Minnesota Housing
Finance Agency

MEETINGS SCHEDULED FOR NOVEMBER

Location:

Minnesota Housing
400 Sibley Street, Suite 300
St. Paul, MN 55101

THURSDAY, NOVEMBER 17, 2011

Regular Board Meeting
State Street Conference Room - First Floor
1:00 p.m.

The contents of this package are PROPOSED and have not yet been approved.

NOTE: The information and requests for approval contained in this packet of materials are being presented by Minnesota Housing staff to the Minnesota Housing Board of Directors for its consideration on Thursday, November 17, 2011.

Items requiring approval are neither effective nor final until voted on and approved by the Minnesota Housing Board.

Minnesota Housing Finance Agency

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Equal Opportunity Housing and Equal Opportunity Employment

A G E N D A

MINNESOTA HOUSING FINANCE AGENCY
BOARD MEETING
Thursday, November 17, 2011
1:00 p.m.

State Street Conference Room - 1st Floor
400 Sibley Street
St. Paul, MN

1. **Call to Order.**
2. **Agenda Review.**
3. **Approval of the Minutes.**
   A. Regular Board Meeting of October 27, 2011.
4. **Chairman's Report.**
5. **Commissioner's Report and Introductions.**
6. **Audit Committee:**
   None.
7. **Program Committee:**
   None.
8. **Finance Committee:**
   None.
9. **Action Items:**
   A. Summary Review:
      1. Approval, Selections, Community Activity Set Aside Program.
      2. Approval, Program Waivers, HOME Homeowner Entry Loan Program (HOME HELP).
   B. Discussion - General:
      1. Approval, Resolution Authorizing Issuance and Sale of Minnesota Housing Finance Agency Homeownership Finance Bonds, 2011 Series F (Mortgage Backed Securities Program) and 2011 Series G (Mortgage Backed Securities Program).
      2. Approval, 2011 Consolidated Request for Proposal (RFP)
         a. Introduction.
         b. Approval, Multifamily Selections
            1. Deferred Loan and Grants.
            2. Low and Moderate Income Rental Program (LMIR).

3. Low and Moderate Income Rental Program (LMIR) and Preservation Affordable Rental Investment Fund (PARIF).
4. Preservation Affordable Rental Investment Fund (PARIF)
   - North Haven II, Minneapolis.
5. Preservation Affordable Rental Investment Fund (PARIF)
   - Mary Hall, Saint Paul.
6. Preservation Affordable Rental Investment Fund (PARIF)
   - Nobles Square, Worthington.
7. Housing Tax Credit Program, 2012 Round 1.

c. Single Family Selections – Community Revitalization Fund.

C. Discussion - Homes:

None.

D. Discussion – Multifamily:

None.

10. Review and Information Items.

None.

11. Other Business.

None.

12. Adjournment.

MINUTES

MINNESOTA HOUSING FINANCE AGENCY BOARD MEETING

Thursday, October 27, 2011

1:00 p.m.

State Street Conference Room - 1st Floor

400 Sibley Street, St. Paul, MN

1. **Call to Order.**

   Chair Johnson called to order the regular meeting of the Board of the Minnesota Housing Finance Agency at 1:03 p.m.

   Members Present: Messrs. Joe Johnson and Ken Johnson; Mses. Klinzing, Sanderson and Auditor Otto.

   Minnesota Housing Staff Present: Commissioner Mary Tingerthal, Tal Anderson, Paula Beck, Jim Cegla, Joe Gonnella, Ruth Hutchins, Bill Kapphahn, Marcia Kolb, Karmel Kluender, Laurie Kramka, Julie LaSota, Diana Lund, Eric Mattson, Julie Ann Monson, Stephanie Oyen, John Patterson, Leslee Post, Mary Ruch, Robert Russell, Joel Salzer, Becky Schack, Nancy Slattsveen, Tonja Taylor, Will Thompson, Elaine Vollbrecht.

   Others Present: Chip Halbach, Minnesota Housing Partnership; Jean Lee, APAHC; Susan Thompson, Habitat for Humanity MN; Cherie Shoquist, City of Minneapolis; Barb Sporlein; Tom O'Hern, Assistant Attorney General; Celeste Grant, Office of the State Auditor.

2. **Agenda Review.**

   The Commissioner announced that item 9.C.(3) – Approval, Community Revitalization Fund Award: Minneapolis Enhanced Rehab Support Program, had been added to the agenda and that the board report and copies of the revised agenda had been placed at member's seats prior to the meeting.

3. **Approval of the Minutes.**

   A. **Regular Board Meeting of September 22, 2011.**

      Ms. Sanderson noted the omission of a name under employee introductions and asked that it be corrected. **MOTION:** Ms. Klinzing moved to approve the amended minutes. Auditor Otto seconded the motion. Voting yes: Mses. Klinzing, Sanderson and Auditor Otto; Messrs. K. Johnson and J. Johnson.

4. **Chairman's Report.**

   There was no Chairman's report.

5. **Commissioner's Report and Introductions.**

   The Commissioner reviewed with the Board an announcement distributed the week of October 17 regarding organizational changes and distributed organizational charts reflecting the changes.

   Commissioner Tingerthal invited managers to introduce their new employees. Diana Lund introduced Mike Thomas, staff architect in the Multifamily division and Tal Anderson introduced Ruth Hutchins of the Single Family Community Development team. The Commissioner announced that Xia Yang has been promoted and is now the Agency's senior financial analyst, Julie LaSota has taken a new role in the Agency as its Preservations Program Manager and Terry Schwartz is now the Operations Director. Commissioner Tingerthal introduced Barb Sporlein. Ms. Sporlein will serve as the Agency's Deputy

Commissioner beginning on November 7th and will supervise Operations, Research, Talent Management and Credit Risk. Ms. Sporlein shared with the Board her work experiences.

Commissioner Tingerthal reported the following:

- The Agency was awarded the National Council of State Housing Agencies' Supportive Housing of the Year award for its development of Indian supportive housing in partnership with tribal governments and the Corporation for Supportive Housing.
- All nine Minnesota Interagency Council on Homelessness commissioners convened last Thursday and committed to working with their senior staff to determine next steps to re-energize the Council and obtain further support from the Office of the Governor for the initiative.
- There has not yet been a decision on the alternative interagency agreement with OET. It is being reviewed by OET's counsel
- The November and December meetings will be one week early due to holidays.
- Selections from the Consolidated RFP will be presented for approval at the November meeting and a program committee will be scheduled for November.

The Commissioner invited Tom O'Hern to provide guidance to members regarding their interactions with the public. Mr. O'Hern suggested that members encourage constituents to put concerns in writing and share the information with Agency staff and other members. He also asked that care be used when communicating with constituencies to ensure that intentions are clear, communications are not misconstrued and private information remains private.

6. **Audit Committee:**
   None.
7. **Program Committee:**
   None.
8. **Finance Committee:**
   None.
9. **Action Items:**
   A. **Summary Review:**
      9.A.(1). Approval, Assumption, Low and Moderate Income Rental (LMIR) loan and Assumption and Modification, Preservation Affordable Rental Investment Fund (PARIF) loan – Waybury Apartments, Chaska.
      9.A.(2). Approval, Forgiveness of Debt, Low and Moderate Income Rental (LMIR) Program – Lovell Square II, Minneapolis.
      9.A.(3). Approval, Selections, Community Activity Set Aside Program.
      9.A.(4). Approval, Selections, Community Fix-up Fund.
      9.A.(5). Approval, Swap Agreement, The Bank of New York Mellon.

      In response to questions regarding item 9.A.(2)., Ms. Mary Ruch stated that all workout situations need to be individually evaluated based on if it is the financial interest of the Agency to pursue foreclosure on a property. This evaluation includes examining potential liabilities, the outstanding loan balance and value of preserving the property. In response to a question regarding item

9.A.(4)., Ms. Tonya Taylor stated that most programs are not restricted to particular types or styles of home but this particular initiative was developed for particular structures based on the needs of the community. **MOTION:** Auditor Otto moved to approve the summary review items and adopt Resolution No. MHFA 11-058: Resolution Approving Assumption LMIR and PARIF Programs; Resolution No. MHFA 11-059: Resolution Approving Loan Modification PARIF Program; Resolution No. MHFA 11-060: Resolution Approving Forgiveness Of Debt; and Resolution No. MHFA 11-061: Resolution Authorizing Execution and Delivery Of Swap Agreements with the Bank Of New York Mellon in Replacement of Swap Agreements with Citibank, N.A. Ms. Klinzing seconded the motion. Upon voting, the following members voted yes: Messrs. K. Johnson and J. Johnson; Mses. Klinzing, Sanderson and Auditor Otto.

B. Discussion - General:

9.B.(1). Approval, 2012 Affordable Housing Plan.

Commissioner Tingerthal stated that the plan has not had substantive changes to the plan since its draft presentation. The Commissioner directed the board's attention to a letter received from Minnesota Communities Land Trust Coalition in support of the plan and a letter from Heath Connection that encouraged moving dollars from homeownership programs to programs to prevent and end homelessness. The Commissioner reported that staff will conduct a thorough review of the Agency's supportive housing programs during the planning stages of the next strategic plan to ensure that the Agency will have the resources to maintain the supportive housing units we have already committed to supporting. The Commissioner also shared a chart listing major programs by beneficiary median household income and the difference from the current AHP to the last AHP. The chart was developed by John Patterson, Agency Research Director, and the Minnesota Housing Partnership and was shared at an Affordable Housing Plan webinar. Member Sanderson stated that she participated in the webinar and that it was an excellent way of getting input and ideas from other people and listening to some of the question. Mr. Chip Halbach, Minnesota Housing Partnership, addressed the Board. Mr. Halbach provided additional information regarding the webinar and expressed his appreciation of his working relationship with Minnesota Housing and his support of the 2012 Affordable Housing Plan. **MOTION:** Mr. Joe Johnson moved to adopt the 2012 Affordable Housing Plan. Auditor Otto seconded the motion. Voting yes: Mses. Klinzing, Sanderson and Auditor Otto; Messrs. K. Johnson and J. Johnson.

C. Discussion - Homes:

9.C.(1). Approval, Selections, Homeowner Education, Counseling and Training Fund (HECAT).

Ms. Kramka provided historical information about this program, which has been operating for 30 years. Ms. Kramka and Mr. Robert Russell answered questions from the board regarding environmental reviews, "green" criteria, compliance checks and the number of disbursements, noting that many of the changes return the program to the guidelines under which it operating when it was funded through state appropriations. Since its inception, the program had been funded through appropriations but in 2010, the funding source was changed to federal funds. The return to funding from appropriations will allow the program to be administered similarly to other Agency programs. **MOTION:** Mr. Joe Johnson moved to approve this request. Ms. Sanderson

seconded the motion. Upon voting, the following members voted yes: Messrs. Ken Johnson and Joe Johnson; Mses. Klinzing, Sanderson and Auditor Otto.

9.C.(2). Approval, Lender Selections, Rehabilitation Loan Program and Emergency and Accessibility Loan Program.

Ms. Laura Kramka presented information about the program and requested approval of the recommended lenders and an open-ended lender application process for the program. **MOTION:** Ms. Klinzing moved to approve this request. Mr. Joe Johnson seconded the motion. Upon voting, the following members voted yes: Messrs. Ken Johnson and Joe Johnson; Mses. Klinzing, Sanderson and Auditor Otto. Commissioner Tingerthal commended staff and thanked them for their work with this program, noting that the need for rehab funds in greater Minnesota was an item of great concern during the Regional Housing Dialogues and staff have designed a program that can be used successfully in both metropolitan area and greater Minnesota.

9.C.(3). Approval, Community Revitalization Fund Award: Minneapolis Enhanced Rehab Support Program.

Ms. Nancy Slattsveen presented this request. This application was received as part of the consolidated RFP and was reviewed, scored and selected by the selection committee. Remaining consolidated RFP applications will be presented for approval at the November meeting. Staff are requesting early approval of this award to make funds available for tornado related damage prior to the onset of winter. Ms. Cherie Shoquist of the City of Minneapolis informed the Board that there remain approximately 500 properties with tornado damage and repairs are ongoing and that most of these properties are owner-occupied. **MOTION:** Ms. Sanderson moved to approve this request. Auditor Otto seconded the motion. Upon voting, the following members voted yes: Messrs. Ken Johnson and Joe Johnson; Mses. Klinzing, Sanderson and Auditor Otto.

D. Discussion – Multifamily:

None.

10. Review and Information Items.

A. Information, Risk Management Update.

Commissioner Tingerthal shared that Chief Risk Officer Will Thompson will now report day-to-day to Paula Beck. The Risk Management Update was included in the board packet. There were no questions from the Board and the item was not discussed. No action needed.

11. Other Business.

None.

12. Adjournment.

The meeting was adjourned at 2:10 p.m.

AGENDA ITEM: 9.A.(1)
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Community Activity Set Aside Program

CONTACT: Stephanie Oyen, 651-297-3132
Stephanie.oyen@state.mn.us

Kimberly Stuart, 651-296-9959
kim.stuart@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☑ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☑ Motion ☐ Resolution ☐ No Action Required

SUMMARY REQUEST:

The Community Activity Set Aside (CASA) program is the Agency's most targeted mortgage revenue bond program. Through CASA, the Agency provides access to mortgage loans and entry cost assistance funds that assist local partnerships comprised of lenders, non-profit housing providers, governments, community organizations, and other participants in reaching emerging markets and single-headed households and supporting workforce housing opportunities. Staff is hereby requesting Board approval of its recommendation for participants in the CASA program.

FISCAL IMPACT:

The CASA program, included in the Affordable Housing Plan (AHP) under the Minnesota Mortgage Program (MMP), utilizes mortgage revenue bond and entry cost assistance resources allocated in the AHP. Each CASA initiative estimates the amount of funds needed to support their activity. However, no funds are set aside for the initiatives or the program. Programs (CASA and MMP) and borrowers participating in the programs access funds on a first-come, first-served basis. Actions requested in this report are consistent with the program terms described in that plan.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve our Vision

☐ Preserve Existing Affordable Housing ☐ Work to Prevent and End Homelessness

ATTACHMENT(S):

- Background
- Initiative Detail

BACKGROUND:
The following recommended selection for CASA meets the guidelines for participation contained within the CASA Program Concept.

Staff applies threshold indicators and considers compensating factors when determining whether to recommend a specific proposal for access to funds under CASA. The threshold indicators include:

- confirmation that initiative marketing targets fit within the Program Concept
- strength of partnership
- focused marketing plan
- homebuyer support including homebuyer education and/or counseling

Compensating factors including current market conditions, lenders overall use of MMP and CASA programs, local leverage, and innovation.

Minnesota Housing offers access to its HOME Homeowner Entry Loan Program (HOME HELP) and Homeownership Assistance Fund (HAF) entry cost assistance programs to participating CASA lenders.

INITIATIVE DETAIL:

RHAG Region	Application Partners	Initiative Name and Targets	Notes and/or Past Success
Metro	Wells Fargo Home Mortgage Neighborhood Development Alliance Powderhorn Residents Group	**Wells Fargo Home Mortgage** ☐ **New Initative** ☑ **Reapplication** ☑ **HOME HELP** ☑ **Emerging Markets** ☑ **Single-Headed Households** ☑ **Workforce Housing**	

AGENDA ITEM: 9.A.(2)
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: HOME Homeowner Entry Loan Program

CONTACT: Margaret Davies, 651-296-3631
margaret.davies@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☐ Selection(s) ☑ Waiver(s)

☐ Other:

ACTION:

☑ Motion ☐ Resolution ☐ No Action Required

SUMMARY REQUEST:
Staff is requesting a Board waiver under the HOME Homeowner Entry Loan Program (HOME HELP) for a technical error by the lender. HOME HELP provides down payment and closing cost assistance of up to $8,500 to first time homebuyers purchasing their home through Minnesota Housing's Community Activity Set Aside Program (CASA), which is funded with mortgage revenue bonds. HOME HELP is funded with federal HOME funds.

FISCAL IMPACT:
There is no fiscal impact as this loan will be purchased with HOME funds as originally intended if the waiver is approved.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☑ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☐ Preserve Existing Affordable Housing ☐ Work to Prevent and End Homelessness

ATTACHMENT(S):
Background

BACKGROUND:
Specifically, a waiver is requested for the following loan:

- Loan Number 0012609935. The borrower did not contribute the required $1,000 of his own funds to the transaction.

The lender, Wintrust Mortgage, has acknowledged its oversight, has modified its processes to include more detailed reviews of Minnesota Housing's guidelines, and will attend further training as to minimum borrower contributions.

Wintrust Mortgage was formerly River City Mortgage, which has worked with the HOME HELP Program since September 2009. River City Mortgage received one prior waiver relating to the HOME HELP Program and since River City Mortgage has become Wintrust Mortgage, one waiver relating to the HOME HELP Program. Wintrust Mortgage will contribute greatly to the Agency's goal of reaching emerging markets and foreclosure remediation targets using HOME HELP. Below is a breakdown of its loans to date:

	Total Loans	EM Borrowers	Foreclosure Remediation
Wintrust Mortgage	6	6	0
River City Mortgage	24	16	6
Wintrust / River City Mortgage	30	22	6

AGENDA ITEM: 9.B.(1)
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Resolution Authorizing Issuance and Sale of Minnesota Housing Finance Agency Homeownership Finance Bonds, 2011 Series F (Mortgage Backed Securities Program) and 2011 Series G (Mortgage Backed Securities Program).

CONTACT: Don Wyszynski, 651-296-8207
don.wyszynski@state.mn.us

Joe Gonnella, 651-296-2293
joe.gonnella@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☐ Selection(s) ☐ Waiver(s)

☑ Other: Bond Transaction

ACTION:

☐ Motion ☑ Resolution ☐ No Action Required

SUMMARY REQUEST:
Agency staff is preparing to issue bonds to provide financing for mortgage loans purchased under its single family first-mortgage programs. Kutak Rock, the Agency's bond counsel, will send the resolution and Preliminary Official Statement describing the transaction under separate cover. The Board will be asked to adopt a resolution approving the terms of the bond issue on a not-to-exceed basis.

FISCAL IMPACT:
Due to their size and ability to use tax-exempt volume cap, the single family first-mortgage programs generate more revenue than the Agency's other interest-bearing loan programs. The proposed bond issue exhausts the Agency's valuable Treasury-sponsored New Issue Bond Program authority, currently set to expire in December. The proposed structure of the bond issue maximizes the Agency's interest-rate spread.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☐ Preserve Existing Affordable Housing ☐ Prevent and End Long-term Homelessness

ATTACHMENT(S):
None.

AGENDA ITEM: 9.B.(2).(a)
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Introduction, Selections, 2011 Consolidated Request for Proposals

CONTACT: Michael Haley, 651-297-2678
mike.haley@state.mn.us

Marcia Kolb, 651-296-3028
marcia.kolb@state.mn.us

John Patterson, 651-296-0763
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REQUEST:

☐ Approval ☐ Discussion ☑ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☐ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☐ Motion ☐ Resolution ☑ No Action Required

SUMMARY REQUEST:
Each year, the Board is asked to approve both single family and multifamily recommendations under the Consolidated Request for Proposals (RFP). These recommendations are made after a thorough review of pertinent data within and pertaining to applications that have been received under the RFP. The following provides background information regarding the process.

FISCAL IMPACT:
Funds committed under the RFP are from a variety of sources that have been budgeted under the 2012 Affordable Housing Plan.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☑ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☑ Prevent and End Long-term Homelessness

ATTACHMENT(S):
- Background
- Single Family and Multifamily RFP Processes
- Multifamily Summary Spreadsheet

BACKGROUND

The Consolidated Request for Proposals (RFP) is both a document and an annual process that allows organizations to apply for multifamily and single family funding from a variety of sources through a single application. Housing Tax Credits are also distributed through the RFP. Funding sources may include Minnesota Housing, Metropolitan Council, Greater Minnesota Housing Fund, Minnesota Department of Human Services, Minnesota Department of Employment and Economic Development, Family Housing Fund, and the Minnesota Department of Corrections.

The RFP contains information regarding available funding, due dates and eligibility criteria. It is published in the State Register (the official publication of the State of Minnesota's Executive Branch) and on the Agency website. Information regarding its availability is shared with funding partners, lenders, developers, housing-focused community organizations and members of the media. A number of information and technical assistance sessions are held incident to publication of the RFP.

Applications are reviewed for eligibility and scored by the Agency and its funding partners. The highest scoring applications are reviewed for capacity and feasibility by Agency staff, funding partners and collaborating partners. Multifamily applications undergo further review, including site visits. Following these comprehensive reviews, the Agency and its funding partners meet to determine which applications will be recommended for approval to the Minnesota Housing Board. This year, the Community Profiles provided on the Agency's web site were prominently used by applicants in preparing their proposals and by Agency staff in evaluating the proposals for funding.

The RFP process formally commenced in April and selections are being recommended one month later than normal due to the state shutdown. The process is illustrated on the attached exhibit.

Because the Multifamily proposals involve the allocation of tax credits and the allocation of both deferred and amortizing loans, we have attached to this overview memo a summary spreadsheet that shows each Multifamily project recommended for selection and all funding types recommended for each project.

At the Board meeting, we will present several slides to illustrate the process and the community analysis tools used in the preparation of this year's selection recommendations.

Single Family and Multifamily RFP Processes

Start

Selection Announcement & Outreach
- State Register
- Application Posting

Technical Assistance Sessions
- In person technical assistance
- Webinar

Application & Eligibility Review
- Staff review and initial scoring
- Funding priorities
  - Leverage
  - Efficient land use (TOD)
- Underserved populations
- Temporary funding priorities
- Agency requirements & priorities

Feasibility Review / Development Readiness
- Organizational capacity
- Financial feasibility
- Marketability
- Sustainable/green review

SF and MF Scoring Consistency Meeting

MF Fewer Applications

Selection meeting
Attendees include:
- Agency staff
- Funding partners
- Collaborating partners

MF Site Visits

MF Feasibility review
- Marketability
- Organizational capacity
- Financial feasibility
- Sustainable/green review

Funding meeting with partners and Minnesota Housing program managers

MF Feasible Applications

Board Approval

End

After Selection

Multifamily
- Intake meeting
- Underwriting stage
- Architectural review
- Mortgage credit
- Closing

Single Family
- Contracts Executed
- Administrator technical assistance
- Funds released, as requested

10.28.2010

November 2011 Multifamily Consolidated RFP Board Spreadsheet

Refresh Totals

			Unit Counts		Strategic Goals					MHFA Capital Funding						Funding Partners					Funding Partners	Totals			
Prop #	Project#	Project Name	Total Units	Market Rate Units	New Afford Hsg.	End LTH	Pres.	Pres. of Federally Assisted units	Foreclosure	LMIR	PARIF	EDHC	EDHC Indian Hsg	HOME MF Preservation	HTC**	Family Housing Fund	MN DEED	Met Council LHIA	Met Council LAAND	GMHF	DHS	Total MHFA Capital	Total Funding Partners Capital	Total Non-Capital	HTC**
METRO AREA																									
Minneapolis																									
D5908	M16149	Currie Park Lofts	260	52	208							$250,000				$250,000		$400,000				$250,000	$650,000		
D6724	M16109	North Haven II	5				5				$238,396											$238,396			
D6706	M16124	PPL Foreclosure Redirection Program II	24				24		24			$650,000				$200,000						$650,000	$200,000		
D7532	M16141	Spirit on Lake	46		46	5				$1,250,000		$838,583				$150,000		$250,000				$2,088,583	$400,000		
D0818	M16143	Stradford Flats	62			4	62			$1,436,260												$1,436,260			
D7538	M16151	Alliance NSP2 rehabs	6				6		6			$195,000										$195,000			
D6259	M16129	Touchstone SH & Wellness Ctr	40		40	4									$257,012										$257,012
D6396	M16152 MOS16152	2600 17th Av So - Alliance	20		20	11						$448,490				$150,000					$106,260	$448,490	$150,000	$106,260	
		Total Minneapolis(excluding HTC):	423	52	274	20	97	0	30	$2,686,260	$238,396	$2,382,073	$0	$0		$750,000	$0	$650,000	$0	$0	$106,260	$5,306,729	$1,400,000	$106,260	
		Total Minneapolis HTC Only:	40	0	40	4	0	0	0						$257,012										$257,012
Saint Paul																									
D1579	M16139	Mary Hall	155				155				$122,504											$122,504			
D3019	M16142	St. Albans Park	74			4	74	24		$1,870,000	$1,016,408							$400,000				$2,886,408	$400,000		
		Total Saint Paul(excluding HTC):	229	0	0	4	229	24	0	$1,870,000	$1,138,912	$0	$0	$0		$0	$0	$400,000	$0	$0	$0	$3,008,912	$400,000	$0	
		Total Saint Paul HTC Only:																							
Suburbs																									
D6726	M16112	Legacy Townhomes	6		6							$218,188						$300,000				$218,188	$300,000		
D6286	M16126	Maple Village II	48		48	4				$2,088,752		$204,867			$738,718	$250,000		$300,000				$2,293,619	$550,000		$738,718
D6716	M16092	Pillsbury Commons	70		70	4				$3,170,493					$1,000,000							$3,170,493			$1,000,000
D6720	M16098	Sunset Hill Apartments	64	13	51	4				$2,718,592					$940,793							$2,718,592			$940,793
D0232	M16116	Unity Place	112				112	112						$3,000,000								$3,000,000			
D1646	M16148	Charter Oaks Townhomes	60			4	60								$450,000										$450,000
D7548	M16166	Ridgedale YMCA LAAND*																	$1,000,000				$1,000,000		
		Total Suburbs(excluding HTC):	300	13	175	12	112	112	0	$7,977,837	$0	$423,055	$0	$3,000,000		$250,000	$0	$600,000	$1,000,000	$0	$0	$11,400,892	$1,850,000	$0	
		Total Suburbs HTC Only:	60	0	0	4	60	0	0						$3,129,511										$3,129,511
		Total METRO AREA(excluding HTC):	**952**	**65**	**449**	**36**	**438**	**136**	**30**	**$12,534,097**	**$1,377,308**	**$2,805,128**	**$0**	**$3,000,000**		**$1,000,000**	**$0**	**$1,650,000**	**$1,000,000**	**$0**	**$106,260**	**$19,716,533**	**$3,650,000**	**$106,260**	
		Total Metro AREA HTC Only:	**100**	**0**	**40**	**8**	**60**	**0**	**0**						**$3,386,523**										**$3,386,523**

