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\$1 LOTS LEAVE ROOM TO GROW

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By Heather Rule

The city of [Ottertail](#) is providing an option of affordable housing. A few city-owned, residential lots are being offered for the price of just one dollar as part of the city's \$1 Lots program.

"The idea is to get people into Ottertail to help us grow the community," said Ottertail Mayor Ron Grobeck.

All lots are just shy of an acre and are located in Ottertail city. Then, several years ago, the property was purchased and platted incorrectly, leaving the lots vacant. However, the city purchased the property a couple of years ago, and re-platting it to the proper lot sizes with each lot having its own septic



system. Finally, it became a matter of marketing the lots. That's where the \$1 lot idea came in, "where we would sell the lot for a dollar, leaving the buyer with money to design and build their dream home," stated Amanda Thorson, Ottertail city deputy clerk. "They start out with instant equity in the value of the land," said Thorson.

As a result, for those interested in participating in the \$1 lots program, one major component is needed. Thorson said, having a letter of good intent from the lender stating someone is eligible for the construction and financing of the house.

Also, after the lot is purchased, the house needs to be constructed and be livable within the following 12 months.

Owners need to occupy these houses as their primary residence. "The idea is that we want to offer affordable housing," Thorson said. "It has to be your main dwelling. Our goal is to help families get into single-family housing."

There are a couple of big benefits to purchasing the lot for \$1. First, the equity is already built in, Thorson said. In addition, the other benefit is two different kinds of tax increment

financing options for potential lot buyers.

So far, the city has received a good amount of interest in the lots. Especially from empty-nesters, some potential lot buyers are looking to build a one-story house and downsize from a larger house, according to Thorson.

Since the program rolled out around the start of the pandemic, it has faced a challenge. Potential lot buyers are having trouble finding contractors for the house construction within the 12-month limit for the program. Coordinating a longer timeframe needed for construction is something the city can work on with potential buyers, according to Thorson.

The \$1 lots program started about a year-and-a-half ago and will continue until all the lots are sold. All of the program rules, maps and program application can be found at [CityofOttetail.com](https://www.cityofottetail.com).

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