City Council Item

June 23, 2025

Item	Approve $75,000 grant to Carver County CDA to acquire and rehab 6721 Hopi Road	
File No.		**Item No:** D.9
Agenda Section	**CONSENT AGENDA**	
Prepared By	Laurie Hokkanen, City Manager	
Reviewed By		

SUGGESTED ACTION

"The Chanhassen City Council authorizes a payment of $75,000 to the Carver County CDA to assist with the purhcase and rehab of the single-family home located at 6721 Hopi Road, subject to to the City and CDA entering into a grant agreement in a form approved by the City Manager."

Motion Type	Simple Majority Vote of members present
Strategic Priority	N/A

SUMMARY

BACKGROUND

The Carver County CDA has approached the city with a request for $75,000 in City of Chanhassen Local Area Housing Assistance (LAHA) funds. The city has approximately $250,000 in LAHA funds available from 2024 and 2025. More information on LAHA funds: https://www.revenue.state.mn.us/local-affordable-housing-aid.

The funding would help close the gap for a partnership involving Ruth Lunde, Habitat for Humanity, the CDA, and the City of Chanhassen to create Chanhassen's first Land Trust home. The CDA proposes

to acquire and renovate Ruth Lunde's single-family home—a 1926-built, 3-bedroom, 2-bath house with an attached 2-car garage. The home requires approximately $95,000 in renovations. Once complete, the estimated value of the home would be $408,000.

With the city's $75,000 contribution and other committed resources, the home could be sold to a low- to moderate-income buyer (earning 80% AMI or less) for $235,000. The home would be placed in the Carver County Community Land Trust with a ground lease to ensure long-term affordability for at least 99 years.

DISCUSSION

Pending approval, the City Attorney will draft an agreement between the Carver County CDA and City of Chanhassen.

BUDGET

Chanhassen received $126,855.46 in 2024, and a similar amount is expected for 2025. No dollars have been obligated or expended to date.

RECOMMENDATION

ATTACHMENTS

Chanhassen CLT Proposal
Chanhassen Home Sources and Uses