Proposed

Metro Area

* Land acquisition only, no units are being counted at this time
** HTC Awards are informational only

Refresh Totals

Prop #	Project#	Project Name	Unit Counts: Total Units	Unit Counts: Market Rate Units	Strategic Goals: New Afford Hsg.	Strategic Goals: End LTH	Strategic Goals: Pres.	Strategic Goals: Pres. of Federally Assisted units	Strategic Goals: Foreclosure	MHFA Capital Funding: LMIR	MHFA Capital Funding: PARIF	MHFA Capital Funding: EDHC	MHFA Capital Funding: EDHC Indian Hsg	MHFA Capital Funding: HOME MF Preservation	HTC**	Funding Partners: Family Housing Fund	Funding Partners: MN DEED	Funding Partners: Met Council LHIA	Funding Partners: Met Council LAAND	Funding Partners: GMHF	Funding Partners: DHS	Totals: Total MHFA Capital	Totals: Total Funding Partners Capital	Totals: Total Non-Capital	HTC**
GREATER MINNESOTA																									
Northeast																									
D6730	M16120 MOS16120	Fond du Lac Veterans Supportive Housing	10		10	4							$743,000							$200,000	$79,894	$743,000	$200,000	$79,894	
D0442	M16108	Munger Terrace	45				45								$543,109										$543,109
		Total NE(excluding HTC):	10	0	10	4	0	0	0	$0	$0	$0	$743,000	$0		$0	$0	$0	$0	$200,000	$79,894	$743,000	$200,000	$79,894	
		Total NE HTC Only:	45	0	0	0	45	0	0						$543,109										$543,109
Northwest																									
D7535	M16146	Giwanakimin	24		24	11							$165,000									$165,000			
D1655	M16117	Riverside Terrace	66			4	66	66		$2,003,126					$567,199							$2,003,126			$567,199
D3431	M16093	Prairie Rose	16				16								$112,264										$112,264
		Total NW(excluding HTC):	90	0	24	15	66	66	0	$2,003,126	$0	$165,000	$165,000	$679,463		$0	$0	$0	$0	$0	$2,168,126	$2,168,126	$0	$567,199	
		Total NW HTC Only:	16	0	0	0	16	0	0						$679,463										$679,463
Southeast																									
D6703	M16091	Oak Court Apartments	24				24	14												$250,000			$250,000		
D6704	M16154	Washington Village East	47		47	4									$779,156										$779,156
		Total SE(excluding HTC):	24	0	0	0	24	14	0	$0	$0	$0	$0	$0		$0	$0	$0	$0	$250,000	$0	$0	$250,000	$0	
		Total SE HTC Only:	47	0	47	4	0	0	0						$779,156										$779,156
Southwest																									
D7531	M16140	Nobles Square I & II Apartments	48			4	48	48			$567,506				$199,999		$350,000			$408,000		$567,506	$758,000		$199,999
D6733	M16132	New Paris	40				40								$196,065										$196,065
		Total SW(excluding HTC):	48	0	0	4	48	48	0	$0	$567,506	$0	$0	$0		$0	$350,000	$0	$0	$408,000	$0	$567,506	$758,000	$442,065	
		Total SW HTC Only:	40	0	0	0	40	0	0						$396,064										$396,064
Central																									
D6714	M16084	Burl Oaks Townhomes	38		38		4								$781,085										$781,085
		Total SW(excluding HTC):								$0	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$0	$0	$0	
		Total SW HTC Only:	38	0	38	0	4	0	0						$781,085										$781,085
West Central																									
D0406	M16118	Park Manor Estates	97			5	97	97		$4,542,671					$809,872							$4,542,671			$809,872
		Total WC(excluding HTC):	97	0	0	5	97	97	0	$4,542,671	$0	$0	$0	$0		$0	$0	$0	$0	$0	$0	$4,542,671	$0	$0	
		Total WC HTC Only:													$809,872										$809,872
		Total GREATER MINNESOTA(excluding HTC):	**269**	**0**	**34**	**28**	**235**	**225**	**0**	**$6,545,797**	**$567,506**	**$165,000**	**$908,000**	**$679,463**		**$0**	**$350,000**	**$0**	**$0**	**$858,000**	**$2,248,020**	**$8,021,303**	**$1,208,000**	**$1,089,158**	
		Total GREATER MINNESOTA HTC Only:	**186**	**0**	**85**	**4**	**105**	**0**	**0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$3,988,749**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**	**$3,988,749**
		Total STATE WIDE(excluding HTC):	1,221	65	483	64	673	361	30	$19,079,894	$1,944,814	$2,970,128	$908,000	$3,679,463		$1,000,000	$350,000	$1,650,000	$1,000,000	$858,000	$2,354,280	$27,737,836	$4,858,000	$1,195,418	
		Total STATE WIDE HTC Only:	286	0	125	12	165	0	0	$0	$0	$0	$0	$0	$7,375,272	$0	$0	$0	$0	$0	$0	$0	$0	$0	$7,375,272

Proposed

Greater Minnesota

* Land acquisition only, no units are being counted at this time
** HTC Awards are informational only

AGENDA ITEM: 9.B.(2).(b)01
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Deferred Loans and Grants

CONTACT: Kasey Kier, 651-284-0078
kasey.kier@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☑ Commitment(s) ☐ Modification/Change ☐ Policy ☑ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☐ Motion ☑ Resolution ☐ No Action Required

SUMMARY REQUEST:
Adopt the resolution to approve the attached funding recommendations for affordable rental housing developments. The Agency has determined that this funding assistance is not available, wholly or in part, from private lenders upon equivalent terms and conditions.

Consent to a Board commitment and loan closing authorization for projects in the attached funding recommendations for a term up to twenty-months with extensions requiring Board approval; as detailed in the attached Resolution.

Authorize staff to continue to make funding modifications to selected proposals based on guidelines previously approved by the Board and on funding availability. Staff approved funding modifications are reported annually at the January Board meeting.

FISCAL IMPACT:
All funding recommendations are consistent with budgets and terms described for each program in the current Affordable Housing Plan (AHP).

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☑ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☑ Prevent and End Long-term Homelessness

Mitigate Foreclosure Impact Through Prevention and Remediation
30 units of the recommended 2011 RFP proposals meet the Agency priority of addressing foreclosure.

Provide New Opportunities for Affordable Housing
483 units of the recommended 2011 RFP proposals meet the Agency priority of providing new affordable housing opportunities.

Prevent and End Long-term Homelessness
The 2004 Business Plan (Plan) was a collaborative initiative to create 4,000 permanent supportive housing opportunities by 2010 for households with long histories of homelessness. Production under the Plan exceeded goals for the first five years of implementation. However, in 2009 funding of new housing opportunities began to falter.

This was due largely to the downturn in the economy, a factor that influenced every area of funding needed to create and sustain supportive housing. As a result, progress continues to be made at a slower pace than originally anticipated. To the extent feasible, the Agency plans to continue its commitment to the Plan and to dedicate resources to prevent and end homelessness, specifically targeting housing for households with long histories of homelessness. To date, 3,469 cumulative permanent supportive housing opportunities for households with long histories of homelessness have been funded.

Board approval of the 2011 Multifamily RFP recommendations will advance 64 new housing opportunities for households with long histories of homelessness and with 16 unduplicated additional new housing units proposed in the 2012 Housing Tax Credit Round 1 recommendations, will bring the new cumulative total to 3,549 units; 89 percent of the Plan's goal.

Preserve Existing Affordable Housing
673 units of the recommended 2011 RFP proposals meet the Agency priority of preserving existing affordable housing, 361 of which are at risk federally assisted units.

ATTACHMENTS:
Background
Exhibit A - Funding Recommendation Summary
Exhibit B - Individual RFP Development Summaries
Exhibit C - Location Map
Exhibit D - Average Loan Amounts Per Unit by Program
Exhibit E - Predictive Model Cost Rationale
Exhibit F - Non-Recommended Applications
Resolution

Minnesota Housing's annual Multifamily RFP process provides housing sponsors the opportunity to apply for resources from the Agency and its funding partners using a Common Application and procedure.

Amortizing mortgage financing and preservation funding are also available from Minnesota Housing on an open pipeline basis.

As of June 14, 2011, the application deadline, Minnesota Housing and its funding partners received 56 proposals requesting approximately $32.3 million in deferred loan and non-capital grant resources and $43.6 million in first mortgage financing.

Summary of Available Funding and Recommendations
Proposals submitted to Minnesota Housing are extensively reviewed by a team of Agency underwriters, architects, management officers, and supporting housing officers for:

- Consistency with the mission and strategic priorities of the Agency;
- Compliance with statutes and program rules;
- Consistency with Agency and program priorities;
- Financial feasibility, market need, architectural quality, and overall development team capacity.

Of the applications received, staff is recommending funding for 21 proposals with deferred loan, grant and first mortgage financing totaling $32,781,990, as follows:

Funding Type	Proposals	Total
LMIR First Mortgage	8	$19,079,894
Minnesota Housing Deferred Loan Capital	14	$8,657,942
Funding Partner - Non-Capital for Operating Subsidy Grants	2	$186,154
Funding Partner Contributions	11	$4,858,000

- The two recommended 2011 RFP non-capital proposals are funded by the Department of Human Services (DHS), through an interagency agreement with the DHS Adult Mental Health Division.

- Four applications were submitted for Metro HRA Section 8 Project Based Voucher Rental Assistance. In accordance with Section 8 requirements, awards will be announced independently by the Metro HRA following the conclusion of the RFP recommendations.

Geographic Distribution of Proposals Recommended
Of the 21 recommended proposals, 15 are located in the seven-county Twin Cities area; 9 in the cities of Minneapolis and St. Paul and 6 in suburban locations. The remaining 6 proposals are located in Greater Minnesota:

Project Location	Recommended Proposals	Percentage of Total	Recommended Amount	Percentage of Total
Metro	15	71.4 percent	$23,472,793	71.6 percent
Inner city	9	42.8 percent	$10,221,901	31.2 percent
Suburban	6	28.6 percent	$13,250,892	40.4 percent
Greater Minnesota	6	28.6 percent	$9,309,197	28.4 percent
Total	21	100 percent	$32,781,990	100 percent

Estimates from *The Next Decade of Housing in Minnesota,* completed by BBC Research & Consulting in 2003 for Minnesota Housing, the Family Housing Fund, and the Greater Minnesota Housing Fund suggest that for the decade ending in 2010, 68 percent of the unmet need for the construction of new affordable housing units is in the seven-county Twin Cities area. The study does not distinguish between the need for owner and renter-occupied housing separately.

More recently, estimates from the Census Bureau's *2010 American Community Survey* indicate that 75 percent of Minnesota's renters have low incomes (less than $50,000) and of low-income renters with cash rent, 65.2 percent are cost burdened (paying 30 percent or more of their income for rent). Nearly 61 percent of the state's low-income cost-burdened renters live in the 13-county Minneapolis/St. Paul Metropolitan Statistical Area (MSA).

Market Conditions
According to the quarterly *Apartment Trends* report from Marquette Advisors, as of the end of the second quarter of calendar year 2011, rental vacancy rates in the Twin Cities area were lower in most rent ranges than one year ago. The average vacancy rate for rental units surveyed decreased from 5 percent in 2009 to 2.4 percent in 2011. The average market rent of $921 for the second quarter of 2011 was slightly higher than one year ago ($902).

Despite some positive changes in the conditions of the rental housing market, the need for affordable rental housing in Minnesota continues:

The Census Bureau's *2010 American Community Survey* estimates there are approximately 258,000 low-income cost- burdened renter households in Minnesota.

The state's unemployment rate reached 6.9 percent in September of 2011. According to the Minnesota Department of Employment and Economic Development, the number of initial claims for unemployment benefits decreased by 11 percent in September 2011 to 17,446, which is less than the 23,223 monthly average before the 2006/2007 recession.

According to HousingLink, at the end of the first quarter of Calendar Year 2011, there were 5,364 mortgage foreclosures in Minnesota, compared to 6,768 during the same period in 2009.
Characteristics of the proposals recommended in 2011 (housing types are not mutually exclusive):

Housing/Building Types	Proposals
Emergency Shelter	1
Transitional (up to 24 months)	1
Permanent Rental with Services	15
Service Enriched	1
Permanent Rental	21

The number of RFP applications this year (56 proposals) was reduced from the previous several years which remained constant at 83-86 proposals. This may be the result of several factors including significantly reduced deferred loan funding and prioritization in the Housing Tax Credit Qualified Allocation Plan for projects that are financially ready to proceed with no funding gaps (17 proposals requested Housing Tax Credits with no RFP deferred gap funding).

Preservation/rehabilitation units continue to be a high priority in the RFP with additional priority for at risk federally assisted units. In 2011, 60 percent of the recommended units are preservation/rehabilitation, in 2010, 63 percent and 58 percent in 2009.

Minnesota Housing Multifamily Cost Per Unit Analysis:
Staff analyzes all proposals on a total and per unit cost basis, using a Predictive Cost Model developed by the Minnesota Housing research department as one way to identify proposals having costs higher than might be expected. Agency staff works with applicants to understand and mitigate high costs. In 2007 the board requested that staff provide rationale for all high cost recommended proposals. With the 2011 recalibration of the Predictive Cost Model, costs at 25 percent or higher will be discussed on the Predictive Cost Model Rationale as shown on Exhibit E. One development exceeded the predicted costs by more than 25 percent.

Long-term homeless per unit benchmarks are no longer published in the Multifamily Consolidated Request for Proposal Guide. Costs for proposals that serve the long-term homeless are compared to the Minnesota Housing Predictive Cost Model estimates.

November 2011 Multifamily Consolidated RFP Board Spreadsheet

			Unit Counts		Strategic Goals					MHFA Capital Funding					Funding Partners					Non-Capital Funding Partners	Totals		
Prop #	Project#	Project Name	Total Units	Market Rate Units	New Afford Hsg.	End LTH	Pres.	Pres. of Federally Assisted units	Foreclosure	LMIR	PARIF	EDHC	EDHC Indian Hsg	HOME MF Preservation	Family Housing Fund	MN DEED	Met Council LHIA	Met Council LAAND	GMHF	DHS	Total MHFA Capital	Total Funding Partners Capital	Total Non-Capital
METRO AREA																							
Minneapolis																							
D5908	M16149	Currie Park Lofts	260	52	208							$250,000			$250,000		$400,000				$250,000	$650,000	
D6724	M16109	North Haven II	5				5				$238,396										$238,396		
D6706	M16124	PPL Foreclosure Redirection Program II	24				24		24			$650,000			$200,000						$650,000	$200,000	
D7532	M16141	Spirit on Lake	46		46	5				$1,250,000		$838,583			$150,000		$250,000				$2,088,583	$400,000	
D0818	M16143	Stradford Flats	62			4	62			$1,436,260											$1,436,260		
D7538	M16151	Alliance NSP2 rehabs	6				6		6			$195,000									$195,000		
D6396	M16152 MOS16152	2600 17th Av So - Alliance	20		20	11						$448,490			$150,000					$106,260	$448,490	$150,000	$106,260
		Total Minneapolis:	423	52	274	20	97	0	30	$2,686,260	$238,396	$2,382,073	$0	$0	$750,000	$0	$650,000	$0	$0	$106,260	$5,306,729	$1,400,000	$106,260
Saint Paul																							
D1579	M16139	Mary Hall	155				155				$122,504										$122,504		
D3019	M16142	St. Albans Park	74			4	74	24		$1,870,000	$1,016,408						$400,000				$2,886,408	$400,000	
		Total Saint Paul:	229	0	0	4	229	24	0	$1,870,000	$1,138,912	$0	$0	$0	$0	$0	$400,000	$0	$0	$0	$3,008,912	$400,000	$0
Suburbs																							
D6726	M16112	Legacy Townhomes	6		6							$218,188					$300,000				$218,188	$300,000	
D6286	M16126	Maple Village II	48		48	4				$2,088,752		$204,867			$250,000		$300,000				$2,293,619	$550,000	
D6716	M16092	Pillsbury Commons	70		70	4				$3,170,493											$3,170,493		
D6720	M16098	Sunset Hill Apartments	64	13	51	4				$2,718,592											$2,718,592		
D0232	M16116	Unity Place	112				112	112						$3,000,000							$3,000,000		
D7548	M16166	Ridgedale YMCA LAAND*																$1,000,000				$1,000,000	
		Total Suburbs:	300	13	175	12	112	112	0	$7,977,837	$0	$423,055	$0	$3,000,000	$250,000	$0	$600,000	$1,000,000	$0	$0	$11,400,892	$1,850,000	$0
		Total METRO AREA:	952	65	449	36	438	136	30	$12,534,097	$1,377,308	$2,805,128	$0	$3,000,000	$1,000,000	$0	$1,650,000	$1,000,000	$0	$106,260	$19,716,533	$3,650,000	$106,260
GREATER MINNESOTA																							
Northeast																							
D6730	M16120 MOS16120	Fond du Lac Veterans Supportive Housing	10		10	4							$743,000						$200,000	$79,894	$743,000	$200,000	$79,894
		Total NE:	10	0	10	4	0	0	0	$0	$0	$0	$743,000	$0	$0	$0	$0	$0	$200,000	$79,894	$743,000	$200,000	$79,894
Northwest																							
D7535	M16146	Giwanakimin	24		24	11							$165,000								$165,000		
D1655	M16117	Riverside Terrace	66			4	66	66		$2,003,126											$2,003,126		
		Total NW:	90	0	24	15	66	66	0	$2,003,126	$0	$0	$165,000		$0	$0	$0	$0	$0	$0	$2,168,126	$0	$0
Southeast																							
D6703	M16091	Oak Court Apartments	24				24	14											$250,000			$250,000	
		Total SE:	24	0	0	0	24	14	0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$250,000	$0	$0	$250,000	$0
Southwest																							
D7531	M16140	Nobles Square I & II Apartments	48			4	48	48			$567,506					$350,000			$408,000		$567,506	$758,000	
		Total SW:	48	0	0	4	48	48	0	$0	$567,506	$0	$0	$0	$0	$350,000	$0	$0	$408,000	$0	$567,506	$758,000	$0
West Central																							
D0406	M16118	Park Manor Estates	97			5	97	97		$4,542,671											$4,542,671		
		Total WC:	97	0	0	5	97	97	0	$4,542,671	$0	$0	$0	$0	$0	$0	$0	$0	$0	$0	$4,542,671	$0	$0
		Total GREATER MINNESOTA:	269	0	34	28	235	225	0	$6,545,797	$567,506	$0	$908,000	$0	$0	$350,000	$0	$0	$858,000	$79,894	$8,021,303	$1,208,000	$79,894
		Total STATE WIDE:	1,221	65	483	64	673	361	30	$19,079,894	$1,944,814	$2,805,128	$908,000	$3,000,000	$1,000,000	$350,000	$1,650,000	$1,000,000	$858,000	$186,154	$27,737,836	$4,858,000	$186,154

* Land acquisition only, no units are being counted at this time

Exhibit B – RFP Development Summaries

Metro Area

Minneapolis

- Curry Park Lofts
- North Haven II
- PPL Foreclosure Redirection Program II
- Spirit on Lake
- Stradford Flats
- Alliance NSP2 Rehabs
- 2600 17th Ave So. Alliance

Saint Paul

- Mary Hall
- Saint Albans Park

Suburbs

- Legacy Townhomes
- Maple Village II
- Pillsbury Commons
- Sunset Hill Apartments
- Unity Place
- Ridgedale YMCA LAAND

Greater Minnesota

Northeast Minnesota

- Fond du Lac Veterans Supportive Housing

Northwest Minnesota

- Giwanakimin
- Riverside Terrace

Southeast Minnesota

- Oak Court Apartments

Southwest Minnesota

- Nobles Square I & II Apartments

West Central Minnesota

- Park Manor Estates

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Fine Associates LLC	**Project City:**	Minneapolis
Project Name:	Currie Park Lofts	**Dev #:**	D5908
		App #:	M16149

Purpose of Project

This development is a new construction, 260-unit, six story elevator building in the Cedar-Riverside Neighborhood in Minneapolis. A parking structure and some commercial space will also be included in the development. The site is approximately 2.41 acres and currently contains vacant land and a small structure to be relocated. This transit oriented development is located adjacent to a current Hiawatha Light Rail Transit (LRT) stop, an under construction Central Corridor LRT stop, downtown Minneapolis and the University of Minnesota. The development contains a mix of units, from studios to three bedroom units, both affordable and market rate.

Targeted Population

The development will provide housing for individuals and families, in both market rate and affordable units. The development will target households of color, single head of households with minor children and disabled individuals.

Per Unit Costs

Acquisition: $20,385
Construction (including Environmental): $119,801
Soft Costs (excluding Reserves): $24,463
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $4,622
Total Development Costs: $169,271

Strategic Goals

Strategic Goal	New Const. Units	Rehab
New Affordable Housing	208	

11/17/2011

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	$9,384,799
TE Bond - NOI Supported	$17,944,102
TE Bond - TIF Supported	$5,785,000
City - HLA Funds	$1,720,000
Hennepin Cty TOD Grant	$370,000
CPED AHTF Request	$1,200,000
FHLB	$500,000
Met Council LCDA	$806,000
Hennepin Cty AHIF	$400,000
Seller Note	$5,000,605
Met Council LHIA	$400,000
FHF	$250,000
EDHC	$250,000
Total Sources:	**$44,010,506**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$250,000
FHF	$250,000
Met Council LHIA	$400,000

Subsidy Funds	Amount
Total Recommended:	**$900,000**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	13	$858	Market Rate
0BR/SRO	31	$717	60% AMI
0BR/SRO	10	$642	50% AMI
1BR	20	$947	Market Rate
1BR	78	$770	60% AMI
1BR	14	$691	50% AMI
2BR	16	$1,194	Market Rate
2BR	32	$953	60% AMI
2BR	20	$856	50% AMI
3BR	3	$1,331	Market Rate
3BR	15	$1,106	60% AMI
3BR	8	$996	50% AMI
Total:	**260**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Plymouth Church Neighborhood Foundation	**Project City:**	Minneapolis
Project Name:	North Haven II	**Dev #:**	D6724
		App #:	M16109

Purpose of Project

The North Haven Phase II proposal, a repeat application is for the acquisition and rehabilitation of 2220 Clinton Avenue, next door to North Haven Phase I. The Phase I and Phase II properties feature generally the same design; share a common driveway and parking areas. The program for Phase II of North Haven will continue the same refugee assistance mission of Phase I. The addition of more units and the combined backyard space will benefit the tenants and will allow for economy of scale for property management. Previous management of the 2220 building was of poor quality and tenant behavior in this building had caused problems for the North Haven program and neighborhood as whole. Plymouth Church Neighborhood Foundation (PCNF) owning both properties will be positive for the neighborhood and existing North Haven residents. PCNF already has partnered with the Minnesota Council of Churches (MCC) Refugee Program in North Haven Phase I. MCC provides services and shallow rent subsidy for this target group with funding from the federal government and other public and private sources.

Targeted Population

The population served will be large immigrant families. PCNF works in collaboration and in close partnership with community agencies to ensure that residents are connected to the services that enhance the quality of their lives.

Per Unit Costs

Acquisition: $83,600
Rehabilitation (including Environmental): $22,256
Soft Costs (excluding Reserves):$0
Non-Mortgageable Costs (excluding Reserves):$0
Reserves: $3,800
Total Development Cost: $138,116

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Preservation	5	

11/17/2011

Total Capital Funding Sources

Sources	Amount
City Of Minneapolis	$212,184
Hennepin County	$160,000
Private Grants	$70,000
CPED Non Profit Admin	$10,000
PARIF	$238,396
Total Sources:	**$690,580**

Super RFP Funding

Capital Funds	Amount
PARIF	$238,396

Subsidy Funds	Amount

Total Recommended: **$238,396**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	1	$677	50% AMI
3BR	3	$895	40% AMI
3BR	1	$895	40% AMI
Total:	**5**		

Run Date: 11/02/2011

Proposed Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Project for Pride in Living Inc	**Project City:**	Minneapolis
Project Name:	PPL Foreclosure Redirection	**Dev #:**	D6706
		App #:	M16124

Purpose of Project

PPL is proposing to continue its foreclosure recovery efforts by purchasing and rehabilitating foreclosed, vacant, boarded, abandoned, and or financially distressed small multifamily buildings. The proposal includes 21- 24 units in buildings no smaller than 2 units. PPL is targeting foreclosed properties located in Minneapolis zip codes 55411 and 55412, Hawthorne, Cleveland and Folwell neighborhoods. By focusing on these areas, PPL intend to concentrate the impact of their overall foreclosure recovery efforts (NSP I and NSP II).

Targeted Population

The development will target households of color and single headed households with children. Households will have incomes at or below 50% AMI.

