

2024 Bonding Bill

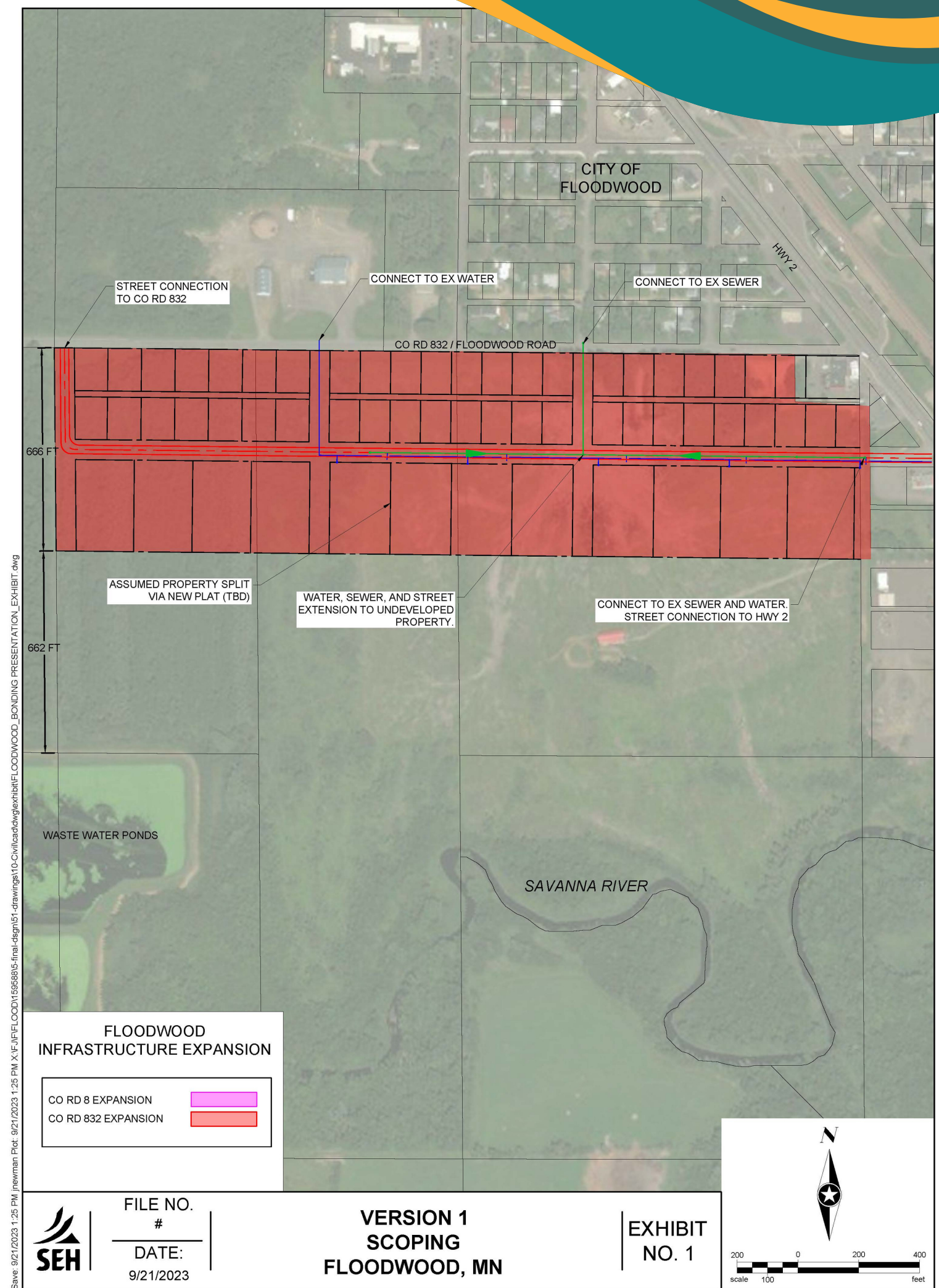
Presentation - April 3, 2024
by Mayor Tad Farrell

Project Description

The City of Floodwood is seeking \$1,350,000 in state funds to facilitate the design and expansion of water and wastewater infrastructure along County Road 832, commonly known as Floodwood Road. This initiative aims to stimulate business and residential growth within the area. Specifically, the City intends to utilize these funds to extend sewer, water, and street infrastructure to a parcel of land that it is acquiring along Floodwood Road. This expansion will create new building sites suitable for both residential and commercial development.

The proposed plan involves platting the acquired property into residential and commercial lots, subsequently annexing these lots into the city limits. Following this, the City plans to extend essential utilities such as water, sewer, and streets to provide access to the newly developed area. Additionally, the installation of hydrants for fire protection and system flushing is included in the plan.

The targeted property spans approximately 40 acres and is slated to be subdivided into 45 lots of varying sizes to accommodate the envisioned mix of residential and commercial development.



Floodwood



Strong Sense of Community

The population of 512 residents is located in St. Louis County, serving as a gateway to the Iron Range. This vibrant community offers a diverse range of sports, social, and religious activities. The city supports a K-12 school system and a Polar Cubs Childcare Center.



Regional Hub

Centrally situated at the intersection of US Highway 2 and Minnesota State Highway 73, Floodwood boasts a strategic location with convenient access to neighboring communities such as Duluth, Cloquet, Grand Rapids, and Hibbing, all reachable within a 35-40 minute commute.

Floodwood is home to various essential services and facilities, including Floodwood Services and Training, the Minnesota Department of Transportation (MN DOT) Transportation Garage, the Department of Natural Resources (DNR) Forestry Office, Scenic Rivers Medical and Dental Clinics, and the Arrowhead Economic Opportunity Agency (AEOA) transit hub.



Economic Need

Floodwood's median household income stands at \$33,274, significantly lower than both St. Louis County's median household income of \$53,344 and the statewide median household income of \$74,593. This indicates a considerable income disparity between Floodwood and its surrounding areas. Moreover, Floodwood has a substantial proportion of low- to moderate-income residents, with 70.21% falling into this category.

The city's tax base is notably smaller compared to the larger communities that surround it. Consequently, any increase in property taxes can have a significant impact on Floodwood's residents and businesses. Given the lower median income and higher percentage of low- to moderate-income individuals, such tax hikes could pose a considerable financial burden on the community.



MHP Institute Member and Grant Recipient

Floodwood was chosen to participate in the 2023-2024 Iron Range Housing Institute sponsored by MN Housing Partnership. Community meetings and surveys show community support of and the need for new housing units.

Project Rationale



Enhance Residential Development

A recent housing study shows a strong need for all types of housing within the city. Contractors have indicated they are interested in building in the new development.



Increase Commercial / Retail Activity

Local businesses experiencing growth have contacted the City and indicated they are interested in relocating and expanding their businesses in the new project area.



Prepared for Growth

Floodwood K-12 School and Polar Cubs Daycare, Medical Clinic, Dental Clinic, and local businesses all can provide services to current and prospective community members and would welcome and are prepared for growth.