage of affordable housing in Brookings, including waiver of fees for affordable housing, a reduction of parking requirements, and a tax deferment program where property taxes are phased in over a period of time. The City Council voted unanimously to task city staff and the BAHTF with implementing the recommendations made in the report.

P.O. Box 556, 380 Franklin Street #104; Harbor Springs, MI 49740
Voice: (231) 526-7380; Fax: (231) 526-7390; www.haandev.com

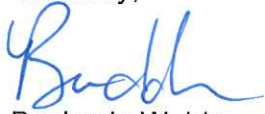


Equal Opportunity Employer/Provider



We look forward to working with you on this request and welcome any questions you may have.

Sincerely,

A handwritten signature in blue ink, appearing to read "B. Ide", with a stylized, cursive script.

Benjamin W. Ide