Per Unit Costs

Acquisition: $32,083
Rehabilitation (including Environmental): $75,675
Soft Costs (excluding Reserves): $33,880
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $0
Total Development Cost: $141,638

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Foreclosure		24
Preservation		24

Total Capital Funding Sources

Sources	Amount
CPED NSP II	$1,440,000
CPED AHTF 2010	$80,200
CPED Non-profit Admin	$8,000
Twin Cities Community	$152,620
CPED AHTF 2011	$349,500
CPED Non-profit Admin	$29,000
EDHC	$650,000
Henn Co. AHIF 2012	$350,000
Pohlad Foundation	$40,000
Cleveland Neighborhood	$100,000
FHF	$200,000
Total Sources:	**$3,399,320**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$650,000
FHF	$200,000

Subsidy Funds	Amount
Total Recommended:	**$850,000**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	1	$515	50% AMI
1BR	22	$673	50% AMI
3BR	1	$988	50% AMI
Total:	**24**		

Proposed
Not Yet Approved

Run Date: 10/31/2011

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Everwood Development LLC	**Project City:**	Minneapolis
Project Name:	Spirit on Lake	**Dev #:**	D7532
		App #:	M16141

Purpose of Project

Everwood Development LLC proposes a new construction of a four-story elevator building containing 46 dwelling units along East Lake Street in Minneapolis. Spirit on Lake will occupy approximately 0.8 acres of vacant land located at the Northwest corner of 13th Avenue South and East Lake Street in South Minneapolis, MN. The site is currently a largely vacant parking lot in an area that is primarily improved with a mix of commercial and multifamily residential related uses. The 46 units will be located within one four-story elevator building with underground parking and feature a brick and fiber-cement exterior. The unit mix will include one and two-bedroom apartments to meet the demands for work force housing. In addition to a common lobby and community room for the residents; the building includes approximately 4,570 square feet of non-residential space on the first floor along Lake Street.

Targeted Population

The anticipated demographic served by Spirit on Lake will consist of low to moderate-income individuals. While following fair housing requirements, the project will be targeted to the aging gay, lesbian, bisexual and transgender (GLBT) community. The residents may work for area employers including Allina Health, Minneapolis School District, Abbot Northwestern and Children's Hospitals and local retailers such as Target, Rainbow Foods and many of the other businesses in the City of Minneapolis and the Twin Cities Metro area. Five units will serve long-term homeless individuals.

Per Unit Costs

Acquisition: $12,354
Construction (including Environmental): $126,650
Soft Costs (excluding Reserves): $42,419
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $3,196
Total Development Cost: $184,618

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Single	5	
New Affordable Housing	46	

11/17/2011

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	$1,250,000
Syndication Proceeds*	$2,650,000
CPED AHTF	$1,449,000
CPED Nonprofit Admin	$30,000
Hennepin County ERF	$272,750
Met Council TBRA	$328,500
Committed Grants	$25,000
Hennepin County TOD	$47,102
Hennepin County	$460,000
Met Council LCDA	$391,500
Deferred Developer Fee	$350,000
EDHC	$838,583
Met Council LHIA	$250,000
FHF	$150,000
Total Sources:	**$8,492,435**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$838,583
LMIR 1st Mortgage	$1,250,000
FHF	$150,000
Met Council LHIA	$250,000

Subsidy Funds	Amount

Total Recommended: **$2,488,583**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	5	$775	30% AMI
1BR	23	$775	50% AMI
2BR	18	$931	50% AMI
Total:	**46**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	SA Stradford Flats Limited Partnership	**Project City:**	Minneapolis
Project Name:	Stradford Flats	**Dev #:**	D0818
		App #:	M16143

Purpose of Project

Stradford Flats is an existing 62 unit tax credit development (at the end of its initial fifteen year compliance period) made up of 24 efficiencies, 37 one bedroom units and 1 two bedroom unit. The purpose of this request is to provide funding for substantial rehabilitation. The development underwent only moderate rehabilitation at the time it was initially funded by Minnesota Housing in 1993; the proposed scope of work is comprehensive and that, in conjunction with new amortizing debt, should allow the development to compete in the market well into the future.

Targeted Population

Sherman Associates, Inc. will continue to target individuals and households of color and single-head of households, with four units designated for households experiencing long-term homelessness. Sherman Associates, Inc. has a history of successfully reaching out to underserved populations.

Per Unit Costs

Acqusition: $25,000
Rehabilitation (including environmental): $62,391
Soft Costs (exluding reserves): $22,223
Non-mortgagble costs (excluding reserves): $0
Reserves: $1,559
Total Development Cost: $111,174

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Single		4
Preservation		62

11/17/2011

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	$4,485,760
CPED - AHTF	$873,651
Remaining Gap	$97,094
LMIR 1st Mortgage	$1,436,260
Total Sources:	**$6,892,765**

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	$1,436,260

Subsidy Funds	Amount

Total Recommended: **$1,436,260**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	2	$652	30% AMI
0BR/SRO	14	$545	50% AMI
0BR/SRO	6	$563	50% AMI
0BR/SRO	2	$545	50% AMI
1BR	2	$670	30% AMI
1BR	7	$622	50% AMI
1BR	19	$622	50% AMI
1BR	4	$622	50% AMI
1BR	2	$622	50% AMI
1BR	3	$622	50% AMI
2BR	1	$797	50% AMI
Total:	**62**		

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Alliance Housing Incorporated	**Project City:**	Minneapolis
Project Name:	Alliance NSP2 rehabs	**Dev #:**	D7538
		App #:	M16151

Purpose of Project

The proposal is for the acquisition and rehabilitation of 3 foreclosed duplexes in North Minneapolis, of which all are currently vacant, abandoned and boarded. The development will consist of 3 buildings, 6 units, all 3BR's. Preference will be given to homeless families and families living in shelters. These units will benefit from a comprehensive support service program being developed by Alliance Housing.

Targeted Population

The development will target households of color and single head of households with children. Households will have incomes at or below 50% AMI.

Per Unit Costs

Acquisition: $10,833
Rehabilitation (including Environmental): $97,985
Soft Costs (excluding Reserves): $32,000
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $10,000
Total Development Cost: $150,951

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Foreclosure		6
Preservation		6

11/17/2011

Total Capital Funding Sources

Sources	Amount
NSP	$360,000
EDHC	$195,000
CPED	$126,706
Hennepin C. Lead funds	$24,000
FHLB	$180,000
Alliance Fundraising	$20,000
Total Sources:	**$905,706**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$195,000

Subsidy Funds	Amount

Total Recommended: **$195,000**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
3BR	6	$977	50% AMI
Total:	**6**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Alliance Housing Incorporated	**Project City:**	Minneapolis
Project Name:	2600 17th Av So - Alliance	**Dev #:**	D6396
		App #:	M16152

Purpose of Project

Alliance Housing Inc. (AHI) proposes to construct a new three-story building consisting of 20 units of affordable rental housing located on the corner of East 26th Street and 17th Avenue South in the Philips neighborhood of Minneapolis. The building will have an elevator, brick and stucco exterior, and limited on-site parking. The development is located in Minneapolis' NSP3 Priority Area 2: Phillips 2. The site is made up of 4 undersized lots. AHI owns two of the four properties including the one with an existing duplex on it. The remaining two, owned by the City, were acquired through foreclosure or condemnation. The City has given AHI a development agreement for these two lots. The duplex is currently occupied and its tenants will be located to other Alliance properties in the event this project goes forward. As part of this application, AHI has requested a waiver to repay MHFA's existing loan of $42,357 on the duplex at 2602 17th Av South. This forgivable loan (91-HTF-9) would be entirely forgiven in the year 2020.

Targeted Population

AHI expects to market most of the apartments to older homeless persons, aged 55 or older. Increasingly older men and women are part of the homeless population in Minneapolis. Currently, at Minneapolis Harbor Light Shelter, 97 of its 450 (or 21.5%) residents are seniors. At St. Stephen's Shelter 10% of its shelter beds this past winter were filled by men over 70. Eleven of the 20 units will serve long-term homeless men and women and eight units will serve homeless and near homeless individuals. Most will be recruited through Minneapolis service providers who work specifically with this population such as St. Stephen's Human Services, Spectrum, People Incorporated, and Mental Health Resources. Rents and services for 11 of the residents will be subsidized using GRH funding, either through St Stephen's Human Services (4 residents) or through AHI (7 residents). AHI will apply for these funds at the next opportunity.

Per Unit Costs

Acquisition: $3,875
Construction (including Environmental): $89,966
Soft Costs (excluding Reserves): $25,100
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $2,400
Total Development Cost: $121,341

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Single	11	
New Affordable Housing	20	

11/17/2011

Total Capital Funding Sources

Sources	Amount
CPED Non-profit Admin	$30,000
Foundations/Alliance Hsg	$75,000
Continuum of Care SHP	$400,000
Waiver of MN Hsg	$42,000
EDHC	$448,490
FHF	$150,000
TOD	$35,500
CPED	$356,822
Hennepin County AHIF	$389,000
FHLB	$500,000
Total Sources:	**$2,426,812**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$448,490
FHF	$150,000

Subsidy Funds	Amount
DHS HTF Operating Subsidy	$106,260
Total Recommended:	**$704,750**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	4	$650	50% AMI
0BR/SRO	5	$646	50% AMI
0BR/SRO	3	$646	50% AMI
0BR/SRO	7	$100	50% AMI
1BR	1	<null>	50% AMI
Total:	**20**		

Run Date: 11/02/2011

Proposed Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Catholic Charities of the Archdiocese	**Project City:**	Saint Paul
Project Name:	Mary Hall	**Dev #:**	D1579
		App #:	M16139

Purpose of Project

Catholic Charities is requesting funding for the roof replacement at Mary Hall. Mary Hall is a permanent and transitional supportive housing development in St. Paul. Mary Hall, a six story elevator building, provides 155 SRO units for single men and women who were previously homeless. 100% of the units are subsidized. Mary Hall provides housing through two distinct programs, 75 private furnished rooms with shared community areas and 80 units of supportive transitional housing.

Targeted Population

The targeted population is homeless single men and women, individuals of color and disabled individuals. The population served meet the federal homeless definition (more restrictive than MN Housing). Individual's income cannot exceed 30% of area median income.

Per Unit Costs

Acquisition or Refinance: N/A
Rehabilitation (including Environmental): $690
Construction Contingency: $48
Soft Costs (excluding Reserves): $52
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $0
Total Development Cost: $790

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Preservation		155

11/17/2011

Total Capital Funding Sources

Sources	Amount
PARIF	$122,504
Total Sources:	**$122,504**

Super RFP Funding

Capital Funds	Amount
PARIF	$122,504

Subsidy Funds	Amount

Total Recommended: **$122,504**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	16	$646	30% AMI
0BR/SRO	75	$503	30% AMI
0BR/SRO	64	$503	30% AMI
Total:	**155**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Twin Cities Housing Development Corp	**Project City:**	Saint Paul
Project Name:	St. Albans Park	**Dev #:**	D3019
		App #:	M16142

Purpose of Project

Twin Cities Housing Development Corporation (TCHDC) proposes to acquire and significantly rehab this 74 unit development. The Development, currently known as Selby-Dale Co-op, was originally developed as a limited equity co-operative. Only 15 units of the 74 units have been acquired under the co-op structure. The current ownership consists of the Co-operative Association which is run by a board consisting of representatives of the 15 owner/members. As part of the aquisition and financing proposal, TCHDC will preserve the existing 24 units of Project Based Rental Assistance.

Targeted Population

With a mix of 1-, 2-, 3- and 4-bedroom apartments and townhomes, this development serves a very diverse mix of tenants. The property will serve singles and families with incomes of 60% AMI and lower. 24 of the units have Section 8 rental assistance assuring that the tenants do not pay more than 30% of their incomes towards rent. TCHDC has agreed to set-aside 4 units for households that are experiencing long-term homelessness.

Per Unit Costs

Acquisition: $48,684
Rehabilitation (including Environmental): $83,013
Soft Costs (excluding Reserves): $44,778
Non-Mortgageable Costs (excluding Reserves): $20,695
Reserves: $8,405
Total Development Cost: $202,575

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family		4
Preservation		50
Preservation / Federally		24

11/17/2011

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	$1,870,000
General Partner Cash	$310,000
Syndication Proceeds*	$8,432,080
St. Paul assumed deferred	$1,104,583
FHF assumed deferred	$326,024
Balance of NCCB 2nd mtg	$1,531,420
PARIF	$1,016,408
Met Council LHIA	$400,000
Total Sources:	**$14,990,515**

Super RFP Funding

Capital Funds	Amount
PARIF	$1,016,408
LMIR 1st Mortgage	$1,870,000
Met Council LHIA	$400,000

Subsidy Funds	Amount

Total Recommended: **$3,286,408**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	28	$679	50% AMI
2BR	9	$888	50% AMI
2BR	4	$888	60% AMI
2BR	15	$888	60% AMI
2BR	3	$932	60% AMI
2BR	3	$932	60% AMI
3BR	3	$1,114	60% AMI
3BR	3	$1,114	60% AMI
4BR	3	$1,290	60% AMI
4BR	3	$1,290	60% AMI
Total:	**74**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Interfaith Outreach and Community Partners	**Project City:**	Wayzata
Project Name:	Legacy Townhomes	**Dev #:**	D6726
		App #:	M16112

Purpose of Project

The proposal is for the acquisition of IOCP's current office headquarters, demolishing the building, and building 6 new units, 2-story row-house style with tuck-under garages in Wayzata, a mix of 4-3BR and 2-2BR units. It is general occupancy with 1 fully handicapped-accessible unit and 1 unit accessible for sensory-impaired occupants.
Incomes for 4 units will be at or below 50% AMI and the remaining 2 units will be at or below 30% AMI.

Targeted Population

The targeted population will include homeless, near homeless, families with children, single head of household with children and individual/families of color.

Per Unit Costs

Acquisition: $61,667
Construction (including Environmental): $163,880
Soft Costs (excluding Reserves): $16,967
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $0
Total Development Cost: $242,513

Strategic Goals

Strategic Goal	New Const. Units	Rehab
New Affordable Housing	6	

Total Capital Funding Sources

Sources	Amount
General Partner Cash	$196,892
CDBG	$385,000
Henn. Co. HOME	$325,000
Met Council	$300,000
EDHC	$218,188
donations	$30,000
Total Sources:	**$1,455,080**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$218,188
Met Council LHIA	$300,000

Subsidy Funds	Amount
Total Recommended:	**$518,188**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
2BR	1	$899	50% AMI
2BR	1	$558	30% AMI
3BR	3	$1,092	50% AMI
3BR	1	$620	30% AMI
Total:	**6**		

Proposed
Not Yet Approved

Run Date: 10/31/2011

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	SCI Associates, LLC	**Project City:**	Maple Grove
Project Name:	Maple Village II	**Dev #:**	D6286
		App #:	M16126

Purpose of Project

Sand Companies, Inc. proposes a 48 unit new construction of a three-story elevator building with underground parking. Maple Village II, (phase two of the previous development,) will occupy approximately 1.81 acres of land located at the north end of Zanzibar Lane North about a mile west of Interstate 94 in the southeastern portion of Maple Grove. The currently vacant site is also surrounded by single family homes to the west, a regional water pond to the north, wetlands to the east; a large church to the south. The unit mix will include one, two and three-bedroom apartments to meet the demands for work force family housing.

Targeted Population

Maple Village II will market to low to moderate-income families, targeting households of color and/or single head of households with minor children. The residents may work for area employers including Boston Scientific, School District, UPS, Hanson Concrete Products and local retailers such as Wal-mart, Target, and Cub Foods. Four units will serve long-term homeless families.

Per Unit Costs

Acquisition: $16,458
Construction (including Environmental): $128,811
Soft Costs (excluding Reserves): $43,609
Non-Mortgageable Costs (excluding Reserves): 3,821
Reserves: $0
Total Development Cost: $192,805

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family	2	
Long Term Homeless Single	2	
New Affordable Housing	48	

11/17/2011

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	$2,088,752
Syndication Proceeds*	$6,204,611
EDHC	$204,867
FHF	$250,000
Met Council LHIA	$300,000
City of Maple Grove Equity	$65,460
Remaining Gap	$135,847
Total Sources:	**$9,249,537**

Super RFP Funding

Capital Funds	Amount
EDHC MF	$204,867
LMIR 1st Mortgage	$2,088,752
FHF	$250,000
Met Council LHIA	$300,000

Subsidy Funds	Amount

Total Recommended: **$2,843,619**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	10	$775	50% AMI
1BR	2	$115	30% AMI
2BR	22	$931	50% AMI
2BR	2	$130	30% AMI
3BR	12	$1,075	50% AMI
Total:	**48**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Connelly Development LLC	**Project City:**	Richfield
Project Name:	Pillsbury Commons	**Dev #:**	D6716
		App #:	M16092

Purpose of Project

The Pillsbury Commons proposal is for the new construction of a four story elevator apartment building in Richfield, adjacent to the Nine Mile Creek bike/walk trail on 76th St. that is currently under construction. The development will provide 70 housing opportunities, primarily for families, including four units for households experiencing long-term homelessness, in close proximity to the vibrant commercial node at West 77th Street and Lyndale Ave South. This area contains housing, recreation, and employment opportunities, and is well connected by bus service to other regional centers in Minneapolis, Edina, and Bloomington, including downtown Minneapolis, the Mall of America, and the airport. The project is planned to include underground parking, an exercise facility, community room, office space, and an outdoor play area.

Targeted Population

This development will provide housing primarily for families, targeting households of color and single-head of households, with four units designated for households experiencing long-term homelessness.

Per Unit Costs

Acquisition: $5,942
Construction (including Environmental): $128,337
Soft Costs (excluding Reserves): $38,539
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $6,823
Total Development Cost: $179,641

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family	4	
New Affordable Housing	70	

11/17/2011

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	$3,170,493
Syndication Proceeds*	$9,000,000
Deferred Developer Fee	$404,410
Total Sources:	**$12,574,903**

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	$3,170,493

Subsidy Funds	Amount

Total Recommended: **$3,170,493**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	6	$775	50% AMI
2BR	43	$931	50% AMI
2BR	2	$558	30% AMI
3BR	1	$1,220	30% AMI
3BR	17	$1,075	50% AMI
3BR	1	$645	30% AMI
Total:	**70**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Duffy Development Company Inc	**Project City:**	Minnetonka
Project Name:	Sunset Hill Apartments	**Dev #:**	D6720
		App #:	M16098

Purpose of Project

The proposal is for the new construction of a 64 unit four story elevator building located in the city of Minnetonka. This mixed income development will consist of 13 market rate units and 51 Housing Tax Credit (HTC) units with rents affordable to households at 50 percent AMI, four of which will be deemed for households experiencing long-term homelessness. The proposal is a mix of one, two and three bedroom units with underground parking and surface parking for guests. It is an excellent opportunity to meet the City's housing goals to meet locally identified housing needs close to transit.

Targeted Population

The development will serve families with children, including single heads of households with children and individuals and families of color. Four of the units will be restricted to families experiencing long-term homelessness.

Per Unit Costs

Acquisition: $18,300
Construction (including Environmental): $124,800
Soft Costs (exluding reserves): $48,008
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $4,759
Total Development Cost: $195,867

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family	4	
New Affordable Housing	51	

11/17/2011

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	$8,131,915
City of Minnetonka	$980,000
LMIR 1st Mortgage	$2,718,592
Hennepin Cty HOME	$700,000
Community Hsg. Coalition	$5,000
Total Sources:	**$12,535,507**

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	$2,718,592

Subsidy Funds	Amount

Total Recommended: **$2,718,592**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	2	$991	Market Rate
1BR	9	$775	50% AMI
1BR	1	$751	50% AMI
2BR	6	$1,200	Market Rate
2BR	21	$900	50% AMI
2BR	4	$900	50% AMI
2BR	2	$130	50% AMI
3BR	5	$1,360	Market Rate
3BR	10	$1,040	50% AMI
3BR	2	$1,040	50% AMI
3BR	2	$130	50% AMI
Total:	**64**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Community Housing Development Corporation	**Project City:**	Brooklyn Center
Project Name:	Unity Place	**Dev #:**	D0232
		App #:	M16116

Purpose of Project

Community Housing Development Corporation (CHDC) is seeking funds for a moderate rehab of Unity Place, a Project Based Section 8 townhome development in Brooklyn Center. The current request is primarily to address serious deterioration in the siding, sheathing and framing identified by the City in 2010.

Targeted Population

The development currently provides 112 two- and three-bedroom townhome units that benefit from Project Based Section 8, which expires in 2019. The property serves families with children with low and very low incomes. In 2010, 94 households earned less than 30% AMI; 13 earned less than 50% AMI, 2 earned less than 60% and 1 earned more than 60% AMI. At that time, the development served 121 adults and 175 children.

Per Unit Costs

Acquisition or Refinance: $0
Rehabilitation (including Environmental): $24,673
Soft Costs (excluding Reserves): $2,113
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $0
Total Development Cost: $26,786

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Preservation / Federally		112

Total Capital Funding Sources

Sources	Amount
HOME MF Preservation	$3,000,000
Total Sources:	**$3,000,000**

Super RFP Funding

Capital Funds	Amount
HOME MF Preservation	$3,000,000

Subsidy Funds	Amount
Total Recommended:	**$3,000,000**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
2BR	56	$922	80% AMI
2BR	5	$920	80% AMI
3BR	51	$1,001	80% AMI
Total:	**112**		

Run Date: 10/31/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	City of Minnetonka	**Project City:**	Minnetonka
Project Name:	Ridgedale YMCA	**Dev #:**	D7548
		App #:	M16166

Purpose of Project

A collaboration of the City of Minnetonka, YMCA of Metropolitan Minneapolis, Frauenshuh Commercial, LaSalle Group, and New Perspective Senior Living will coordinate the redevelopment of the current Ridgedale YMCA site in Minnetonka in a "wellness campus" structure. The plan includes: -- Subdivision of the current 10.42 acre site into three parcels-one for the YMCA, one for the senior housing facility, and one for the medical office building. -- Razing the existing, inefficient 1970 vintage YMCA building. -- Construction of a new, 2-story, 50,000 sq. ft. YMCA. -- Construction of a 150-unit senior housing development (on approximately 4.5 acres), and -- Construction of a 10,000 sq. ft. medical office building. The LAAND funds will be used along with other funds to acquire the parcel where the senior housing facility will be located.

Targeted Population

[Targeted Population / Affordability / Underserved / Foreclosure]
The residential development will provide 30 units of affordable rental housing. 120 units will be rental housing targeted towards mixed-income market rate renters. The affordable units will be both rent and income restricted and affordable at 50% AMI. The 30 affordable units represent 20% of the total number of units proposed for the development and meets the LAAND program minimum requirement of at least 20% of the units affordable to households with incomes at 60% AMI. The affordable residential rental units developed as part of the Ridgedale YMCA Redevelopment proposal will remain affordable for 30 years. Note: Unit type and Unit count information contained in the Rent Information Section below are general conceptual only.

Per Unit Costs

[Land Cost Impediment to Affordable Housing Development]
Minnetonka is a fully developed city with little vacant or underdeveloped land available for new housing development. As such, these factors have led to increased land values, which have made it difficult for developers to build affordable projects. On average, in Minnetonka, one acre of land in a residential district is valued at $150,000/acre. However, land values in the Ridgedale area, where the redevelopment site is located, can be valued anywhere from $400,000/acre and up. With this highly valued land condition, providing affordable housing, even when there is a mix of market rate units, can be difficult if not impossible to accomplish without financial assistance. When compared against current market data, the land costs per acre proposed in the application appear reasonable for the area and the site.

Strategic Goals

Strategic Goal	New Const. Units	Rehab
New Affordable Housing	30	

Total Capital Funding Sources

Sources	Amount
YMCA	$800,000
Met Council LAAND	$1,000,000
Total Sources:	**$1,800,000**

Super RFP Funding

Capital Funds	Amount

Subsidy Funds	Amount

Total Recommended: **N/A**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	15	$0	50% AMI
1BR	60	$0	Market Rate
2BR	15	$0	50% AMI
2BR	60	$0	Market Rate
Total:	**150**		

Run Date: 10/31/2011

Proposed
Not yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Fond du Lac Band of Lake Superior Chippewa	**Project City:**	Cloquet
Project Name:	Fond du Lac Veterans	**Dev #:**	D6730
		App #:	M16120

Purpose of Project

Fond du Lac Veterans Supportive Housing is a proposed 10 unit supportive housing development to be located adjacent to the Fond du Lac family supportive housing development. All units will be efficiency units with utilities included in the rent. The Fond du Lac Health and Human Services Department serves over 250 Native American veterans in the area each year.

Targeted Population

All of the units will be targeted toward Native American veterans.

Per Unit Costs

Acquisition: $4,320
Construction (including Environmental): $114,400
Soft Costs (excluding Reserves): $31,100
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $4,800
Total Development Cost: $171,620

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Single	4	
New Affordable Housing	10	

Total Capital Funding Sources

Sources	Amount
GMHF	$200,000
EDHC	$743,000
FHLB	$300,000
Fond du Lac land donation	$43,200
Enterprise seed money	$25,000
Fond du Lac roads &	$170,000
Fundraising or FDL equity	$235,000
Total Sources:	**$1,716,200**

Super RFP Funding

Capital Funds	Amount
GMHF	$200,000
EDHC Indian Housing MF	$743,000

Subsidy Funds	Amount
DHS HTF Operating Subsidy	$79,894
Total Recommended:	**$1,022,894**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
0BR/SRO	4	$416	50% AMI
0BR/SRO	2	$416	50% AMI
0BR/SRO	4	$416	50% AMI
Total:	**10**		

Proposed
Not yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Naytahwaush LLC	**Project City:**	Naytahwaush
Project Name:	Giwanakimin	**Dev #:**	D7535
		App #:	M16146

Purpose of Project

Giwanakimin is the new construction of 24 units of 100% Supportive housing to be located on the White Earth Reservation in the community of Naytahwaush. This will be the Tribe's second 100% supportive housing initiative. The 24 units will consist of an equal mix of 1, 2 and 3 bedroom units surrounding a central meeting circle in a native traditional manor. The project will be located adjacent to the Community Service Center and the workforce training center.

