



Request for Action

TO: Faribault Housing and Redevelopment Authority
FROM: Kim Clausen, Community Development Coordinator
MEETING DATE: July 12, 2021
SUBJECT: 1116 2nd St NW

PURPOSE: Provide an update on 1116 2nd Street.

Staff further discussed a potential sale of the lot with the neighbor, Mr. Krause. If Mr. Krause were to rent his existing house to a low-income household, the income limits and fair market rent limits would be as follows:

HH Size	1	2	3	4	5	6	7	8
Income Limit	48,450	55,350	62,250	69,150	74,700	80,250	85,750	91,300

Bedroom Size	2	3	4
Fair Market Rent	904	1,242	1,307

Mr. Krause would be open to agreeing to these rent restrictions for 3-5 years. If the HRA is agreeable to these terms, a public hearing would be scheduled August 9 prior to execution of a purchase agreement.

REQUESTED ACTION: Staff requests direction on the potential sale of the lot at 1116 2nd Street NW in exchange for renting his existing house to a low-income household for 3-5 years.