Targeted Population

The Giwanakimin development will serve Tribal member families and individuals including 11 units to serve households experiencing long term homelessness. An equal mix of 1-BR units and 2 and 3 bedroom units surrounding a central meeting circle in a native traditional manor.

Per Unit Costs

Acquisition: $1,042
New Construction: $198,219
Soft Costs (excluding Reserves): $63,257
Non-Mortgageable Costs (excluding Reserves): $0
Reserves $25,096
Total Development Cost: $287,616

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family	5	
Long Term Homeless Single	6	
New Affordable Housing	24	

11/17/2011

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds*	$5,627,774
FHLB	$500,000
GAP	$584,996
Enterprise Foundation	$25,000
EDHC Indian Housing MF	$165,000
Total Sources:	**$6,902,770**

Super RFP Funding

Capital Funds	Amount
EDHC Indian Housing MF	$165,000

Subsidy Funds	Amount
Total Recommended:	**$165,000**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	3	$470	50% AMI
1BR	3	$470	50% AMI
1BR	6	$470	50% AMI
2BR	3	$596	50% AMI
2BR	4	$596	50% AMI
2BR	1	$0	<null>
3BR	2	$752	50% AMI
3BR	2	$752	50% AMI
Total:	**24**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Schuett Development LLC	**Project City:**	Thief River Falls
Project Name:	Riverside Terrace	**Dev #:**	D1655
		App #:	M16117

Purpose of Project

Riverside Terrace is the acquisition by the managing general partner from the majority general partner of a 66 unit senior Section 8 development that has been part of the Agency's portfolio for many years. The majority general partner has come upon some financial difficulty and can no longer manage the business of rental property. The Agency originally financed this development under the Section 8 program, with a final closing in May, 1981 and an original principal balance of $1,983,819. This was a thirty year mortgage that reached its natural maturity in May, 2011. Repositioning this property for the long term will leverage an estimated $4.25 million (present value) of federal Section 8 rental assistance over the 30 year term of the new LMIR loan.

Targeted Population

Riverside Terrace is a senior building that provides affordable housing to low income individuals and couples. Four units (through attrition) will be deemed to serve households experiencing long term homelessness.

Per Unit Costs

Acquisition: $42,424
Rehabilitation (including Environmental): $45,854
Soft Cost (excluding Reserves): $17,833
Non-Mortgageable Costs (excluding Reserves): $0
Reserves $2,417
Total Development Cost: $108,528

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Single		4
Preservation / Federally		66

11/17/2011

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	$2,003,126
Syndication Proceeds	$4,424,152
Seller Note	$735,562
Total Sources:	**$7,162,840**

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	$2,003,126

Subsidy Funds	Amount

Total Recommended: **$2,003,126**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	66	$665	60% AMI
Total:	**66**		

Run Date: 11/02/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Southeastern Minnesota Multi-County HRA	**Project City:**	Lake City
Project Name:	Oak Court Apartments	**Dev #:**	D6703
		App #:	M16091

Purpose of Project

Southeastern Minnesota Multi-County Housing and Redevelopment Authority (SEMMCHRA) proposes to acquire and preserve Oak Court Apartments, a 24 unit USDA Rural Development (RD) financed property. Rental assistance is currently provided for14 of the 24 units As part of the proposal, the existing RD mortgage will be assumed and restuctured.

Targeted Population

This existing development will continue to provide general occupancy housing for families with children with incomes at or below 80% AMI. Fourteen of the 24 units have the benefit of Rural Development's rental assistance which ensures that the tenants do not pay more than 30% of their income toward rent.

Per Unit Costs

Acquisition: $20,300
Rehabilitation (including Environmental): $0
Soft Costs (excluding Reserves): 618
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $3,322
Total Development Cost: $24,240

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Preservation		10
Preservation / Federally		14

Total Capital Funding Sources

Sources	Amount
Outstanding RD Mortgage	$252,030
GMHF	$250,000
Transfer of Replacement	$79,722
Total Sources:	**$581,752**

Super RFP Funding

Capital Funds	Amount
GMHF	$250,000

Subsidy Funds	Amount

Total Recommended: **$250,000**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	21	$482	80% AMI
2BR	3	$513	80% AMI
Total:	**24**		

Run Date: 11/01/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Southwest Minnesota Housing Partnership	**Project City:**	Worthington
Project Name:	Nobles Square I & II	**Dev #:**	D7531
		App #:	M16140

Purpose of Project

Southwest Minnesota Housing Partnership (SWMHP) proposes to acquire and rehabilitate this 48 unit property and preserve the existing USDA Rural Development (RD) below market financing. The property has the benefit of 34 units of Rental Assistance provided by RD. As part of the preservation effort, SWMHP will seek to expand the RD rental assistance to all 48 units.

Targeted Population

The development consists of 8 1-bedroom units, 32 2-bedroom units and 8 3-bedroom units. The targeted population includes singles and families with children with incomes at or below 80% AMI. Thirty-four of the units will have incomes restricted to 60% AMI. Currently, 34 of the units have the benefit of RD rental assistance assuring the tenants do not pay more than 30% of their incomes toward rent. As part of the RD restructure, the developer will seek to have the rental assistance extended to all of the units. Additionally, four of the units (through attrition) will be deemed to serve families experiencing long term homelessness.

Per Unit Costs

Acquisition: $27,083
Rehabilitation (including Environmental): $31,842
Soft Costs (excluding Reserves): $15,294
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $4,684 (includes $1,871 transferred from previous owners)
Total Development Cost: $78,903

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family		4
Preservation / Federally		48

Total Capital Funding Sources

Sources	Amount
Syndication Proceeds	$1,699,992
Section 515 Transfer	$476,041
Transfer - Replacement	$89,825
MN DEED	$350,000
SWMHP NWA Competitive	$48,000
Deferred Developer Fee	$48,000
Owner Donation	$100,000
PARIF	$567,506
GMHF	$408,000
Total Sources:	**$3,787,364**

Super RFP Funding

Capital Funds	Amount
PARIF	$567,506
GMHF	$408,000
MN DEED	$350,000
Subsidy Funds	**Amount**
Total Recommended:	**$1,325,506**

Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	5	$469	50% AMI
1BR	3	$469	80% AMI
2BR	21	$527	50% AMI
2BR	11	$527	80% AMI
3BR	8	$571	50% AMI
Total:	**48**		

Run Date: 10/31/2011

Proposed
Not Yet Approved

RFP Development Summary
Selected Applications: 11/17/2011

Developer Name:	Schuett Development LLC	**Project City:**	Detroit Lakes
Project Name:	Park Manor Estates	**Dev #:**	D0406
		App #:	M16118

Purpose of Project

Park Manor Estates is the acquisition by the managing general partner from the majority general partner of a 97 unit Section 8 development that has been part of the Agency's portfolio for many years. The majority general partner has come upon some financial difficulty and can no longer manage the business of rental property. This development serves both an elderly (85 apartment units) and a family (12 townhome units) population. The Agency originally financed the construction of this development in 1980 under the Section 8 program, with an original principal amount of $2,850,126. The unpaid principal balance of this loan is $1,414,413. This loan will be paid off with this transaction and replaced with a new LMIR funded out of the Housing Affordability Fund ("Pool 2"). Preservation of this 100% project based Section 8 property will leverage a present value of nearly $7 million in federal rental subsidies over the thirty year term of the new LMIR loan. Completion of a comprehensive scope of work will help ensure the marketability of these units for the long term.

Targeted Population

Park Manor Estates is a combination senior building and family townhouse development that provides affordable housing to low income individuals and families. Five units (through attrition) will be deemed to serve households experiencing long term homelessness.

Per Unit Costs

Acquisition: $48,454
Rehabilitation (including Environmental): $44,646
Soft Costs (excluding Reserves): $16,315
Non-Mortgageable Costs (excluding Reserves): $0
Reserves: $3,206
Total Development Cost: $112,465

Strategic Goals

Strategic Goal	New Const. Units	Rehab
Long Term Homeless Family		2
Long Term Homeless Single		3
Preservation / Federally		97

11/17/2011

Total Capital Funding Sources

Sources	Amount
LMIR 1st Mortgage	$4,542,671
Syndication Proceeds	$6,366,482
Total Sources:	**$10,909,153**

Super RFP Funding

Capital Funds	Amount
LMIR 1st Mortgage	$4,542,671

Subsidy Funds	Amount

Total Recommended: **$4,542,671**

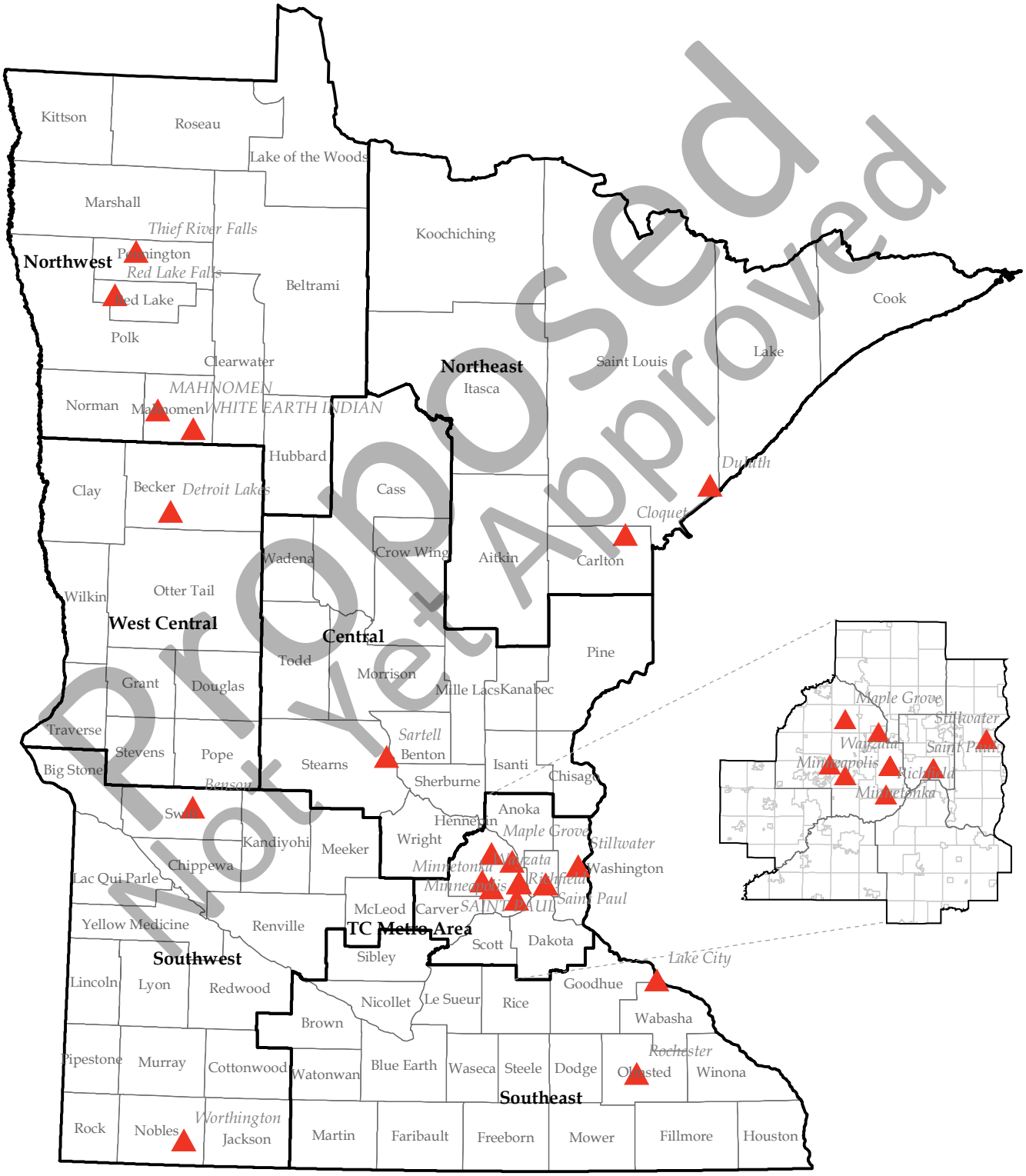
Rent Information

Unit Type	Unit Count	Gross Rent	Rent Restriction
1BR	84	$669	60% AMI
2BR	1	$766	60% AMI
3BR	12	$699	60% AMI
Total:	**97**		

Run Date: 11/02/2011

Proposed Not yet Approved

Multifamily Selections
2011



Proposed
Not Yet Approved

Created: 10.25.2011 by: J Deegan Source: Minnesota Housing | Locations are the cities with selected applications.
Minneapolis and Saint Paul both have more than one application, 10 and 2 respectively.

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Average Loan Amount Per Unit by Program

Deferred

Funding Round	# Total Apps Recd*	# Deferred Loans Requested	# Loans Awarded	$ Amount* Awarded	Average Award	# of Affordable Units	Average Per Unit
2007	86	60	40	$ 50,301,328	$ 838,355	2268	$ 22,179
2008	85	72	40	$ 56,149,221	$ 1,403,731	2047	$ 27,430
2009	83	63	21	$ 24,338,452	$ 1,158,974	3030	$ 8,032
2010	85	68	33	$ 27,526,098	$ 834,124	2489	$ 11,059
2011	56	43	21	$ 8,657,942	$ 412,283	1156	$ 7,490

EDHC

Funding Round	# Loans awarded	$ Amount Awarded	Average Award	# of Affordable Units	Ave. Per Unit
2007	12	$ 11,652,411	$ 971,034	548	$ 21,264
2008	12	$ 7,663,021	$ 638,585	544	$ 14,086
2009	7	$ 5,952,700	$ 850,386	1,779	$ 3,346
2010	11	$ 12,009,671	$ 1,091,788	1,817	$ 6,610
2011	9	$ 3,610,059	$ 401,118	392	$ 9,209

PARIF

Funding Round	# Loans awarded	$ Amount Awarded	Average Award	# of Affordable Units	Ave. Per Unit
2007	7	$ 4,769,486	$ 681,355	299	$ 15,951
2008	8	$ 6,212,726	$ 776,590	563	$ 11,035
2009	2	$ 4,564,122	$ 2,282,061	1,351	$ 3,378
2010	6	$ 6,812,586	$ 1,135,431	1,578	$ 4,317
2011	4	$ 2,126,894	$ 531,724	282	$ 7,542

HOME Multifamily Preservation

Funding Round	# Loans awarded	$ Amount Awarded	Average Award	# of Affordable Units	Ave. Per Unit
2011	1	$ 3,000,000	$ 3,000,000	112	$ 26,786

HTF

Funding Round	# Loans awarded	$ Amount Awarded	Average Award	# of Affordable Units	Ave. Per Unit
2007	13	$ 7,512,127	$ 577,856	379	$ 19,821
2008	16	$ 7,483,911	$ 467,744	420	$ 17,819
2009	4	$ 1,126,992	$ 281,748	24	$ 46,958
2010	1	$ 16,500	$ 16,500	4	$ 4,125
2011	0	$ -	$ -	0	$ -

ELHIF

Funding Round	# Loans awarded	$ Amount Awarded	Average Award	# of Affordable Units	Ave. Per Unit
2007	9	$ 6,059,010	$ 673,223	309	$ 19,608
2008	11	$ 6,677,592	$ 607,053	341	$ 19,582
2009	1	$ 875,000	$ 875,000	45	$ 19,444
2010	3	$ 3,237,074	$ 1,079,025	153	$ 21,157
2011	0	$ -	$ -	0	$ -

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Not Yet Approved

Exhibit E - 2011 Multifamily RFP Predictive Model Cost Rationale

Property Number	Project Number	Development Name	City	Total Units	Type of Construction Activity Types	TDC	TDC Per Unit	MH Award Amount	MH Award Amount / Unit	Predictive Model Amount	Amount Per Unit in excess of the Predicted Amount	25% over Predictive Model
D7535	M16146	Giwanakimin	Naytahwaush	24	Rental Subsidy New Construction	$6,902,770	$287,615	$165,000	$6,875	195,828	$91,787	$244,785

Rationale for costs over the Predicitive Model:

The Giwanakimin per unit TDC of $287,615 is 46.87% over the estimated predictive model costs. This development was not selected for competitve Housing Tax Credits this round. The recommended $165,000 represents the remainder of the Economic Development and Housing Challenge funding Indian set-aside to allow White Earth to proceed with securing their additional funding sources. This development is being provided technical assistance by the Greater Minnesota Housing Fund. Ongoing discussions with White Earth have revealed architectural designs that exceed allowable features and amenities that directly contribute to the high costs. As part of the technical assistance, Agency staff in conjunction with Greater Minnesota Housing Fund will work with White Earth to determine areas of cost containment.

Proposed
Not yet approved

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Not Yet Approved

Non-Selected Applications

Application Date: 6/14/2011 12:00:00 AM

App Status IN

DEV#	Development Name, Location	Applicant		Dollars Requested
Greater MN				
CMIF				
D7494	Granite City Communities, Sartell	SCI Associates, LLC		
			Housing Tax Credits	$411,263.00
			MHFA First Mortgage	$1,512,707.00
			Super RFP(Deferred Loans)	$295,000.00
NEMIF				
D0077	Irongate Apts & Townhomes, Aurora	Jim Schubiner		
			Super RFP(Deferred Loans)	$1,078,481.00
D0438	Meridian Apartments, Duluth	Sherman Associates Development LLC*		
			Housing Tax Credits	$273,254.00
			MHFA First Mortgage	$324,010.00
D6723	Hillside Apartments, Duluth	Northern Communities Land Trust		
			Housing Tax Credits	$1,143,764.00
			Operating Subsidy	$90,988.00
			Super RFP(Deferred Loans)	$429,964.00
NWMIF				
D6394	Evergreen Youth Housing, Bemidji	Evergreen House		
			MN DEED	$300,000.00
			Super RFP(Deferred Loans)	$900,000.00
SEMIF				
D0073	Highland Commons, Arlington	Bachand Estates		
			Housing Tax Credits	$425,575.00
			MHFA First Mortgage	$1,031,730.00
D6717	Rochester Senior Housing, Rochester	CommonBond Communities		
			Super RFP(Deferred Loans)	$500,000.00
D6718	Spring Creek Townhomes, Northfield	Three Rivers Community Action Inc		
			Housing Tax Credits	$747,502.00
			MHFA First Mortgage	$820,000.00
D7524	Park Row Crossing, Saint Peter	Southwest Minnesota Housing Partnership		
			Housing Tax Credits	$788,598.00
			MHFA First Mortgage	$500,000.00
D7534	City View Apartments, Red Wing	MetroPlains LLC		
			Housing Tax Credits	$481,434.00
			Super RFP(Deferred Loans)	$450,000.00

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Not Yet Approved

DEV#	Development Name, Location	Applicant	Dollars Requested	
SWMIF				
D6732	Tyler Twin Homes, Tyler	HRA of Lincoln County		
			MN DEED	$322,127.00
WCMIF				
D5207	Deer Ridge Townhomes, Alexandria	D.W. Jones Inc		
			Housing Tax Credits	$456,065.00
			MHFA First Mortgage	$129,567.00
			MN DEED	$210,068.00
			Super RFP(Deferred Loans)	$210,069.00
Total Greater MN			**MHFA First Mortgage**	**$4,318,014.00**
			Housing Tax Credits	**$4,727,455.00**
			Super RFP(Deferred Loans)	**$3,863,514.00**
			Operating Subsidy	**$90,988.00**
			Rent Assistance	**$.00**
			GO Bonds	**$.00**
			MN DEED	**$832,195.00**
Total Greater MN Developments:	**12**		**TOTAL**	**$13,832,166.00**

Metro Area

MHIG				
D0163	Raven Court Townhomes, Blaine	Blaine Leased Housing Development II,		
			Housing Tax Credits	$279,590.00
			MHFA First Mortgage	$1,988,341.00
D1409	Arlington Ridge Apartments (fka Taylor Ridge), Shakopee	Shakopee Leased Housing Development		
			Housing Tax Credits	$382,671.00
			MHFA First Mortgage	$2,432,144.00
D3071	Wilder Square Coop, Saint Paul	Amherst H Wilder Foundation		
			Operating Subsidy	$284,000.00
D3901	Franklin Steele Commons, Minneapolis	AEON		
			Housing Tax Credits	$1,250,000.00
			MHFA First Mortgage	$10,035,278.00
			Super RFP(Deferred Loans)	$1,900,000.00
D6272	Northwoods Family Townhomes, Eagan	Dakota County Community Development		
			Super RFP(Deferred Loans)	$570,000.00
D6344	520 2nd Street SE, Minneapolis	Second Street Holdings, LLC		
			Super RFP(Deferred Loans)	$500,000.00
D6365	Arden Village, Arden Hills	Arden Village Partners, LLC		
			Housing Tax Credits	$785,615.00
			MHFA First Mortgage	$1,466,783.00
			Super RFP(Deferred Loans)	$1,356,419.00
D6677	City Walk Apartments, Woodbury	CommonBond Communities		

Proposed
Not Yet Approved

DEV#	Development Name, Location	Applicant	Dollars Requested	
			Housing Tax Credits	$814,870.00
			MHFA First Mortgage	$650,000.00
D6685	Rolling Hills Apartments, Saint Paul	RH Developer LLC		
			Housing Tax Credits	$1,000,000.00
			MHFA First Mortgage	$3,307,124.00
			Super RFP(Deferred Loans)	$500,000.00
D6693	Skylark Apartments, Richfield	Sherman Associates Development LLC*		
			Housing Tax Credits	$920,673.00
			MHFA First Mortgage	$1,681,186.00
D6700	Hawthorne EcoVillage Apartments, Minneapolis	Project for Pride in Living Inc		
			Housing Tax Credits	$1,126,381.00
			Super RFP(Deferred Loans)	$500,000.00
D6707	Jackson Flats, Minneapolis	Artspace Projects Inc		
			Housing Tax Credits	$670,000.00
			Super RFP(Deferred Loans)	$450,000.00
D6715	Creeks Run Townhomes, Chaska	Creeks Run Developer LLC		
			Housing Tax Credits	$1,000,000.00
			MHFA First Mortgage	$646,920.00
D6722	Rise Housing / SS - OS Program, Spring Lake Park	Rise Inc		
			Operating Subsidy	$772,252.00
D6728	Pillsbury Historic Redevelopment, Minneapolis	Minneapolis Leased Housing Development		
			Super RFP(Deferred Loans)	$750,000.00
D6729	Emerson Place, West Saint Paul	Guild Incorporated		
			Operating Subsidy	$43,658.00
D6731	9805 Highway 55 Apartments, Plymouth	Quest Development Inc		
			Housing Tax Credits	$1,240,215.00
			Super RFP(Deferred Loans)	$500,000.00
D7523	Schmidt Brewery Lofts, Saint Paul	Saint Paul Leased Housing Development		
			Super RFP(Deferred Loans)	$1,500,000.00
D7529	Emerson North Family Housing, Minneapolis	Plymouth Church Neighborhood		
			Housing Tax Credits	$1,000,000.00
			Super RFP(Deferred Loans)	$1,200,000.00
D7530	Greenway Heights Family Housing, Minneapolis	Phoenix Development Company		
			Super RFP(Deferred Loans)	$850,000.00
D7537	North Minneapolis Tornado Recovery Area, Minneapolis	City of Minneapolis Community Planning &		
			Super RFP(Deferred Loans)	$1,000,000.00
D7539	Snelling Apartments, Minneapolis	Seward Redesign Inc		
			Super RFP(Deferred Loans)	$400,000.00
D7547	Central Exchange - (LAAND), Saint Paul	Model Cities of Saint Paul		
			Super RFP(Deferred Loans)	$500,000.00

Proposed
Not Yet Approved

DEV#	Development Name, Location	Applicant		Dollars Requested
	Total Metro Area		MHFA First Mortgage	$22,207,776.00
			Housing Tax Credits	$10,470,015.00
			Super RFP(Deferred Loans)	$12,476,419.00
			Operating Subsidy	$1,099,910.00
			Rent Assistance	$.00
			GO Bonds	$.00
			MN DEED	$.00
	Total Metro Area Developments:	23	TOTAL	$46,254,120.00

Total Number of Developments: 35

Proposed
Not Yet Approved

MINNESOTA HOUSING FINANCE AGENCY
400 Sibley Street, Suite 300
St. Paul, Minnesota 55101

RESOLUTION NO. MHFA 11-
RESOLUTION APPROVING SELECTION/AUTHORIZATION
TO CLOSE LOANS/GRANTS

WHEREAS, the Minnesota Housing Finance Agency (Minnesota Housing) has received applications to provide construction financing, permanent financing, rental assistance and/or operating subsidies for multifamily rental housing developments and/or programs serving persons and families of low and moderate income as detailed in the attached materials; and

WHEREAS, Minnesota Housing staff has reviewed the applications and determined that the applications are in compliance under Minnesota Housing's rules, regulations and policies; that such loans and grants are not otherwise available, wholly or in part, from private lenders or other agencies upon equivalent terms and conditions; and that the applications will assist in fulfilling the purpose of Minn. Stat. ch. 462A; and

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Minnesota Housing staff to enter into loan/grant agreements, and to close said loans/grants from Minnesota Housing resources and funds for the applications and in the amounts set forth in the attached chart, subject to changes allowable under the multifamily funding modification policy adopted by the Board on December 20, 2001, upon the following conditions:

1. Minnesota Housing staff shall review and approve the Mortgagor or Grantee; and

2. The issuance of a mortgage loan commitment in form and substance acceptable to Minnesota Housing staff and the closing of the loan or grant shall occur no later than 20 months from the adoption date of this Resolution; and

3. The sponsor, the builder, the architect, the mortgagor, and such other parties shall execute all such documents relating to said loan or grant, to the security therefore, to the construction and operation of the development, as Minnesota Housing, in its sole discretion, deems necessary.

Adopted this 17th day of November, 2011.

_____
CHAIRMAN

AGENDA ITEM: 9.B.(2).(b).2
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Low and Moderate Income Rental Program (LMIR)

CONTACT: Julie LaSota, 651-296-9827
julie.lasota@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☑ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☑ Motion ☐ Resolution ☐ No Action Required

SUMMARY REQUEST:
Request adoption of a Motion selecting the above mentioned development for further processing under the Low and Moderate Income Rental ("LMIR") amortizing loan program.

FISCAL IMPACT:
In the current Affordable Housing Plan (AHP), the Board allocated $68 million in new activity for the LMIR program, including $28 million from the Housing Investment Fund (Pool 2). Funding for these seven loans falls within the approved budget and the loans will be made at an interest rate and on terms consistent with what is described in the AHP. Collectively these seven LMIR loans should generate $706,086 in fee income (origination fee and construction oversight fee) as well as interest earnings which will help offset Agency operating costs.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☑ Prevent and End Long-term Homelessness

Collectively these seven LMIR proposals provide 164 new rental units (17 of which will be set aside to serve households experiencing long term homelessness) in strategic locations in Minneapolis and its surrounding suburbs and preserve 225 existing affordable units, 114 of which have the benefit of project based Section 8 that, over the term of the LMIR loans, should leverage more than $11 million in federal rental subsidies. 13 of these existing units (through attrition) will be deemed to serve households experiencing long term homelessness.

ATTACHMENTS:

Individual Development Summaries (7 total)

1. Spirit on Lake, Minneapolis – D7532
2. Stradford Flats, Minneapolis – D0818
3. Maple Village II, Maple Grove – D6286
4. Pillsbury Commons, Richfield – D6716
5. Sunset Hills Apartments, Minnetonka – D6720
6. Riverside Terrace, Thief River Falls – D1655
7. Park Manor Estates, Detroit Lakes – D0406

DEVELOPMENT:

Name:	Spirit on Lake			Dev#:	D7532
Address:	2930 13th Ave S and 1238 Lake St E			App#:	M16141
City:	Minneapolis	County:	Hennepin	Region:	MHIG

MORTGAGOR:

Ownership Entity:	Spirit on Lake Limited Partnership
General Partner/Principals:	Powderhorn Residents Group (PRG, Inc.), and Spirit on Lake LLC and (principals of Everwood Development; including Marv Kotek, Ryan Sailer David Dye)

DEVELOPMENT TEAM:

General Contractor:	To be determined
Architect:	DJR Architecture Inc, Minneapolis
Attorney:	Hust Law Firm PLLC, Minneapolis
Management Company:	To be determined
Service Provider:	Simpson Housing Services, Inc, Minneapolis

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 1,250,000	LMIR First Mortgage	
	Funding Source:	Hsg Investment Fund(Pool 2)
	Interest Rate:	5.00%
	MIP Rate:	0.25%
	Term (Years):	30
	Amortization (Years):	30

RENT GRID:

UNIT TYPE (100% HTC)	NUMBER	UNITSIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT*	**INCOME AFFORD-ABILITY***
1BR-LTH	5	685	$ 775**	$ 465**	$ 31,000**
2BR	18	1,100	$ 931	$ 931	$ 37,240
1BR	23	685	$ 775	$ 775	$ 31,000
TOTAL	46				

NOTES: * Under the LMIR and Housing Tax Credit programs, rents are affordable to households at 50% AMI with incomes up to 60% AMI.
** This application is conditioned on the development receiving the benefit of Project Based Vouchers issued through Minneapolis PHA for the five LTH units. The households will then pay 30% of income towards housing and the development would receive rents up to the PHA's payment standard.

PUROPSE:
Everwood Development LLC proposes a new construction of a four-story elevator building containing 46 dwelling units along East Lake Street in Minneapolis. Spirit on Lake will occupy approximately 0.8 acres of vacant land located at the Northwest corner of 13th Avenue South and East Lake Street in South Minneapolis, MN. The site is currently a largely vacant parking lot in an area that is primarily improved with a mix of commercial and multifamily residential related uses. The 46 units will be located within one four-story elevator building with underground parking and feature a brick and fiber-cement exterior. The unit mix will include one and two-bedroom apartments to meet the demands for work force housing. In addition to a common lobby and community room for the residents; the building includes approximately 4,570 square feet of non-residential space on the first floor along Lake Street.

TARGET POPULATION:
The anticipated demographic served by Spirit on Lake will consist of low to moderate-income individuals. While following fair housing requirements, the project will be targeted to the aging gay, lesbian, bisexual and transgender (GLBT) community. The residents may work for area employers including Allina Health, Minneapolis School District, Abbot Northwestern and Children's Hospitals and local retailers such as Target, Rainbow Foods and many of the other businesses in the City of Minneapolis and the Twin Cities Metro area. Five units will serve long-term homeless individuals.

PROJECT FEASIBILITY:
The City of Minneapolis supports the development of Spirit on Lake. It has approved nearly $1.5 million in deferred loan funding and is currently considering an issue of tax-exempt bonds to finance the construction. The city will also allocate four percent Housing Tax Credits The developer has also applied to the Minneapolis Public Housing Authority for five project based Section 8 vouchers and will also apply for funding through Hennepin County and the Metropolitan Council when their respective application cycles are advertized. The developer is also deferring a portion of its developer fee. Approval of Agency deferred loan funding is conditioned upon all funding being secured no later than June 30, 2012.

DEVELOPMENT TEAM CAPACITY:
Everwood Development, a recently formed development company comprised of David Dye, Elizabeth Flannery, Ryan Sailer and Marv Kotek. Their combined years of experience will help manage the development and long-term operation of this affordable housing. As development principals, they have over 50 years combined experience overseeing the acquisition and development of real estate with an emphasis in affordable housing. The contractor and property management company are yet to be selected.

PHYSICAL and TECHNICAL REVIEW:
The Architect (DJR) has the capacity to complete this project. The contractor is yet to be determined. The site and surrounding land uses appear to be conducive to housing. Proposed building design also includes a 4,570 square foot commercial space for tenant build-out. There are a few minor design elements that may need refinement, but otherwise the proposed building design is acceptable. Hard construction costs (including a 4% contingency) appear to be reasonable at $126,650/dwelling unit. Architectural fees exceed percentage rate fee schedule however this is justified as this is a mixed-use development.

The development's TDC of $184,618 per unit is within 25% of the Predictive Model.

MARKET FEASIBILITY:
The project is located on a bus line and within half a mile of the LRT and many services including banks, pharmacy, shopping, a library and entertainment outlets. Hennepin is among the top 10 counties for job and household growth. Strong population and household growth is anticipated for the next several years. A Market Study performed for the subject property prepared by Bonestroo dated January, 2011 supports the demand for this housing. The study concludes that based on the level of demand in the Primary Market Area, the quality of the site, the limited direct competition and the project concept, the 46-unit development could reach stabilized occupancy (95%) in 6 to 8 months of opening, assuming a strong marketing effort that begins 6 – 12 months prior to initial occupancy.

SUPPORTIVE HOUSING:
Simpson Family Housing Services (Simpson) plans to provide case management including housing & tenancy supports, benefits assistance, budget management, independent living skills, and parenting training/children's service. Simpson is a well respected housing service provider in the metro area and is very good at engaging clients, partners, and community to promote clients' housing stability. They will provide appropriate referral services for all households to meet their needs through their community partners. This GLBT seniors population is a new target population for Simpson.

DEVELOPMENT COST SUMMARY (estimated):

	Total		Per Unit
Total Development Cost	$8,492,435		$184,618
Acquisition or Refinance Cost	$568,268		$12,354
Gross Construction Cost	$5,825,908		$126,650
Soft Costs (excluding Reserves)	$1,951,259		$42,419
Non-Mortgagable Costs (excluding Reserves)	$147,000		$3,196
Reserves (incl. 4% DCE)			
Total LMIR Mortgage (Including 4% DCE)*	$1,250,000		$27,174
First Mortgage Loan-to-Cost Ratio		15%	
Agency Deferred Loan Sources			
EDHC*	$838,583		$18,230
Total Agency Sources	$2,088,583		$45,404
Total Loan-to-Cost Ratio		25%	

Other Non-Agency Sources		
CPED AHTF*	$1,449,000	$31,500
CPED Nonprofit Admin*	$30,000	$652
Hennepin County AHIF/TOD	$460,000	$10,000
Met Council TBRA	$328,500	$7,141
Hennepin County TOD*	$47,102	$1,024
Syndication Proceeds*	$2,650,000	$57,609
Hennepin County ERF	$272,750	$5,929
Committed Grants	$25,000	$543
FHF *	$150,000	$3,261
Deferred Developer Fee*	$350,000	$7,609
Met Council LCDA	$391,500	$8,511
Met Council LHIA*	$250,000	$5,435
Total Non-Agency Sources	$6,403,852	$139,214

*Committed Funding or subject to approvals through the joint RFP process

DEVELOPMENT:

Name:	Stradford Flats			Dev#:	D0818
Address:	16-22 15th St E			App#:	M16143
City:	Minneapolis	County:	Hennepin	Region:	MHIG

MORTGAGOR:

Ownership Entity:	Stradford Flats GP LLC
General Partner/Principals:	Sherman Associates, Inc/George Sherman

DEVELOPMENT TEAM:

General Contractor:	Craftsman Construction, Minneapolis
Architect:	Blumentals Architecture Inc, Minneapolis
Attorney:	Faegre & Benson LLP, Minneapolis
Management Company:	Sherman Associates Inc, Minneapolis
Service Provider:	Simpson Housing Services, Inc, Minneapolis

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 1,436,260	LMIR First Mortgage	
	Funding Source:	Hsg Investment Fund(Pool 2)
	Interest Rate:	5.00%
	MIP Rate:	0.25%
	Term (Years):	30
	Amortization (Years):	30

RENT GRID:

UNIT TYPE 100% HTC	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY**
Eff.	14	374	$ 545	$ 723	$ 21,800
Eff. – LTH	2	374	$ 610	$ 610*	$ 26,080
1BR - LTH	2	549	$ 650	$ 650*	$ 26,800
1BR	2	800	$ 622	$ 775	$ 24,880
2BR	1	800	$ 797	$ 931	$ 31,880
Eff.	6	374	$ 563	$ 723	$ 22,520
1BR	33	549	$ 622	$ 775	$ 24,880
Eff.	2	549	$ 545	$ 723	$ 21,800
TOTAL	62				

NOTES: * LTH units; gross rents for LTH units that will have access to GRH cannot exceed the lesser of $650 or the Fair Market Rent.
**Remaining units are rent restricted to 50% of AMI with incomes restricted to 60% (LMIR in conjunction with HTC).

PUROPSE:
Stradford Flats is an existing 62 unit tax credit development (at the end of its initial fifteen year compliance period) made up of 24 efficiencies, 37 one bedroom units and 1 two bedroom unit. The purpose of this request is to provide funding for substantial rehabilitation. The development underwent only moderate rehabilitation at the time it was initially funded by Minnesota Housing in 1993; the proposed scope of work is comprehensive and that, in conjunction with new amortized debt, should allow the development to compete in the market well into the future.

TARGET POPULATION:
Sherman Associates, Inc. will continue to target individuals and households of color and single-heads of households, with four units designated for households experiencing long-term homelessness. Sherman Associates, Inc. has a history of successfully reaching out to underserved populations.

PROJECT FEASIBILITY:
The development is being recommended for a LMIR first mortgage. The development received a partial award of tax credits from the City of Minneapolis in the 2010 RFP along with gap financing in the amount of $873,000. The city's gap financing is contingent upon the remaining credits being awarded by Minnesota Housing. The development applied for supplemental credits in round two and is currently ranked first on the wait list; while it is expected that the development will be funded as credits become available, the amount of credits currently available is less than anticipated which leaves a gap in the amount of $97,094. It is anticipated that this $97,094 funding gap will be closed with either additional tax credits, increased credit pricing, or, if necessary, a deferred loan under the Agency's Flexible Financing for Capital Costs ("FFCC") program.

DEVELOPMENT TEAM CAPACITY:
Sherman Associates, Inc. was established in 1992 with a primary mission to design, finance and construct quality housing and commercial properties in the Midwest and other regions nationwide. Sherman Associates, Inc. employs 106 employees with 16 in development and 90 in property management. To date Sherman Associates, Inc. has successfully completed the development of 73 projects representing 6,120 units.

The management arm of Sherman Associates, Inc. was also established in 1992 and currently oversees 42 developments, with a total of 5,034 units. They report a corporate staff of 20 currently engaging in management and marketing, down from 25 two years ago, creating a unit to staff ratio of 252 /1. Their current portfolio consists of tax credits; Project Based Section -8; Minnesota Housing deferred, first mortgages and conventional loans. They oversee 7 Minnesota Housing first mortgages. Buildings are well maintained and operating expenses are in line with comparable properties. Agency staff has experienced difficulties over the past year with timely responses to requests for information. The tax credit compliance team states that the Sherman's compliance division has experienced significant staff changes in 2009 and improvement to establish procedures to ensure ongoing compliance will take time and is not yet in place. Asset management staff has been providing technical assistance to the Management Company.

PHYSICAL and TECHNICAL REVIEW:
This project appears to have a qualified team; however there is an identity of interest between the developer and the general contractor. Agency staff noted some enhancements or refinements that will need to be incorporated into the final workscope and will be working with the owner's development team to ensure that these items and/or issues are addressed prior to the plans and specifications being finalized. The workscope is comprehensive and includes health and safety upgrades, significant unit updates including replacement of cabinetry, flooring and fixtures, replacement of mechanicals, windows and possibly the roof. Significant work will be completed to the exterior of the building, including tuck pointing and replacement of decking and railings. Common area work will include converting underutilized basement space into an on-site management office and updating the laundry room and mechanical room.

An accessible parking stall shall be designated within the existing (14) space parking lot. MN design standards require 1 parking space per efficiency, 1 BR and 2 BR units, for a total of 62 spaces. Additional off street parking should be pursued.

MARKET FEASIBILITY:
Stradford Flats is located in the Loring Park and Stevens Square/Loring Heights Neighborhood directly adjacent to the Minneapolis convention center. The primary market area includes a high number of younger, single-head of households which are part of the targeted population. The development is well located and served well by mass transit with a bus stop within 300 feet and light rail within walking distance. Area amenities include retail, restaurants, employment and parks within easy walking distance. In addition, there are numerous large employers located downtown and easily accessed via walking, biking or mass transit. Vacancy of competing properties in the area is 1.9% evidencing a high demand for affordable housing such as that provided by Stradford Flats. Vacancy has been high at Stradford Flats, due in large part to outdated units and severe deferred maintenance that has not been able to be addressed with property reserves. The proposed comprehensive scope of work should provide ongoing improved occupancy, given the price point of the rents and the development's proximity to many service sector jobs.

SUPPORTIVE HOUSING:
Simpson Housing Services (SHS) has provided supportive services to the metro community for nearly 30 years in shelter, transitional housing and permanent supportive housing settings. SHS staff provides traditional case management services as well as income/financial management, independent living skills and referrals/connections to community resources. Referral sources include SHS' own shelters as well as the county, Salvation Army and Catholic Charities. Rents and service funding are supported by Group Residential Housing (GRH).

DEVELOPMENT COST SUMMARY (estimated):

	Total		Per Unit
Total Development Cost	$6,892,765		$111,174
Acquisition or Refinance Cost	$1,550,000		$25,000
Gross Construction Cost	$3,868,250		$62,391
Soft Costs (excluding Reserves)	$1,377,843		$22,223
Non-Mortgagable Costs (excluding Reserves)			$0
Reserves	$96,672		$1,559
Total LMIR Mortgage (Including 4% DCE)*	$1,436,260		$23,165
First Mortgage Loan-to-Cost Ratio		21%	
Agency Deferred Loan Sources			
Total Agency Sources	$1,436,260		$23,165
Total Loan-to-Cost Ratio		21%	
Other Non-Agency Sources			
Remaining Gap	$97,094		$1,566
CPED – AHTF*	$873,651		$14,091
Syndication Proceeds*	$4,485,760		$72,351
Total Non-Agency Sources	$5,456,505		$88,008

*Previously committed funding or funding pending approvals through RFP

DEVELOPMENT:

Name:	Maple Village II			Dev#:	D6286
Address:	9150 Zanzibar Lane North			App#:	M16126
City:	Maple Grove	County:	Hennepin	Region:	MHIG

MORTGAGOR:

Ownership Entity:	Maple Village II LLC
General Partner/Principals:	Mike Wendel, Gene Walter, Roger Gertken, Sand Properties, Inc./Augusta Ventures, LLC

DEVELOPMENT TEAM:

General Contractor:	Sand Companies Inc, Waite Park
Architect:	Sand Companies Inc, Waite Park
Attorney:	Law Office of PJ Fuchsteiner, Waite Park
Management Company:	Sand Companies Inc, Waite Park
Service Provider:	To be Determined

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 2,177,457 LMIR First Mortgage

Funding Source:	Hsg Investment Fund(Pool 2)
Interest Rate:	5.00%
MIP Rate:	0.25%
Term (Years):	30
Amortization (Years):	30

RENT GRID:

UNIT TYPE 100% HTC	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT*	INCOME AFFORD-ABILITY*
1BR	10	875	$ 775	$ 775	$ 31,480
2BR-LTH	2	1,020	$ 130	$ 558	$ 5,200
1BR-LTH	2	875	$ 115	$ 465	$ 4,600
3BR	12	1,400	$ 1,075	$ 1,075	$ 43,680
2BR	22	1,020	$ 931	$ 931	$ 37,800
TOTAL	48				

NOTES: *Rents are sized to be affordable to households at 50% AMI with incomes up to 60% AMI, per the LMIR program, when in conjunction with Housing Tax Credits.

PUROPSE:
Sand Companies, Inc. proposes a 48 unit new construction of a three-story elevator building with underground parking. Maple Village II, (phase two of the previous development,) will occupy approximately 1.81 acres of land located at the north end of Zanzibar Lane North about a mile west of Interstate 94 in the southeastern portion of Maple Grove. The currently vacant site is also surrounded by single family homes to the west, a regional water pond to the north, wetlands to the east; a large church to the south. The unit mix will include one, two and three-bedroom apartments to meet the demands for work force family housing.

TARGET POPULATION:
Maple Village II will market to low to moderate-income families, targeting households of color and/or single head of households with minor children. The residents may work for area employers including Boston Scientific, School District, UPS, Hanson Concrete Products and local retailers such as Wal-mart, Target, and Cub Foods. Four units will serve long-term homeless families.

PROJECT FEASIBILITY:
The development is financially feasible as proposed. Maple Village II is being recommended for Tax Credits and deferred loan funding, however it will not receive the full HTC requested since this was the last development selected for HTC, therefore there will be a small financial gap remaining. There are several ways that this gap can be closed; application for additional credits in Round 2, increased LMIR funding if the applicant receives the requested Project Based Vouchers through Metro HRA, allowing for higher rents, or if the price the developer receives for the allocated HTC is higher than currently proposed.

The cost of the site, currently controlled through a purchase agreement, is supported by the appraisal. It is within three miles of numerous schools, libraries, day care centers, grocery stores, retail stores, drug stores, banks, and public services. The site provides easy accessibility to major regional roadways (Interstate 94 as well the 494 and 694 Exchanges). The city is in support of this development, as evidenced by its willingness to waive up to 25 percent of its Park Dedication fees. The development is also receiving an in-kind donation from Cemstone - a local family owned business and donations from Sysco Guest Supply and Country Inn & Suites. This proposal is also under consideration by the Metro HRA for project-based section 8 vouchers to benefit the four Long Term Homeless units.

DEVELOPMENT TEAM CAPACITY:
Sand Companies, acting in the capacities of developer, architect and general contractor, has recently successfully completed similar developments. This team proved to be capable and competent. Sand Companies has been in real estate development since September, 1998 and currently has nine first mortgages in the Agency's portfolio. With 14 employees, the company has the capacity and is appropriately trained to take on this development.

PHYSICAL and TECHNICAL REVIEW:
This phase II resembles and complements the phase I building. The site appears to have been prepared with infrastructure in place and looks shovel ready. The development appears to be utilizing a common site entry and common play area for both buildings. Single family homes are on the west with Interstate 94 on the east. This development will be a nice buffer and transition between the single family homes and the highway. The existing large church adjacent to the south appears to be an appropriate neighbor.

The development's TDC of $192,699 per unit is within 25 % of the Predictive Model.

MARKET FEASIBILITY:
Hennepin is among the top 10 counties for job and household growth. Strong population and household growth is anticipated for the next several years. The market study supports additional need for this type of housing, but also indicated a large primary market area. Sand Companies has experience successfully marketing this type of development in suburban areas. Proposed marketing efforts include regular advertising in local papers, brochures on display at the Maple Grove Community Center, local employers and Metro HRA. Specific phone calls are made to local employers with wage earners at or below 60 percent AMI. The city of Maple Grove's rental stock has a current vacancy rate of 3.1 percent. Phase I achieved full occupancy within six months of completion.

SUPPORTIVE HOUSING:
Commitment of the LMIR loan will be predicated on an acceptable services component, including an outside service provider. While Sand Companies is proposing to provide supportive services in-house, they do not have experience providing services themselves and it is not a recommended best practice, especially since they do not have the size and volume that larger developers have which allows them to have separate management and service departments. Sand Companies currently operate 2 developments with LTH supportive housing units, with services provided by local, experienced providers. Agency staff recommends they make connection with a service provider to provide this service.

DEVELOPMENT COST SUMMARY (estimated):

	Total	Per Unit
Total Development Cost	$9,249,537	$192,699
Acquisition or Refinance Cost	$790,000	$16,458
Gross Construction Cost	$6,182,904	$128,811
Soft Costs (excluding Reserves)	$2,093,233	$43,609
Non-Mortgagable Costs (excluding Reserves)	$183,400	$3,821
Reserves		
Total LMIR Mortgage (Including 4% DCE)	$2,088,752	$43,516
First Mortgage Loan-to-Cost Ratio	23%	

Agency Deferred Loan Sources		
EDHC*	$204,867	$4,268
Total Agency Sources	$2,293,619	$47,784
Total Loan-to-Cost Ratio	25%	
Other Non-Agency Sources		
City of Maple Grove Equity*	$65,460	$1,364
Met Council LHIA*	$300,000	$6,250
Syndication Proceeds*	$6,204,611	$129,263
FHF*	$250,000	$5,208
Remaining Gap	$135,847	$2,830
Total Non-Agency Sources	$6,955,918	$144,915

*Committed funds or pending approvals through joint RFP process

DEVELOPMENT:

Name:	Pillsbury Commons			Dev#:	D6716
Address:	211 W 76th Street			App#:	M16092
City:	Richfield	County:	Hennepin	Region:	MHIG

MORTGAGOR:

Ownership Entity:	Richfield Properties I, Limited Partnership
General Partner/Principals:	Richfield Properties, LLC with Ron Clark Construction (or an affiliated entity) as the managing member

DEVELOPMENT TEAM:

General Contractor:	Ron Clark Construction, Edina
Architect:	Tushie Montgomery Architects, Richfield
Attorney:	Faegre & Benson LLP, Minneapolis
Management Company:	Steven Scott Management Inc, Saint Louis Park
Service Provider:	Simpson Housing Services, Inc, Minneapolis

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 3,170,493	LMIR First Mortgage	
	Funding Source:	Hsg Investment Fund(Pool 2)
	Interest Rate:	5.00%
	MIP Rate:	0.25%
	Term (Years):	30
	Amortization (Years):	30

RENT GRID:

UNIT TYPE (100% HTC)	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY*
3BR – LTH	1	1,273	$ 645	$ 645	$ 25,800**
2BR –LTH	2	965	$ 558	$ 558	$ 22,320**
3BR –LTH	1	1,273	$ 1,220	$ 1,220	$ 48,800**
1BR	6	711	$ 775	$ 775	$ 31,000
2BR	43	965	$ 931	$ 931	$ 37,240
3BR	17	1,273	$ 1,075	$ 1,075	$ 43,000
TOTAL	70				

NOTES: **The LMIR Program, in conjunction with Housing Tax Credits, limits rents to be affordable at 50% AMI and allows incomes up to 60% AMI.*
***One of the four long-term homeless units will benefit from project-based Veterans Affairs Supportive Housing (VASH) assistance, which will allow residents to pay up to 30% of income toward rent, and the remaining three will benefit from Group Residential Housing (GRH) vouchers.*

PUROPSE:
The Pillsbury Commons proposal is for the new construction of a four story elevator apartment building in Richfield, adjacent to the Nine Mile Creek bike/walk trail on 76th St. that is currently under construction. The development will provide 70 housing opportunities, primarily for families, including four units for households experiencing long-term homelessness, in close proximity to the vibrant commercial node at West 77th Street and Lyndale Ave South. This area contains housing, recreation, and employment opportunities, and is well connected by bus service to other regional centers in Minneapolis, Edina, and Bloomington, including downtown Minneapolis, the Mall of America, and the airport. The project is planned to include underground parking, an exercise facility, community room, office space, and an outdoor play area.

TARGET POPULATION:
This development will provide housing primarily for families, targeting households of color and single-head of households, with four units designated for households experiencing long-term homelessness.

PROJECT FEASIBILITY:
The project appears to be feasible as proposed. The applicant will receive a TIF subsidy from the City of Richfield, and is being recommended for a LMIR first mortgage of $3,170,493, including capitalization of the TIF subsidy. In addition, the development is being recommended for $1 million in housing tax credits, to be purchased for $0.90 on the dollar by Wells Fargo as the proposed syndicator. The remaining gap will be filled with deferred developer fee.

The site abuts the Nine Mile Creek Regional Trail, a bike/walk trail that is planned to extend west through Edina to the existing trail system in Hopkins, and east to the Minneapolis Grand Rounds system at Lake Nokomis. Uses adjacent to the site include primarily multifamily and single family residential. The development will include four units designated for long-term homeless families. Three of these families are expected to be supported by Group Residential Housing (GRH) assistance, and the Richfield HRA has agreed to set aside one Veterans Affairs Supportive Housing (VASH) voucher to support the remaining family.

DEVELOPMENT TEAM CAPACITY:
Connelly Development, LLC is a corporate arm of Ron Clark Construction. Ron Clark Construction has been in business for 35 years and employs 26 employees. Ron Clark has participated in the development of approximately 3,400 units of condominiums, townhomes, and apartments, and was recently recognized with a "Minnesota Business Ethics" award. Ron Clark has one other development in progress with Minnesota Housing. The processing agent, Ponterre Group, has a history of assisting in bringing development proposals to completion in a timely manner.

Steven Scott Property Management was established in 1968 and currently oversees 69 developments, a total of 7,229 units, with a staff of 120, including property managers, site managers, maintenance personnel, and marketing personnel.

PHYSICAL and TECHNICAL REVIEW:
The site is located near commercial and transit in addition to a park and trail system, and the area is in need of better housing stock. The building massing is responsive to density surrounding the site. The site is adjacent to an existing railroad line, however railroad traffic is minimal, and the developer will erect a fence to separate the rail line from the property. The exterior of this project will be done in a craftsman style with durable materials, and proposed costs are acceptable. Tushie Montgomery Architects and Ron Clark Construction appear to have sufficient multi-family housing experience. The sustainable design plan is complete and the project will be designed to be Photovoltaic ready.

The TDC of $179,641 per unit is within 25% of the Predictive Model.

MARKET FEASIBILITY:
This site is along the I-494 corridor with access to Bloomington, the MSP airport, downtown Minneapolis, and a large concentration of jobs within the City of Richfield, including 6,000 jobs at the Best Buy headquarters one mile west of the site. The area just west of the site, on Lyndale Avenue, has been redeveloped and appears to be a vibrant, mixed-use neighborhood center. The market area overall has an aging housing stock, and the City of Richfield reports that they have a great need for affordable large-family housing. The market analyst believes that Pillsbury Commons will be competitive as proposed, and that there is sufficient demand in the market area to absorb the units.

SUPPORTIVE HOUSING:
Simpson Family Housing Services provides case management including housing & tenancy supports, benefits assistance, budget management, independent living skills, and parenting training/children's service. Simpson has extensive experience engaging clients, partners, and community to lead clients' housing stability. Rent and services are expected to be funded through GRH.

DEVELOPMENT COST SUMMARY (estimated):

	Total		Per Unit
Total Development Cost	$12,574,903		$179,641
Acquisition or Refinance Cost	$415,936		$5,942
Gross Construction Cost	$8,983,582		$128,337
Soft Costs (excluding Reserves)	$2,697,752		$38,539
Non-Mortgagable Costs (excluding Reserves)	$0		$0
Reserves	$477,633		$6,823
Total LMIR Mortgage (Including 4% DCE)*	$3,170,493		$45,293
First Mortgage Loan-to-Cost Ratio		25%	
Total Agency Sources	$3,170,493		$45,293
Total Loan-to-Cost Ratio		25%	

Other Non-Agency Sources		
Deferred Developer Fee*	$404,410	$5,777
Syndication Proceeds*	$9,000,000	$128,571
Total Non-Agency Sources	$9,404,410	$134,349

*Committed funds or pending approvals through the joint RFP

DEVELOPMENT:

Name:	Sunset Hill Apartments			Dev#:	D6720
Address:	12720 Wayzata Blvd.			App#:	M16098
City:	Minnetonka	County:	Hennepin	Region:	MHIG

MORTGAGOR:

Ownership Entity: Sunset Hill of Minnetonka Limited Partnership

General Partner/Principals: JVF Sunset Hill LLC (Jeff VonFeldt), DDC Sunset Hill LLC (Duffy Development Company / John Duffy)

DEVELOPMENT TEAM:

General Contractor:	To be determined
Architect:	Daniel K. Duffy Architects, Minnetonka
Attorney:	Faegre & Benson LLP, Minneapolis
Management Company:	Northstar Residential LLC, Minnetonka
Service Provider:	Salvation Army Services, Inc, Roseville

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 2,718,592 LMIR First Mortgage

Funding Source:	Hsg Investment Fund(Pool 2)
Interest Rate:	5.00%
MIP Rate:	0.25%
Term (Years):	30
Amortization (Years):	30

RENT GRID:

UNIT TYPE	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT*	INCOME AFFORD-ABILITY*
2BR - HTC	25	1,100	$ 900	$ 931	$ 36,000
1BR - HTC	9	800	$ 775	$ 775	$ 31,000
2BR – HTC/LTH	2	1,100	$ 130	$ 130**	$ 5,200
3BR – HTC/LTH	2	1,300	$ 130	$ 130**	$ 5,200
3BR - HTC	12	1,300	$ 1,040	$ 1,075	$ 41,600
1BR - HTC	1	800	$ 751	$ 775	$ 30,040
2BR - Mkt	6	1,100	$ 1,200	$1,200 (mkt)	$ 48,000
3BR - Mkt	5	1,300	$ 1,360	$1,360 (mkt)	$ 54,400
1BR - Mkt	2	800	$ 991	$991 (mkt)	$ 39,640
TOTAL	64				

NOTES: *LMIR, in conjunction with Housing Tax Credits, encourages rents to be affordable to households at 50% AMI with incomes up to 60% AMI.

** Four of the units will be set aside for families experiencing long-term homelessness and those rents are set to be affordable to families with incomes at or below the 15% AMI. The developer has applied for four project based Section 8 vouchers for these units. If successful, the rents will be adjusted upwards (to the payment standard of the HRA).

PUROPSE:
The proposal is for the new construction of a 64 unit four story elevator building located in the city of Minnetonka. This mixed income development will consist of 13 market rate units and 51 Housing Tax Credit (HTC) units with rents affordable to households at 50 percent AMI, four of which will be deemed for households experiencing long-term homelessness. The proposal is a mix of one, two and three bedroom units with underground parking and surface parking for guests. It is an excellent opportunity to meet the City's housing goals to meet locally identified housing needs close to transit.

TARGET POPULATION:
The development will serve families with children, including single heads of households with children and individuals and families of color. Four of the units will be restricted to families experiencing long-term homelessness.

PROJECT FEASIBILITY:
The proposal is feasible as proposed and will result in 64 new units of mixed income housing near transit, jobs and services. Development financing includes an amortizing LMIR mortgage of $2,718,592, $980,000 in TIF from the city of Minnetonka, $700,000 in Hennepin County HOME funding and a contribution from the Community Housing Coalition. This financing will be leveraged with $8,131,915 of tax credit equity. The applicant is requesting Metropolitan Council Project Based Section 8 Vouchers as rental subsidy for the four long-term homeless families. The developer and management company have extensive experience with marketing and leasing units with project based subsidy.

DEVELOPMENT TEAM CAPACITY:
Duffy Development has a long history of bringing development proposals to completion in a timely manner. The developer has utilized Agency first mortgages, deferred loans and tax credits with proven success. The Agency has had positive experience with Northstar Residential, LLC, a property management entity affiliated with Duffy Development.

PHYSICAL and TECHNICAL REVIEW:
The site is located on the north frontage road of highway 394 across from Ridgedale shopping center close to nearby transportation options. The site plan is good for this 64 unit development of 1, 2, and 3 bedroom units. Play areas and green spaces are located on the more sheltered piece of site and other rental multi-family housing developments are located nearby. The site is located in an area that is in a high demand school district. The Phase I environmental review has been completed, identifying six 250 gallon fuel tanks located on the site. An existing single family home and small commercial building slated for demolition may require remediation of asbestos containing materials and lead based paint. Solar panels will be added if feasible for solar hot water. A recently completed project with the Agency used this solar system for 50% water heating cost savings. Costs are reasonable with gross construction costs at $124,800/DU (including a 4% contingency), TDC = $105.64 per square foot and $195,867 per unit TDC. The architect is qualified. Fees are slightly above the Agency guidelines.

MARKET FEASIBILITY:
The community profile for Minnetonka indicates a moderate need for additional affordable rental housing in Minnetonka. This proposal is located in an economically integrated location close to low to moderate wage jobs. Minnetonka has seen an increase in households but loss of jobs through the economic downturn. The proposed rents are significantly lower than the median area rent of $1,088 and vacancy rates are low at 5%. The market study supports the need for the proposed development. The housing management officer has indicated that affordable housing in Minnetonka is very limited and comparable occupancy rates are strong.

SUPPORTIVE HOUSING:
The supportive services for these families will be provided by The Salvation Army Twin Cities Social Services, based in Roseville, MN. Four of the units will be set aside for families experiencing long-term homelessness and those rents are set to be affordable to families with incomes at or below the 15% AMI. The Salvation Army Twin Cities Social Services proposes to use a Program Housing model, in which eligible households are placed in housing as the first intervention, and required to participate in supportive services. The Salvation Army's Twin Cities Social Services will work with other service providers that work with the homeless to identify client referrals. Targeted service providers will include emergency shelter facilities, providers of emergency lodging, outreach workers, County social service staff, and providers of direct assistance programs. The Salvation Army will also utilize its own programs as sources of potential tenants. Services will focus on assisting families to become stable and to retain their housing, and to develop the skills and resources necessary for maintaining independent housing over time.

The Salvation Army has worked successfully with long-term homeless individuals and families through its HOPE Harbor and Harvest Hills developments, and as the primary service provider to Albertville Townhomes. The Salvation Army will fund the .5 FTE case managers on site to perform screening, intake and assessment of candidates for supportive services, case management, referral and linkage to other community agencies, coordination of service providers to ensure consistency of care for participants, advocacy for participants. The proposal ranks high for Hennepin County but county mentioned a greater need for small units under the PACR program for young adults with serious mental illness. Duffy Development and the Salvation Army are strong partners and the family units are needed.

DEVELOPMENT COST SUMMARY (estimated):

	Total	Per Unit
Total Development Cost	$12,535,507	$195,867
Acquisition or Refinance Cost	$1,171,230	$18,300
Gross Construction Cost	$7,987,200	$124,800
Soft Costs (excluding Reserves)	$3,072,516	$48,008
Non-Mortgagable Costs (excluding Reserves)	$0	$0
Reserves	$304,561	$4,759
Total LMIR Mortgage (Including 4% DCE)*	$2,718,592	$42,478
First Mortgage Loan-to-Cost Ratio	22%	

Other Non-Agency Sources		
Syndication Proceeds*	$8,131,915	$127,061
City of Minnetonka TIF*	$980,000	$15,313
Hennepin Cty HOME*	$700,000	$10,938
Community Hsg. Coalition*	$5,000	$78
Total Non-Agency Sources	$9,816,915	$153,389

*Committed funds or funding pending approvals through the joint RFP process

DEVELOPMENT:

Name:	Riverside Terrace			Dev#:	D1655
Address:	225 La Bree Ave S			App#:	M16117
City:	Thief River Falls	County:	Pennington	Region:	NWMIF

MORTGAGOR:

Ownership Entity: Riverside Terrace II LP

General Partner/Principals: Schuett Riverside Terrace LLC (with principal(s) of The Schuett Companies, Inc. as the managing member(s))

DEVELOPMENT TEAM:

General Contractor:	To be determined
Architect:	In-Site Architects, Minneapolis
Attorney:	Winthrop & Weinstine, PA, Minneapolis
Management Company:	The Schuett Companies, Inc., Golden Valley
Service Provider:	Inter County Community Council

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 2,003,126 LMIR First Mortgage

Funding Source:	Hsg Investment Fund(Pool 2)
Interest Rate:	5.00%
MIP Rate:	0.25%
Term (Years):	30
Amortization (Years):	30

RENT GRID:

UNIT TYPE (100% HTC)	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY
1BR - Elderly	66	575	$ 665	$ 666*	$ 26,600*
TOTAL	66				

NOTES: *Project Based Section 8 Development tenants pay no more than 30% of income towards housing.

PUROPSE:

Riverside Terrace is the acquisition by the managing general partner from the majority general partner of a 66 unit senior Section 8 development that has been part of the Agency's portfolio for many years. The majority general partner has come upon some financial difficulty and can no longer manage the business of rental property. The Agency originally financed this development under the Section 8 program, with a final closing in May, 1981 and an original principal balance of $1,983,819. This was a thirty year mortgage that reached its natural maturity in May, 2011. Repositioning this property for the long term will leverage an estimated $4.25 million (present value) of federal Section 8 rental assistance over the 30 year term of the new LMIR loan.

TARGET POPULATION:
Riverside Terrace is a senior building that provides affordable housing to low income individuals and couples. Four units (through attrition) will be deemed to serve households experiencing long term homelessness.

PROJECT FEASIBILITY:
The owner and management company have maintained this property for 30 years; however, the building is beginning to show its age and is in need of updating. The application is being recommended for an allocation of housing tax credits. This, along with a seller note and the recommended LMIR first mortgage, closes the funding gap and should enable the applicant to close in the first quarter of 2012. Completion of the rehabilitation, including adding some congregate service space, should help ensure the development competes well in the marketplace for the long term.

DEVELOPMENT TEAM CAPACITY:
All members of the development team have substantial experience in their chosen fields. The management company has been with this property for 26 years. Schuett has two applications this funding round and both are being recommended for funding.

Management staff at The Schuett Companies, Inc. is knowledgeable and responsive. Sites are well maintained, good policies and practices in place. Reports are timely and accurate. Schuett Companies, Inc. was established in 1983 and currently has 26 developments, managing a total of 1,718 units. They report a corporate staff of 5 engaging in management and marketing, creating a unit to staff ratio of 344:1. Their current portfolio consists of Section 8, Section 8 Elderly, Section 8/236 Preservation, USDA, and Market Rate dwellings; they have 19 Minnesota Housing first mortgages. They have an average management fee of 6%. The company has brokers and certified occupancy technicians on staff. Much of the staff has over 10 years experience. Schuett Companies, Inc. also affiliates with: National Board of Realtors, Multi-Housing Association, Minneapolis Area Association of Realtors, Employers Association, and the National Leased Housing Association.

PHYSICAL and TECHNICAL REVIEW:
Architect (In-Site Architects) has the capacity and the contractor is yet to be determined. Applicant is proposing to acquire/rehab an existing 66-unit, 6-story apartment building located near downtown Thief River Falls. The building was initially constructed in 1979. Proposed work scope includes: Tuck pointing, window replacement, appliances, cabinets, fixtures, and HVAC improvements. Proposed rehab and acquisition costs appear reasonable. Applicant is proposing to comply with Mandatory MN Overlay to GCC. Methods for Satisfying GCC form require some refinement. Although the building is in relatively good shape, due to the age of the development, many systems and finishings need updating. The rehabilitation is estimated to be $45,850/unit (including a contingency), and total development cost is at $108,528/unit. This is 24% below the predictive model estimate.

MARKET FEASIBILITY:
The Thief River Falls housing market and population growth are stable.

SUPPORTIVE HOUSING:
Inter County Community Council (ICCC) employs a housing first service model and will offer a variety of services on site at Riverside Terrace including case management, housing supports, benefit assistance, independent living skills and financial management/budget. The organization has experience serving the homeless population within its service area through various services and housing resources. They have not identified any Housing/Tenancy Support. Service funding from owner seems limited to serve 4 LTH households.

DEVELOPMENT COST SUMMARY (estimated):

	Total		Per Unit
Total Development Cost	$7,162,840		$108,528
Acquisition or Refinance Cost	$2,800,000		$42,424
Gross Construction Cost	$3,026,350		$45,854
Soft Costs (excluding Reserves)	$1,176,947		$17,833
Non-Mortgageable Costs (excluding Reserves)	$0		$0
Reserves	$159,543		$2,417
Total LMIR Mortgage (Including 4% DCE)*	$2,003,126		$30,350
First Mortgage Loan-to-Cost Ratio		28%	
Agency Deferred Loan Sources			
Total Agency Sources	$2,003,126		$30,350
Total Loan-to-Cost Ratio		28%	
Other Non-Agency Sources			
Seller Note	$735,562		$11,145
Syndication Proceeds*	$4,424,152		$67,033
Total Non-Agency Sources	$5,159,714		$78,177

*Committed funding or pending approval through the joint RFP process.

DEVELOPMENT:

Name:	Park Manor Estates			Dev#:	D0406
Address:	1035 Roosevelt Ave. (primary address)			App#:	M16118
City:	Detroit Lakes	County:	Becker	Region:	WCMIF

MORTGAGOR:

Ownership Entity:	Park Manor Estates II LP
General Partner/Principals:	Schuett Park Manor Estates LLC (with principal(s) of The Schuett Companies, Inc. as the managing member(s))

DEVELOPMENT TEAM:

General Contractor:	To be determined
Architect:	In-Site Architects, Minneapolis
Attorney:	Winthrop & Weinstine, PA, Minneapolis
Management Company:	The Schuett Companies, Inc, Golden Valley
Service Provider:	Mahube Community Council Inc, Detroit Lakes

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 4,542,671	LMIR First Mortgage	
	Funding Source:	Hsg Investment Fund(Pool 2)
	Interest Rate:	5.00%
	MIP Rate:	0.25%
	Term (Years):	30
	Amortization (Years):	30

RENT GRID:

UNIT TYPE (100% HTC)	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY*
2BR - Elderly	1	840	$ 766	$ 799	$ 30,640*
1BR - Elderly	84	590	$ 669	$ 666	$ 26,760*
3BR - Family	12	1,055	$ 699	$ 924	$ 27,960*
TOTAL	97				

NOTES: *Project Based Section 8, tenants pay no more than 30% of income for housing. The rents reflected under "Gross Rents" are the HUD approved rents under the Current HAP Contract.

PUROPSE:
Park Manor Estates is the acquisition by the managing general partner from the majority general partner of a 97 unit Section 8 development that has been part of the Agency's portfolio for many years. The majority general partner has come upon some financial difficulty and can no longer manage the business of rental property. This development serves both an elderly (85 apartment units) and a family (12 townhome units) population. The Agency originally financed the construction of this development in 1980 under the Section 8 program, with an original principal amount of $2,850,126. The unpaid principal balance of this loan is $1,414,413. This loan will be paid off with this transaction and replaced with a new LMIR funded out of the Housing Affordability Fund ("Pool 2"). Preservation of this 100% project based Section 8 property will leverage a present value of nearly $7 million in federal rental subsidies over the thirty year term of the new LMIR loan. Completion of a comprehensive scope of work will help ensure the marketability of these units for the long term.

TARGET POPULATION:
Park Manor Estates is a combination senior building and family townhouse development that provides affordable housing to low income individuals and families. Five units (through attrition) will be deemed to serve households experiencing long term homelessness.

PROJECT FEASIBILITY:
The owner and management company have maintained this property for 30 years; however, the buildings are beginning to show their age and are in need of updating. The application is being recommended for an allocation of housing tax credits. This, along with a seller note and the recommended LMIR first mortgage, closes the funding gap and should enable the applicant to close in the first quarter of 2012. Completion of the rehabilitation, including adding some congregate service space, should help ensure the development competes well in the marketplace for the long term.

DEVELOPMENT TEAM CAPACITY:

All members of the development team have substantial experience in their chosen fields. The Schuett Companies, Inc. has managed this property for 27 years. Schuett has two applications in this funding round, both of which are being recommended for funding.

Property management staff at The Schuett Companies, Inc. is knowledgeable and responsive. Sites are well maintained, good policies and practices in place. Reports are timely and accurate. Schuett Companies, Inc. was established in 1983 and currently has 26 developments, managing a total of 1,718 units. They report a corporate staff of 5 engaging in management and marketing, creating a unit to staff ratio of 344:1. Their current portfolio consists of Section 8, Section 8 Elderly, Section 8/236 Preservation, USDA, and Market Rate dwellings; they have 19 MHFA first mortgages. They have an average management fee of 6%. The company has brokers and certified occupancy technicians on staff. Much of the staff has over 10 years experience. Schuett Companies, Inc. also affiliates with: National Board of Realtors, Multi-Housing Association, Minneapolis Area Association of Realtors, Employers Association, and the National Leased Housing Association.

PHYSICAL and TECHNICAL REVIEW:
Although the buildings are in relatively good shape, due to the age of the development, many systems and finishings need updating, including replacement of boilers/furnaces with energy efficient units (including the addition of central air at the townhome units), replacement of windows, and roof and siding replacement at the townhome units. Additional work will include safety upgrades, upgrades to the dwelling units, common area and site improvements, including playground equipment. The scope of rehabilitation is at $44,646/unit (including a contingency), and total development cost is at approximately $112,465 or 29% below the predictive model of $159,000/unit.

MARKET FEASIBILITY:
The Detroit Lakes housing market and population growth are stable. The development has maintained consistently high occupancy; currently at 99% with a three year waiting list. The improvements being made to the property will assist in marketability going forward.

SUPPORTIVE HOUSING:
Mahube Community Council will offer a variety of services on site at Park Manor Estates including case management, housing supports, benefit assistance, Independent Living Skills, transportation, etc. Referrals are made to Workforce Center and Lakeland Mental Health as needed. Mahube has extensive experience serving the homeless population within their service area through various services and housing resources. Services to families with children were not identified, although 2 of the 5 LTH units are designated for families. The tenant selection plan includes strong language regarding sobriety or willingness to address chemical health issues, which seems contradictory to their identified housing first service model. Amount and security of service funding was not identified. Agency staff will continue to work with the owner's development team to refine the servicing plan through the underwriting process.

DEVELOPMENT COST SUMMARY (estimated):

	Total		Per Unit
Total Development Cost	$10,909,153		$112,465
Acquisition or Refinance Cost	$4,700,000		$48,454
Gross Construction Cost	$4,330,622		$44,646
Soft Costs (excluding Reserves)	$1,582,563		$16,315
Non-Mortgageable Costs (excluding Reserves)	$0		$0
Reserves	$310,968		$3,206
Total LMIR Mortgage (Including 4% DCE)*	$4,542,671		$46,832
First Mortgage Loan-to-Cost Ratio		42%	
Agency Deferred Loan Sources			
Total Agency Sources	$4,542,671		$46,832
Total Loan-to-Cost Ratio		42%	
Other Non-Agency Sources			
Syndication Proceeds*	$6,366,482		$65,634
Total Non-Agency Sources	$6,366,482		$65,634

*Committed funding or pending approval through the joint RFP process.

AGENDA ITEM: 9.B.(2).(b).3
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: St. Alban's Park (fka Selby Dale Cooperative), St. Paul – D3019

CONTACT: Susan Thompson 651-296-9838
susan.thompson@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☑ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☑ Motion ☐ Resolution ☐ No Action Required

SUMMARY REQUEST:
Staff has completed a review of the above referenced proposed development and recommends the adoption of a motion selecting the development for further processing under the Low and Moderate Income Rental (LMIR) Program in the amount of $1,870,000 and under the Preservation Affordable Rental Investment Fund (PARIF) Program in the amount of $1,016,408.

FISCAL IMPACT:
In the current Affordable Housing Plan (AHP), the Board allocated $68 million in new activity for the LMIR program, including $28 million from the Housing Investment Fund (Pool 2). Funding for this loan falls within the approved budget and the loan will be made at an interest rate and terms consistent with what is described in the AHP. Additionally, this loan should generate $105,000 in fee income (origination fee and construction oversight fee) as well as interest earnings which will help offset Agency operating costs.
The new PARIF loan will be funded from state appropriations and will not have any fiscal impact on the Agency's financial condition.

MEETING AGENCY PRIORITIES:

☐ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☑ Prevent and End Long-term Homelessness

This development, located in the Selby-Dale area of St. Paul will preserve 74 affordable units, 24 of which benefit from a project based Section 8 Housing Assistance Payment (HAP) contract. Four (4) of the HAP assisted units are targeted (through attrition) to serve individuals and families experiencing long term homelessness.

ATTACHMENT:
- Development Summary

DEVELOPMENT:

Name:	St. Alban's Park (fka Selby-Dale Cooperative)			Dev#:	D3019
Address:	Multiple Buildings on Selby Avenue west of Dale Street			App#:	M16142
City:	Saint Paul	County:	Ramsey	Region:	MHIG

MORTGAGOR:

Ownership Entity:	To-be-formed single asset Limited Liability Limited Partnership
General Partner/Principals:	To-be-formed Limited Liability Company, whose sole member will be Twin Cities Housing Development Company

DEVELOPMENT TEAM:

General Contractor:	To Be Determined
Architect:	Cermak Rhoades Architects, Saint Paul
Attorney:	Winthrop & Weinstine, PA, Minneapolis
Management Company:	To Be Determined
Service Provider:	Wilder Family Housing Supportive Services, Saint Paul

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 1,870,000	LMIR First Mortgage	
	Funding Source:	Hsg Investment Fund(Pool 2)
	Interest Rate:	5.00%
	MIP Rate:	0.25%
	Term (Years):	30
	Amortization (Years):	30
$ 1,016,408	PARIF	
	Funding Source:	Preservation ARIF
	Interest Rate:	0%
	Term (Years):	30.0

RENT GRID:

UNIT TYPE (100% HTC)	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY*
1BR	28	600	$ 679	$ 775	$ 27,160
2BR	9	750	$ 888	$ 931	$ 35,520
2BR	19	750	$ 888	$ 1,117	$ 35,520
2BR	6	850	$ 932	$ 1,117	$ 37,280
3BR	6	1,150	$ 1,114	$ 1,290	$ 44,560
4BR	6	1,350	$ 1,290	$ 1,440	$ 51,600
TOTAL	74				

NOTES: Note that 24 of the units in the development receive the benefit of a project based Section 8 HAP contract. The rents noted above are the anticipated post-rehab HUD approved rents under the Sec. 8 contract. Residents in the Section 8 units pay 30% of household income towards housing. The Agency limit is based on 50% and 60% AMI under the HTC program.

PUROPSE:
Twin Cities Housing Development Corporation (TCHDC) proposes to acquire and significantly rehab this 74 unit development. The project, currently known as Selby-Dale Co-op, was originally developed as a limited equity co-operative although only 15 units of the 74 units have been acquired under the co-op structure. The current ownership consists of the Co-operative Association which is run by a board consisting of representatives of the 15 owner/members. As part of the acquisition and financing proposal, TCHDC will preserve the existing 24 units of Project Based Rental Assistance and will deem four units to serve households experiencing long-term homelessness.

TARGET POPULATION:
With a mix of 1-, 2-, 3- and 4-bedroom apartments and townhomes, this development serves a very diverse mix of tenants. The property will serve singles and families with incomes of 60% AMI and lower. Twenty-four of the units have Section 8 rental assistance assuring that the tenants do not pay more than 30% of their incomes towards rent. TCHDC has agreed to set aside (through attrition) 4 of the Section 8 units for families experiencing long-term homelessness.

PROJECT FEASIBILITY:
Recommended funding through the RFP includes a $1,870,000 LMIR and a $1,016,408 PARIF deferred loan as well as a Met Council deferred loan of $400,000. Housing Tax Credits are anticipated to be awarded by the City of St. Paul. Existing deferred debt will be assumed and restructured from the City of St. Paul, $1.1 million and Family Housing Fund, $326,000 (both including accrued interest). Syndication proceeds are estimated at $8.5 million (based on assumed price of $0.85/credit). Finally, overall feasibility is dependent upon resolution of a $1.5 million gap resulting from existing over-leveraged amortizing financing (based on As-Is appraised value). Negotiations with the current first mortgage lender are reportedly underway.

DEVELOPMENT TEAM CAPACITY:
Twin Cities Housing Development Corporation (TCHDC) was established in 1984 and has significant experience developing and owning this type of housing development. Agency experience with TCHDC has been positive. This development is within one mile of TCHDC's headquarters.

Management Company has not yet been determined.

PHYSICAL and TECHNICAL REVIEW:
The development consists of a grouping of six semi-detached townhomes with eighteen units and one 56 unit apartment building. The applicant is proposing a very significant rehabilitation and structural repair of the buildings. Despite the extensive work-scope proposed, the Agency recommends additional items be considered. Agency staff will work with the developer through the underwriting process to refine the scope of work to help ensure physical viability for the term of the LMIR financing. The developer and architect appear to have experience with an extensive rehabilitation and should be able to perform the work needed. The contractor has not yet been selected.

The TDC of $202,575 per unit is within 25% of the Predictive Model of $186,160.

MARKET FEASIBILITY:
Existing property is located in the Selby-Dale area of St. Paul. This area was determined to have a high need for both new affordable rental housing and maintaining an aging housing stock based on the Agency's Community Profiles. This area has also demonstrated high workforce growth with a 17.3% gain in jobs along-side a 2.97% growth in households from 2000-2009. The median household income was $39,665 with median rent of $577 and 72% of the renters are cost burdened.

SUPPORTIVE HOUSING:
Wilder Family Services provides family and housing supports, financial and benefits assistance, parent training, and chemical health services on site, with over 15 years of experience providing culturally appropriate services in Ramsey County. Referrals come from Wilder programs. Medical Assistance billing is not currently utilized, nor has any external service funding source been identified in the application. Rents for the LTH units are supported by Project-Based Section 8 rental assistance.

DEVELOPMENT COST SUMMARY (estimated):

	Total	Per Unit
Total Development Cost	$14,990,515	$202,575
Acquisition or Refinance Cost	$3,380,607	$45,684
Gross Construction Cost	$6,143,000	$83,014
Soft Costs (excluding Reserves)	$3,313,488	$44,777
Non-Mortgagable Costs (excluding Reserves)	$1,531,420	$20,695
Reserves	$622,000	$8,405
Total LMIR Mortgage (Including 4% DCE)	$1,870,000	$25,270
First Mortgage Loan-to-Cost Ratio	12%	

Agency Deferred Loan Sources			
PARIF*	$1,016,408		$13,735
Total Agency Sources	$2,886,408		$39,006
Total Loan-to-Cost Ratio		19%	
Other Non-Agency Sources			
General Partner Cash*	$310,000		$4,189
FHF assumed deferred debt*	$326,024		$4,406
St. Paul assumed deferred debt*	$1,104,583		$14,927
Balance of NCCB mortgage (remaining gap)	$1,531,420		$20,695
Met Council LHIA*	$400,000		$5,405
Syndication Proceeds*	$8,432,080		$113,947
Total Non-Agency Sources	$12,104,107		$163,569

*Committed funds or subject to approvals through RFP

AGENDA ITEM: 9.B.(2).(b)◊п
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: North Haven II – D6371

CONTACT: Ted Tulashie 651-297-3119
Ted.Tulashie@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☑ Commitment(s) ☐ Modification/Change ☐ Policy ☐ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☐ Motion ☑ Resolution ☐ No Action Required

SUMMARY REQUEST:
Request adoption of a Resolution authorizing the issuance of a PARIF deferred loan commitment in the amount of $238,396, subject to the review and approval of the Mortgagor, and the terms and conditions of the Agency mortgage loan commitment.

FISCAL IMPACT:
The new PARIF loan will be funded from state appropriations and will not have any fiscal impact on the Agency's financial condition.

MEETING AGENCY PRIORITIES:

☐ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☐ Prevent and End Long-term Homelessness

ATTACHMENTS:
- Development Summary
- Resolution

DEVELOPMENT:

Name:	North Haven II			Dev#:	D6371
Address:	2220 Clinton Avenue			App#:	M16109
City:	Minneapolis	County:	Hennepin	Region:	MHIG

MORTGAGOR:

Ownership Entity:	An LLC yet to be formed with PCNF as sole member.
General Partner/Principals:	Plymouth Church Neighborhood Foundation ("PCNF")

DEVELOPMENT TEAM:

General Contractor:	To be Determined
Architect:	To be Determined
Attorney:	Hust Law Firm PLLC, Minneapolis
Management Company:	BDC Management Company, Minneapolis
Service Provider:	MN Council of Churches, Minneapolis

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 238,396 PARIF

Funding Source:	Preservation ARIF
Interest Rate:	0.00%
Term (Years):	30

RENT GRID:

UNIT TYPE	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY*
1BR	1	600	$ 677	$ 775	$ 27,080
3BR	4	1,200	$ 895	$1,075	$ 35,800
TOTAL	5				

PUROPSE:

The North Haven Phase II proposal is for the acquisition and rehabilitation of 2220 Clinton Avenue, next door to PCNF's North Haven Phase I. Phase I and Phase II properties feature generally the same design; a shared driveway and parking areas, and both serve refugee families. The addition of more units and the combined backyard space will benefit the tenants and will allow for economy of scale for property management. Previous management of the 2220 building was of poor quality and tenant behavior in this building had caused problems for the North Haven program and the neighborhood as a whole, therefore Plymouth Church Neighborhood Foundation (PCNF) acquired Phase II with a Contract for Deed in 2009 with the goal of owning both properties, which would be positive for both neighborhood and existing North Haven residents. PCNF has partnered with the Minnesota Council of Churches (MCC) Refugee Program in North Haven Phase I. MCC provides services and shallow rent subsidy for this target group with funding from the federal government and other public and private sources.

TARGET POPULATION:
North Haven II serves large refugee immigrant families at risk of homelessness. PCNF works in collaboration and in close partnership with community agencies to ensure that residents are connected to the services that enhance the quality of their lives.

PROJECT FEASIBILITY:
The development is financially feasible as proposed with the previously committed funds from Minneapolis CPED, the recommended PARIF deferred loan, and a pending request through Hennepin County. The cost of acquisition to pay off the existing contract for deed would be $355,000 - 400,000 including holding and closing costs. PCNF owns North Haven II through a five-year contract for deed, which will expire in 2014. It is currently operating the building with rents at 40% AMI serving refugee families. At the current rents and current contract for deed payments, the building has a negative cash flow. Though currently providing the operating subsidy needed, PCNF is not able to do so beyond the contract for deed term. Therefore, without the deferred funding to finance the acquisition, PCNF will be forced to return the building to the existing owner. Though the Minnesota Council of Churches rent subsidy is tenant based and not project based, the unavailability of North Haven II would still be a loss to the program. The proposed financing structure ensures that the program and the development will remain financially feasible for the long term.

DEVELOPMENT TEAM CAPACITY:
Founded in 1999, Plymouth Church Neighborhood Foundation is a non-profit housing organization which develops and owns housing to meet a range of community needs. The Foundation has developed housing for those who are homeless, for those in the workforce who need moderate rents and for those seeking home ownership opportunities. They have the capacity to own and operate the property. The property management company, BDC was established in 1989 and began property management in 1990. Their employees have appropriate education, licenses, certifications, and work experiences to manage the development.

PHYSICAL and TECHNICAL REVIEW:
Rehabilitation and deferred maintenance is proposed on this existing (5) unit building. Workscope will include addressing deferred maintenance as well as replacement of windows. Agency staff will work with owner's development team so that the final workscope is sufficiently defined to ensure that the property meets city and Minnesota Housing minimum standards. Deferred loan funding was increased by $25,000 to allow for an expanded workscope. Architect and contractor are yet to be selected.

The development's TDC of $138,116 per unit is within 25% of the Predictive Model of $138,457.

MARKET FEASIBILITY:
The market being served is specific to recent immigrant families. Referrals will come from the Minnesota Council of Churches' Refugee Program, which currently has a waiting list. The property management company, BDC, indicate receiving referrals from Lutheran Social Services, as well.

SUPPORTIVE HOUSING:
Minnesota Council of Churches plans to provide case management including housing & tenancy supports, benefits assistance, budget management, independent living skills, and parenting training/children's service. They plan to use the Housing First supportive housing model. This model has proven effective in work with refugee populations. MCC provides a shallow rent subsidy to refugee residents while providing intensive, goal centered case management services working towards self sufficiency. MCC has experience serving this population and their current funding for refugee resettlement has been in place for the last 26 years.

DEVELOPMENT COST SUMMARY (estimated):

	Total	Per Unit
Total Development Cost	$690,580	$138,116
Acquisition or Refinance Cost	$418,000	$83,600
Gross Construction Cost	$111,280	$22,256
Soft Costs (excluding Reserves)	$142,300	$28,460
Non-Mortgagable Costs (excluding Reserves)	$19,000	$3,800
Reserves		
Agency Deferred Loan Sources		
PARIF	$238,396	$47,679
Total Agency Sources	$238,396	$47,679
Total Loan-to-Cost Ratio	35%	
Other Non-Agency Sources		
CPED Non Profit Admin	$10,000	$2,000
City Of Minneapolis	$212,184	$42,437
Hennepin County	$160,000	$32,000
Private Grants	$70,000	$14,000
Total Non-Agency Sources	$452,184	$90,437

MINNESOTA HOUSING FINANCE AGENCY
400 Sibley Street, Suite 300
St. Paul, Minnesota 55101

RESOLUTION NO. MHFA 11-

RESOLUTION APPROVING MORTGAGE COMMITMENT
PRESERVATION AFFORDABLE RENTAL INVESTMENT FUND (PARIF) PROGRAM

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received an application to provide permanent financing for a multiple unit housing development to be occupied by persons and families of low and moderate income, as follows:

Name of Development:	North Haven II
Owner/Mortgagor:	A new LLC controlled by Plymouth Church Neighborhood Foundation
Managing Member:	Plymouth Church Neighborhood Foundation, Minneapolis
Location of Development:	Minneapolis
Number of Units:	5
General Contractor:	To be determined
Architect:	Not applicable
Amount of Development Cost:	$690,580
Amount of Preservation Loan:	$238,396

WHEREAS, Agency staff has determined that such applicant is an eligible sponsor under the Agency's rules; that such permanent mortgage loan is not otherwise available, wholly or in part, from private lenders upon equivalent terms and conditions; and that the preservation of the development will assist in fulfilling the purpose of Minn. Stat. ch. 462A; and

WHEREAS, Agency staff has reviewed the application and found the same to be in compliance with Minn. Stat. ch. 462A and the Agency's rules, regulations and policies;

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Agency staff to issue a commitment to provide a permanent mortgage loan from appropriated funds to said applicant for the indicated development, upon the following terms and conditions:

1. The Initial Closing of such PARIF loan shall be on or before July 31, 2013; and

2. The amount of the PARIF loan shall be $238,396; the interest rate on the loan shall be 0 percent; and the maturity date of the loan shall be 30 years from the date of closing; and

3. The Agency shall review and approve the Mortgagor; and

4. The Mortgagor will enter into a covenant running with the land that complies with subd. 8b of Minn. Stat. § 462A.21, and the rider to the appropriation providing funds to the program, agreeing to operate the development with 5 units of supportive housing; and

5. The Mortgagor shall enter into an Agency Mortgage Loan Commitment with terms and conditions embodying the above in form and substance acceptable to Agency staff; and

6. The sponsor, the mortgagor, and such other parties as Agency staff in their sole discretion deem necessary, shall execute all such documents relating to said loan, to the security therefore, and to the operation of the development, as Agency staff in their sole discretion deem necessary.

RESOLVED, FURTHER, that it is hereby determined to finance the Development permanently with funds from the Preservation Affordable Rental Investment Fund state appropriations.

Adopted this 17th day of November, 2011.

_____

CHAIRMAN

AGENDA ITEM: 9.B.(2).(b).5
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Mary Hall, St. Paul – D1579

CONTACT: Terri Parker 651-297-5141
terri.parker@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☑ Commitment(s) ☐ Modification/Change ☐ Policy ☐ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☐ Motion ☑ Resolution ☐ No Action Required

SUMMARY REQUEST:
Request adoption of a Resolution authorizing the issuance of a PARIF deferred loan commitment in the amount of $122,504, subject to the review and approval of the Mortgagor, and the terms and conditions of the Agency mortgage loan commitment.

FISCAL IMPACT:
The new PARIF loan will be funded from state appropriations and will not have any fiscal impact on the Agency's financial condition.

MEETING AGENCY PRIORITIES:

☐ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☐ Prevent and End Long-term Homelessness

ATTACHMENTS:
- Development Summary
- Resolution

DEVELOPMENT:

Name:	Mary Hall			Dev#:	D1579
Address:	438 Main Street			App#:	M16139
City:	St. Paul	County:	Ramsey	Region:	MHIG

MORTGAGOR:

Ownership Entity: Catholic Charities of St. Paul and Minneapolis

DEVELOPMENT TEAM:

General Contractor:	To Be Determined
Architect:	Not applicable – minimal rehab
Attorney:	To be determined
Management Company:	Catholic Charities of St. Paul and Minneapolis
Service Provider:	Catholic Charities of St. Paul and Minneapolis

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 122,504 PARIF

Funding Source:	Preservation ARIF
Interest Rate:	0%
Term (Years):	30.0

RENT GRID:

UNIT TYPE	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY*
0BR/SRO	75	115	$ 503	$ 503	$20,120
0BR/SRO	64	115	$ 503	$ 503	$20,120
0BR/SRO	16	115	$ 656	$ 656	$26,240
TOTAL	155				

NOTES: *All 155 beds/units receive the benefit of rental assistance (75 units - Section 8, 64 units - HUD SHP and 16 units - GRH).*

PUROPSE:

Catholic Charities is proposing to replace the roof at Mary Hall, a permanent supportive housing program in St. Paul. Mary Hall, a six story elevator building, provides 155 SRO units for single men and women who were previously homeless; 75 private furnished rooms with shared community areas and supportive services provided onsite and 80 units of supportive transitional housing. All of the units receive the benefit of some type of rental assistance (see notes under rent grid). The development does not have sufficient reserves to meet an urgent need to replace the roof. If this need is not addressed immediately it may result in additional rehabilitation needs.

TARGET POPULATION:
The targeted population includes homeless, single men and women, individuals of color and disabled individuals. The population served meet the federal homeless definition (more restrictive than MN Housing). Individual's income cannot exceed 30% of area median income.

PROJECT FEASIBILITY:
The proposal is recommended for funding from the PARIF program. This proposal will preserve over $250,000 in annual rental subsidy and over $500,000 annually from HUD for services and operations.

DEVELOPMENT TEAM CAPACITY:
Catholic Charities was established in 1869 and currently owns, manages and provides services at four developments (including Mary Hall). In addition to their four developments, Catholic Charities manages and provides services at four additional developments. All developments that Minnesota Housing has involvement with are well maintained and managed, reports are timely and property management staff is well trained and responsive.

PHYSICAL and TECHNICAL REVIEW:
This project consists of a re-roof of an existing six story 155 unit homeless center. The rooms are dormitory style without individual bathrooms. Each floor consists of housing units, gender specific bathrooms, a common kitchen and laundry.

The project costs appear to be a little high, however the efforts needed for construction during occupancy and the roof being six stories above ground appear to warrant the extra costs. There is no architect or contractor selected. It appears the owner/ developer is soliciting and managing the construction themselves.

MARKET FEASIBILITY:
This development serves single homeless men and women and maintains nearly 100% occupancy since it has the benefit of project based Section 8 on a majority of the units as well as other HUD funded rental and operating assistance.

SUPPORTIVE HOUSING:
Catholic Charities provides all supportive services and/or referrals required for Mary Hall.

DEVELOPMENT COST SUMMARY (estimated):

	Total		Per Unit
Total Development Cost	$122,504		$790
Acquisition or Refinance Cost	$0		$0
Gross Construction Cost	$114,490		$738
Soft Costs (excluding Reserves)	$8,014		$52
Non-Mortgagable Costs (excluding Reserves)	$0		$0
Reserves	$0		$0
Agency Deferred Loan Sources			
PARIF	$122,504		$790
Total Agency Sources	$122,504		$790
Total Loan-to-Cost Ratio		100%	
Other Non-Agency Sources			
Total Non-Agency Sources	$0		$0

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MINNESOTA HOUSING FINANCE AGENCY
400 Sibley Street, Suite 300
St. Paul, Minnesota 55101

RESOLUTION NO. MHFA 11-

RESOLUTION APPROVING MORTGAGE COMMITMENT
PRESERVATION AFFORDABLE RENTAL INVESTMENT FUND (PARIF) PROGRAM

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received an application to provide permanent financing for a multiple unit housing development to be occupied by persons and families of low and moderate income, as follows:

Name of Development:	Mary Hall
Owner/Mortgagor:	Catholic Charities of St. Paul and Minneapolis
Managing Member:	N/A
Location of Development:	St. Paul
Number of Units:	155
General Contractor:	To be determined
Architect:	Not applicable
Amount of Development Cost:	$122,504
Amount of Preservation Loan:	$122,504

WHEREAS, Agency staff has determined that such applicant is an eligible sponsor under the Agency's rules; that such permanent mortgage loan is not otherwise available, wholly or in part, from private lenders upon equivalent terms and conditions; and that the preservation of the development will assist in fulfilling the purpose of Minn. Stat. ch. 462A; and

WHEREAS, Agency staff has reviewed the application and found the same to be in compliance with Minn. Stat. ch. 462A and the Agency's rules, regulations and policies;

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Agency staff to issue a commitment to provide a permanent mortgage loan from appropriated funds to said applicant for the indicated development, upon the following terms and conditions:

1. The Initial Closing of such PARIF loan shall be on or before July 31, 2013; and

2. The amount of the PARIF loan shall be $122,504; the interest rate on the loan shall be 0 percent; and the maturity date of the loan shall be 30 years from the date of closing; and

3. The Agency shall review and approve the Mortgagor; and

4. The Mortgagor will enter into a covenant running with the land that complies with subd. 8b of Minn. Stat. § 462A.21, and the rider to the appropriation providing funds to the program, agreeing to operate the development with at least 75 units of supportive housing; and

5. The Mortgagor shall enter into an Agency Mortgage Loan Commitment with terms and conditions embodying the above in form and substance acceptable to Agency staff; and

6. The sponsor, the mortgagor, and such other parties as Agency staff in their sole discretion deem necessary, shall execute all such documents relating to said loan, to the security therefore, and to the operation of the development, as Agency staff in their sole discretion deem necessary.

RESOLVED, FURTHER, that it is hereby determined to finance the Development permanently with funds from the Preservation Affordable Rental Investment Fund state appropriations.

Adopted this 17th day of November, 2011.

_____

CHAIRMAN

AGENDA ITEM: 9.B.(2).(b).6
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Nobles Square, Worthington – D7531

CONTACT: Susan Thompson 651-296-9838
susan.thompson@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☑ Commitment(s) ☐ Modification/Change ☐ Policy ☐ Selection(s) ☐ Waiver(s)

☐ Other: _____

ACTION:

☐ Motion ☑ Resolution ☐ No Action Required

SUMMARY REQUEST:
Request adoption of a Resolution authorizing the issuance of a PARIF deferred loan commitment in the amount of $567,506, subject to the review and approval of the Mortgagor, and the terms and conditions of the Agency mortgage loan commitment.

FISCAL IMPACT:
The new PARIF loan will be funded from state appropriations and will not have any fiscal impact on the Agency's financial condition.

MEETING AGENCY PRIORITIES:

☐ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☑ Prevent and End Long-term Homelessness

ATTACHMENTS:
- Development Summary
- Resolution

DEVELOPMENT:

Name:	Nobles Square I & II Apartments			Dev#:	D7531
Address:	2175 and 2195 Nobles Street			App#:	M16140
City:	Worthington	County:	Nobles	Region:	SWMIF

MORTGAGOR:

Ownership Entity: To-be-formed single asset Limited Liability Company whose managing member shall be Southwest Minnesota Housing Partnership (or an affiliated entity)

DEVELOPMENT TEAM:

General Contractor:	To Be Determined
Architect:	I & S Group, Inc., Mankato
Attorney:	Faegre & Benson LLP, Minneapolis
Management Company:	Van Binsbergen & Associates, Montevideo
Service Provider:	Southwest Mental Health Center, Luverne

CURRENT FUNDING REQUEST/ PROGRAM and TERMS:

$ 567,506 PARIF

Funding Source:	Preservation ARIF
Interest Rate:	0.00%
Term (Years):	30.0

RENT GRID:

UNIT TYPE	NUMBER	UNIT SIZE (SQ. FT.)	GROSS RENT	AGENCY LIMIT	INCOME AFFORD-ABILITY*
1BR-HTC/RD	5	630	$ 469	$ 555	$ 18,760
2BR – HTC/RD	21	825	$ 527	$ 666	$ 21,080
3BR -HTC/RD	8	993	$ 571	$ 770	$ 22,840
1BR - RD	3	630	$ 469	$ 889	$ 18,760
2BR - RD	11	825	$ 527	$ 1,066	$ 21,080
TOTAL	48				

NOTES: **Thirty-four units in the development receive the benefit of project based rental assistance from USDA Rural Development ("RD"). Residents pay 30% of household income towards housing. As part of the assumption/restructure of the existing RD loan, the development will seek to expand the rental assistance to cover all of the units. The rents noted above are the RD approved rents. The Agency limit is based on 50% AMI for 34 units under the HTC program and 80% for the balance of the units.*

PUROPSE:
Southwest Minnesota Housing Partnership (SWMHP) proposes to acquire and rehabilitate this 48 unit property and preserve the existing USDA Rural Development ("RD") below market financing. Currently, 34 of the units have the benefit of RD Rental Assistance assuring the tenants do not pay more than 30% of their incomes toward rent. As part of the RD restructure, the developer will seek to have the Rental Assistance extended to all of the units

TARGET POPULATION:
The development consists of 8 1-bedroom units, 32 2-bedroom units and 8 3-bedroom units. The targeted population includes singles and families with children with incomes at or below 80% AMI. Thirty-four of the units will have incomes further restricted to 60% AMI, under the Housing Tax Credit program. Of these 34 units, four (through attrition) will be deemed to serve families experiencing long term homelessness.

PROJECT FEASIBILITY:
The proposal is recommended for tax credits and deferred funding from the PARIF program. This proposal will preserve over $2.8 million (present value) of federal assistance over a 30 year term (including both rental assistance and below-market interest rate).The two existing developments (Nobles Square I and Nobles Square II) will be acquired and packaged into one project. Existing RD first mortgages (approximate combined balance of $476,000) will be assumed and restructured. While RD has not yet underwritten the restructure of the loan, RD is supportive of the proposal and has indicated that the proposed structure is feasible, including the additional rental assistance. National Equity Fund (NEF) will acquire the tax credits at $0.85/$1.00. Other deferred funding includes a NeighborWorks America Funding loan from SWMHP, owner donation, transferred reserves and deferred developer fee. Through the current RFP, Greater Minnesota Housing Fund has also selected the development for deferred funding of $408,000.

DEVELOPMENT TEAM CAPACITY:
SWMHP will serve as developer and Managing Member of Nobles Square. SWMHP, a local non-profit housing developer led by Rick Goodemann, appears to have the capacity and experience to move this proposal forward in a timely manner. SWMHP has a staff of 25, nearly half of which have been employed for 5 years or more. The organization has developed/rehabilitated 58 multi-family developments (over 1300 units) and 45 (313 units) single-family developments since its inception in 1992. SWMHP currently has 5 developments in process as developer/owner and/or processing agent. Two proposals were submitted for funding in the current RFP round.

Van Binsbergen & Associates, Inc. was established in 1997 and currently has 64 developments in its management portfolio, with a total of 1,100 units. They report a corporate staff of 14 engaging in management and marketing, two more than in 2009, creating a unit to staff ratio of 79:1. Their current portfolio consists of mainly Rural Development, several HUD, market rate, and 1 tax credit developments. Eight of these developments are located in California, 1 in Arizona, 1 in South Dakota, with the balance in Greater Minnesota (mainly in Southwest & Central). They have been appointed receiver on 2 defaulted mortgages and brought both up to sustaining status. Over the past 5 years no management contracts were terminated; 6 were not renewed upon expiration. No fair housing complaints are indicated.

PHYSICAL and TECHNICAL REVIEW:
The proposal is for acquisition and rehabilitation of 48 units in two 2-story buildings. Developer's work-scope, estimate and preliminary specification identify the majority of renovation needs for this project although additional items will be required by the Agency. Additional items may include frost footings at entries, new siding, soffit, weather barrier, damaged sheathing replacement and possible roofing modifications to enhance current roof ventilation. Cost is on the low range for similar developments. Construction contract amount should be higher given additional work-scope items that will be required. Inspection and application notes the discovery of mold in units and drainage issues around the building which may be contributing to other potential undiscovered mold issues in the building. Architect is qualified and fees are reasonable but on the low end. Contractor is not selected. Integrative Design Plan is good and comprehensive.

The development's TDC of $78,903 per unit is 52% below the Predictive Model of $163,164, although additional work-scope items will likely result in a TDC that is closer to the predicted cost.

MARKET FEASIBILITY:
Population in the City of Worthington increased 13.1% from 2000 to 12,764 in 2010 (after 13.1% growth from 1990-2000). Meanwhile, Noble County grew 2.6% from 2000-2010, although excluding Worthington, the County lost population. On a household basis, the City grew 3.4% from 2000-2010 to 4,453 while household size increased substantially as a result of younger and more immigrant households. Community Partners Research (CPR) estimates population growth of 107 persons/year and 76 households/year on average through 2015. Community Profiles indicate that median rent in Worthington ranges from $345-$468 while 55% - 65% of the Lower-Income Renters are rent burdened.

SUPPORTIVE HOUSING:
Southwestern Mental Health Center, in partnership with Nobles County Family Services, will provide case management, family and housing supports, adult mental health services and referrals on site. Staff from both organizations have decades of experience providing mental health services in the region. Referrals come from County Human Services and Housing, Southwestern Minnesota Opportunity Council, Southwest Crisis Center, the Sheriff's Department, and non-profit service organizations. Service funding is provided by Department of Human Services LTH Service Fund. Rents are supported by Rural Development 515 annual subsidy.

DEVELOPMENT COST SUMMARY (estimated):

	Total	Per Unit	Per LTH Unit
Total Development Cost	$3,787,364	$78,903	
Acquisition or Refinance Cost	$1,300,000	$27,083	
Gross Construction Cost	$1,528,414	$31,842	
Soft Costs (excluding Reserves)	$734,125	$15,294	
Non-Mortgagable Costs (excluding Reserves)	$0	$0	
Reserves	$224,825	$4,684	

Agency Deferred Loan Sources				
PARIF*	$567,506		$11,823	$141,877
Total Agency Sources	$567,506		$11,823	
Total Loan-to-Cost Ratio		15%		
Other Non-Agency Sources				
Deferred Developer Fee*	$48,000		$1,000	
Section 515 Transfer (assumption and restructure of existing Rural Dev. Debt)	$476,041		$9,918	
NeighborWorks (SWMHP Competitive Capital)*	$48,000		$1,000	
Transfer - Replacement Reserves*	$89,825		$1,871	
MN DEED*	$350,000		$7,292	
Seller Donation*	$100,000		$2,083	
GMHF*	$408,000		$8,500	
Syndication Proceeds (NEF)*	$1,699,992		$35,417	
Total Non-Agency Sources	$3,219,858		$67,080	

*Committed funds or pending approvals through joint RFP process

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MINNESOTA HOUSING FINANCE AGENCY
400 Sibley Street, Suite 300
St. Paul, Minnesota 55101

RESOLUTION NO. MHFA 11-

RESOLUTION APPROVING MORTGAGE COMMITMENT
PRESERVATION AFFORDABLE RENTAL INVESTMENT FUND (PARIF) PROGRAM

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received an application to provide permanent financing for a multiple unit housing development to be occupied by persons and families of low and moderate income, as follows:

Name of Development:	Noble Square I & II Apartments
Owner/Mortgagor:	To-be-formed single asset Limited Liability Company
Managing Member:	Southwest Minnesota Housing Partnership (or an affiliated entity)
Location of Development:	Worthington
Number of Units:	48
General Contractor:	To be determined
Architect:	I & S Group
Amount of Development Cost:	$3,787,364
Amount of Preservation Loan:	$567,506

WHEREAS, Agency staff has determined that such applicant is an eligible sponsor under the Agency's rules; that such permanent mortgage loan is not otherwise available, wholly or in part, from private lenders upon equivalent terms and conditions; and that the preservation of the development will assist in fulfilling the purpose of Minn. Stat. ch. 462A; and

WHEREAS, Agency staff has reviewed the application and found the same to be in compliance with Minn. Stat. ch. 462A and the Agency's rules, regulations and policies;

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby authorizes Agency staff to issue a commitment to provide a permanent mortgage loan from appropriated funds to said applicant for the indicated development, upon the following terms and conditions:

1. The Initial Closing of such PARIF loan shall be on or before July 31, 2013; and

2. The amount of the PARIF loan shall be $567,506; the interest rate on the loan shall be 0 percent; and the maturity date of the loan shall be 30 years from the date of closing; and

3. The Agency shall review and approve the Mortgagor; and

4. In accordance with subd. 39 of Minn. Stat. § 462A.05, and the rider to the appropriation providing funds to the program, the Mortgagor will enter into a covenant running with the land prohibiting prepayment of the RD loan and requiring Owner to renew the Rural Development rental assistance for the term of the PARIF loan, and to agree to accept renewals of such assistance for so long as it is made available to the development, and providing the right of first refusal to a non-profit or local unit of government should the Owner receive a viable purchase offer during the term of the loan; and

5. The Mortgagor shall enter into an Agency Mortgage Loan Commitment with terms and conditions embodying the above in form and substance acceptable to Agency staff; and

6. The sponsor, the mortgagor, and such other parties as Agency staff in their sole discretion deem necessary, shall execute all such documents relating to said loan, to the security therefore, and to the operation of the development, as Agency staff in their sole discretion deem necessary.

RESOLVED, FURTHER, that it is hereby determined to finance the Development permanently with funds from the Preservation Affordable Rental Investment Fund state appropriations.

Adopted this 17th day of November, 2011.

_____

CHAIRMAN

AGENDA ITEM: 9.B.(2).(b).7
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Housing Tax Credit Program, 2012 Round 1 Selections

CONTACT: Kasey Kier, 651-284-0078
kasey.kier@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☐ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☑ Selection(s) ☑ Waiver(s)

☐ Other: _____

ACTION:

☐ Motion ☑ Resolution ☐ No Action Required

SUMMARY REQUEST:
Approval of a request for waiver pursuant to Article 8.0 of the Qualified Allocation Plan (QAP) and Chapter 3.E of the 2012 HTC Procedural Manual to allow the allocation of tax in an amount in excess of 10 percent of the state's per capita volume for Park Manor Estates and Riverside Terrace.

Adoption of the attached Resolution authorizing the selection and reservation of tax credits for Housing Tax Credit Year 2012 Round 1, for the developments indicated in the resolution.

FISCAL IMPACT:
Housing Tax Credits are a federal resource and therefore do not adversely impact the Agency's financial condition.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☐ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☑ Prevent and End Long-term Homelessness

Provide New Opportunities for Affordable Housing
Of the recommended 2012 HTC proposals, six proposals containing 294 units meet the Agency priority of new affordable housing opportunities.

Prevent and End Long-term Homelessness
Ten proposals will allocate a minimum of four long-term homeless units for a total of 41 long-term homeless units.

Preserve Existing Affordable Housing
Seven proposals containing 372 units meet the Agency priority of preserving existing affordable housing, all of which preserve “at risk” federally assisted housing.

ATTACHMENTS:
- Background
- Exhibit A
- Exhibit B
- Resolution

BACKGROUND:

On March 24, 2011, the Board approved the 2012 Housing Tax Credit (HTC) Qualified Allocation Plan (QAP), Procedural Manual and Timetables for Applications. For the 2012 HTC program, Round 1 is the primary tax credit selection/allocation round. Most of the 2012 credits will be forward selected in this round. Any remaining credits following the conclusion of 2012 Round 1 will be made available for 2012 Round 2.

For 2012, $11,403,438 in tax credits are available statewide. Minnesota Housing (Agency) administers $7,719,831 of the credits through the various set-aside pools including $700,034 from Joint Powers Suballocator credits.

2012 SUBALLOCATOR PARTICIPATION AND ALLOCATIONS:

Through authority provided by Minnesota Statutes Sections 462A.222 and 462A.223, Duluth, Rochester, St. Cloud, Washington County, Minneapolis, St. Paul and Dakota County administer housing tax credit allocations as suballocators for program year 2012.

Suballocators may elect to enter into a one-year Joint Powers Agreement with the Agency. Through this agreement, the participating suballocators apportion their tax credits back to the Agency. The Agency makes selections according to the selections processes established by the 2012 QAP and awards credits to Joint Powers developments if they are competitive for credits and credits are available. The Agency performs certain allocation and compliance functions on behalf of the Joint Powers suballocator. Duluth, St. Cloud and Rochester have entered into Joint Powers agreements with the Agency for the 2012 tax credit program year.

The city of Minneapolis, city of St. Paul, Dakota County and Washington County administer their tax credits locally as suballocators and do not participate through Joint Powers agreements.

Exhibit A provides a summary of recommendations of tax credits awarded by suballocators, subject to city and county board approval.

***SELECTIONS**:*

The Agency received 45 applications totaling approximately $30 million for Agency administered 2012 Round 1 competitive tax credits (June 14, 2011 application deadline). Agency staff has completed reviews of the applications summarized on Exhibit A. Thirteen proposals are recommended for selection at this time totaling $7,375,272.

HTC 2012 Round 2 will occur on January 31, 2012 and provide for the allocation of any credit authority remaining or returned since Round 1. Additionally, Round 2 will establish a waiting list for any credits adjusted for per capita increases and residual credits that may be returned by completed or withdrawn developments. At the conclusion of 2012 Round 1, the Agency will have a remaining tax credit balance of approximately $344,000.

WAIVER OF DEVELOPMENT CREDIT ALLOCATION LIMITS:

Article 8.0 of the 2012 QAP states that no developer or general partner may receive tax credits in excess of 10 percent of the state's per capita volume in any calendar year and no individual development may receive credits in excess of $1,000,000. This limitation is subject to review and waiver by the Agency Board. Chapter 3.E. of the 2012 HTC Procedural Manual also states that at the sole discretion of the Agency, these limits may be waived for projects that involve community revitalization, historic preservation, preservation of existing federally assisted housing, housing with rents affordable to households at or below 30 percent of median income or in response to significant proposed expansions in area employment or natural disaster recovery efforts.

Staff is recommending waiver to the 10 percent of the state's per capita volume ($1,140,344) limitation to allow for an aggregate amount of $1,377,071 for the following developments submitted by new limited partnerships with entities involving Schuett Development, LLC. The amount of the waiver request is $236,727.

- **Park Manor Estates, Detroit Lakes**

  This 97 unit development requesting $809,872 in tax credits involves community revitalization and the preservation of at risk federally assisted senior and family housing including five units serving long-term homeless households. The preservation of this development with an existing Section 8 contract will leverage approximately $401,000 per year in federal subsidy and will ensure that the affordable housing remains available to serve low income seniors and families.

- **Riverside Terrace, Thief River Falls**

  This 66 unit development requesting $567,199 in tax credits involves community revitalization and the preservation of at risk federally assisted senior housing with four units serving long-term homeless households. All 66 units have project based section 8 rent subsidy. Preserving Riverside Terrace will leverage approximately $308,519 per year in federal subsidy and will ensure that the affordable housing remains available to serve low income seniors in this downtown location.

Exhibit A
HTC 2012 Round 1 - Board Report

D#	Project Number	HTC Project Number	Minimum Set Aside	New Const (NC) Acq/Rehab (A/R)	Project Name	Project City	Project Set Aside	Total Units	HTC Units	$ Requested	$ Awarded	Rent Restriction 30%	50%	60%	PBA	Agency Goals New Affordable	Preservation	LTH	Foreclosure	Funding MHFA Deferred	LMIR 1st Mtg Mortgage	Funding Partner	Federal	Total Project Cost	Total Cost Per Unit
Minnesota Housing Selected Applications																									
Metro Non-profit																									
D6259	M16129	12009	40/60	NC	Touchstone SH & Wellness Center	Minneapolis	MNP	40	40	$990,587	$257,012	12	28	0	20	40	0	4	0			x	x	$11,001,431	$275,036
D1646	M16148	12029	40/60	A/R	Charter Oaks Townhomes	Stillwater	MNP	60	60	$450,000	$450,000	0	60	0	60	0	60	4	0	x	x		x	$7,768,917	$129,482
								100	**100**	**$1,440,587**	**$707,012**	**12**	**88**	**0**	**80**	**40**	**60**	**8**	**0**	**1**	**1**	**1**	**2**	**$18,770,348**	
Metro For-profit																									
D6720	M16098	12007	40/60	NC	Sunset Hill Apartments	Minnetonka	MFP	64	51	$999,933	$940,793	4	47	0	0	51	0	4	0		x		x	$12,535,507	$195,867
D6716	M16092	12027	40/60	NC	Pillsbury Commons	Richfield	MFP	70	70	$1,000,000	$1,000,000	4	66	0	0	70	0	4	0		x			$12,574,903	$179,641
D6286	M16126	12035	40/60	NC	Maple Village II	Maple Grove	MFP	48	48	$744,940	$738,718	4	44	0	0	48	0	4	0	x	x	x		$9,254,654	$192,805
								182	**169**	**$2,744,873**	**$2,679,511**	**12**	**157**	**0**	**0**	**169**	**0**	**12**	**0**	**1**	**3**	**1**	**1**	**$34,365,064**	
Greater MN Non-profit																									
D7531	M16140	12017	40/60	A/R	Nobles Square I & II Apartments	Worthington	GMNP	48	34	$199,999	$199,999	0	34	0	34	0	48	4	0	X		X	X	$3,787,364	$78,903
								48	**34**	**$199,999**	**$199,999**	**0**	**34**	**0**	**34**	**0**	**48**	**4**	**0**	**1**	**0**	**1**	**1**	**$3,787,364**	
Greater Mn For-profit																									
D3431	M16093	12013	40/60	A/R	Prairie Rose	Red Lake Falls	GMFP	16	16	$112,264	$112,264	0	0	16	16	0	16	0	0			x	x	$1,319,500	$82,469
D6704	M16154	12021	40/60	NC	Washington Village East	Rochester	GMFP	47	47	$779,156	$779,156	4	43	0	0	47	0	4	0					$8,070,865	$171,721
D1655	M16117	12023	40/60	A/R	Riverside Terrace	Thief River Falls	GMFP	66	66	$567,199	$567,199	0	0	66	66	0	66	4	0		x			$7,162,840	$108,528
D0406	M16118	12034	40/60	A/R	Park Manor Estates	Detroit Lakes	GMFP	97	97	$809,872	$809,872	0	0	97	97	0	97	5	0		x			$10,909,153	$112,465
D0442	M16108	12041	40/60	A/R	Munger Terrace Portfolio	Duluth	GMFP	45	45	$543,109	$543,109	0	0	45	45	0	45	0	0				x	$6,930,123	$154,003
D6714	M16084	12042	40/60	NC	Burl Oaks Townhomes	Sartell	GMFP	38	38	$781,085	$781,085	4	34	0	0	38	0	4	0					$7,684,636	$202,227
								309	**309**	**$3,592,685**	**$3,592,685**	**8**	**77**	**224**	**224**	**85**	**224**	**17**	**0**	**0**	**2**	**1**	**2**	**$42,077,117**	
Rural Development/Small Proj																									
D6733	M16132	12037	20/50	A/R	New Paris Apartments	Benson	RD	40	40	$196,065	$196,065	0	40	0	24	0	40	0	0				x	$3,033,086	$75,827
								40	**40**	**$196,065**	**$196,065**	**0**	**40**	**0**	**24**	**0**	**40**	**0**	**0**	**0**	**0**	**0**	**1**	**$3,033,086**	
Minnesota Housing Selected Applications Totals						**Applications**	**13**	**679**	**652**	**$8,174,209**	**$7,375,272**	**32**	**396**	**224**	**362**	**294**	**372**	**41**	**0**	**3**	**6**	**4**	**7**	**$102,032,979**	**$150,690**
Percentage of Total Units								***100%***	***96%***			***5%***	***58%***	***33%***	***53%***	***43%***	***55%***	***6%***	***0%***	***23%***	***46%***	***31%***	***54%***		
Suballocator Selected Applications*																									
Dakota County																									
D6272	M16090	12S301	40/60	NC	Northwood Family Townhomes	Eagan	MFP	47	47	$921,379	$921,379														
								47	**47**	**$921,379**	**$921,379**														
Minneapolis																									
D6259	M16129	12009	40/60	NC	Touchstone SH & Wellness Center	Minneapolis	MNP	40	40	$990,587	$733,587														
D6707	M16083	12026	40/60	NC	Artspace Jackson Flats	Minneapolis	MFP	35	35	$670,000	$281,608														
D3901	M16145	12004	40/60	NC/A	Franklin Portland S Quarter Ph IV	Minneapolis	MFP	120	62	$1,250,000	$281,608														
								195	**137**	**$2,910,587**	**$1,296,803**														
Saint Paul																									
D3019	M16142	12014	40/60	A/R	St. Albans Park	Saint Paul	MFP	74	74	$1,000,000	$966,557														
								74	**74**	**$1,000,000**	**$966,557**														
Washington County																									
D6677	M16111	12043	40/60	NC	City Walk Apartments	Woodbury	MFP	45	45	$814,870	$498,868														
								45	**45**	**$814,870**	**$498,868**														
Suballocator Selected Totals						**Applications**	**6**	**361**	**303**	**$5,646,836**	**$3,683,607**														
Selection Grand Totals						**Applications**	**19**	**1040**	**955**	**$13,821,045**	**$11,058,879**														
Tax Exempt Bond Applications*																									
D5908	M16149		40/60	NC	Currie Park Lofts	Minneapolis	TE	260	208	$1,087,615	$1,087,615														
D7532	M16141		40/60	NC	Spirit on Lake	Minneapolis	TE	46	46	$304,824	$304,824														
Tax Exempt Bond Application Totals						**Applications**	**2**	**306**	**254**	**$1,392,439**	**$1,392,439**														
Minnesota Housing Non Select Applications																									
Metro Non-profit																									

Proposed

* Subject to city or county board approvals

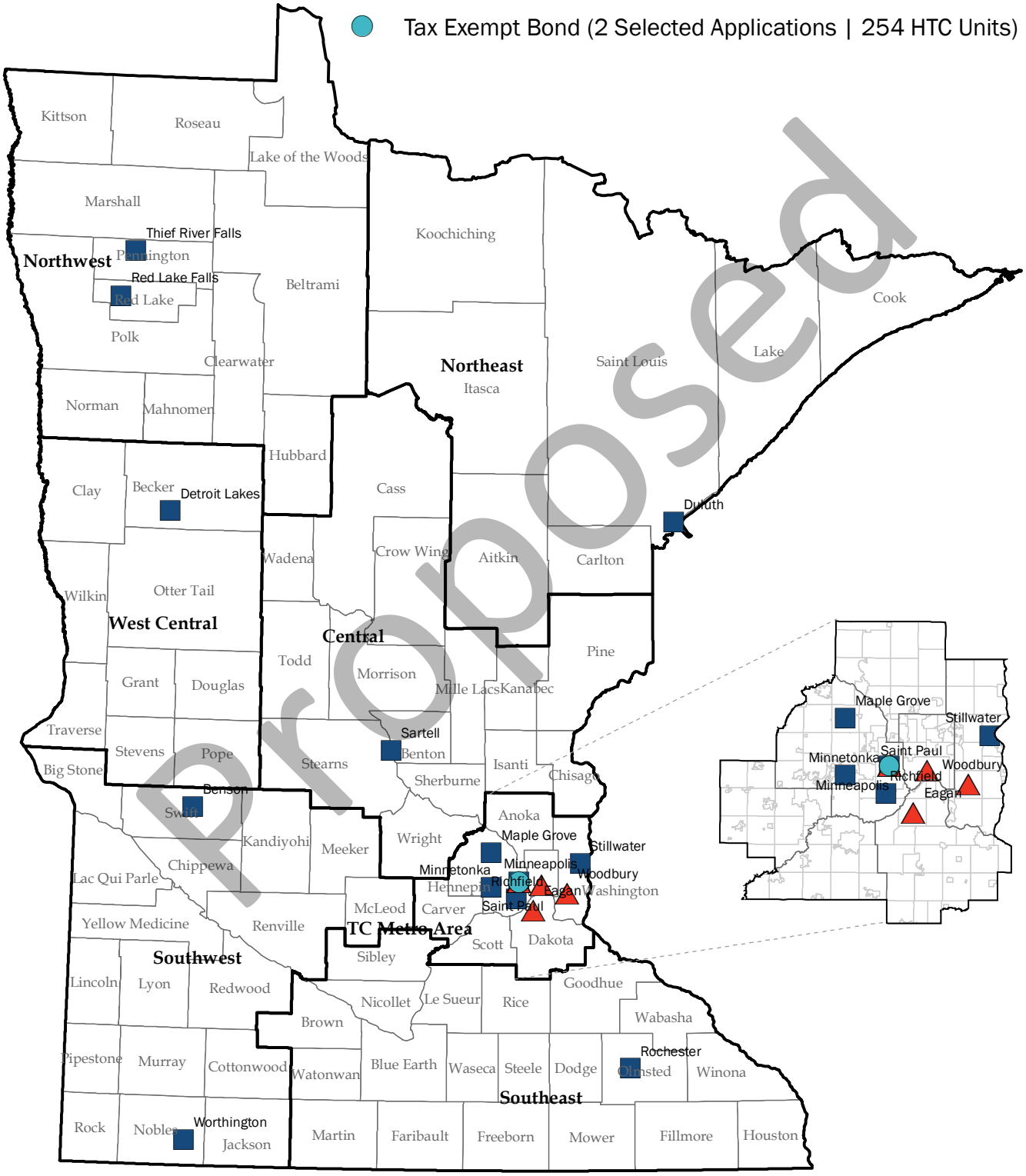
D#	Project Number	HTC Project Number	Minimum Set Aside	New Const (NC) Acq/Rehab (A/R)	Project Name	Project City	Project Set Aside	Total Units	HTC Units	$ Requested	$ Awarded	Rent Restriction				Agency Goals				Funding				Total Project Cost	Total Cost Per Unit
												30%	50%	60%	PBA	New Affordable	Preservation	LTH	Foreclosure	MHFA Deferred	LMIR 1st Mtg Mortgage	Funding Partner	Federal		
D3901	M16145	12004	40/60	NC/A	Franklin Portland S Quarter Ph IV	Minneapolis	MNP	120		$1,250,000	$0														
D3019	M16142	12014	40/60	A/R	St. Albans Park	Saint Paul	MFP	74		$1,000,000	$0														
D6700	M16130	12024	40/60	NC	Hawthorne EcoVillage Apartments	Minneapolis	MNP	45		$1,126,381	$0														
D6707	M16083	12026	40/60	NC	Artspace Jackson Flats	Minneapolis	MNP	35		$670,000	$0														
D6685	M16095	12033	20/50	A/R	Rolling Hills Apartments	Saint Paul	MNP	108		$1,000,000	$0														
D6677	M16111	12043	40/60	NC	City Walk Apartments	Woodbury	MNP	45		$814,870	$0														
D7529	M16136	12045	40/60	NC	Emerson North Family Housing	Minneapolis	MNP	48		$1,000,000	$0														
Metro For-profit																									
D0163	M16102	12001	40/60	A/R	Raven Court Townhomes	Blaine	MFP	32		$279,590	$0														
D1409	M16127	12008	40/60	A/R	Arlington Ridge Apartments	Shakopee	MFP	47		$382,671	$0														
D6731	M16128	12011	40/60	NC	9805 Highway 55 Apartments	Plymouth	MFP	157		$1,240,215	$0														
D6365	M16125	12012	40/60	NC	Arden Village	Arden Hills	MFP	55		$785,615	$0														
D6693	M16115	12015	40/60	NC	Skylark Apartments	Richfield	MFP	47		$920,673	$0														
D6715	M16085	12020	40/60	NC	Creeks Run Townhomes	Chaska	MFP	40		$1,000,000	$0														
D7534	M16144	12030	40/60	NC/A	City View Apartments	Red Wing	MFP	24		$481,434	$0														
Greater MN Non-profit																									
D6719	M16097	12019	40/60	NC	Sprucewood Townhomes	Baxter	GMNP	34		$644,141	$0														
D6727	M16113	12022	40/60	NC	East Birch Estates	Princeton	GMNP	36		$597,630	$0														
D7535	M16146	12025	40/60	NC	Giwanakimin	Naytahwaush	GMNP	24		$708,689	$0														
D6356	M16101	12031	40/60	NC	Pine Haven Townhomes	Bemidji	GMNP	30		$545,871	$0														
D6723	M16107	12032	40/60	NC	Hillside Apartments	Duluth	GMNP	44		$1,143,764	$0														
D6718	M16096	12039	40/60	NC	Spring Creek Townhomes	Northfield	GMNP	28		$747,502	$0														
D7524	M16135	12040	40/60	NC	Park Row Crossing	Saint Peter	GMNP	36		$788,598	$0														
Greater Mn For-profit																									
D5207	M16106	12002	40/60	NC	Deer Ridge Townhomes	Alexandria	GMFP	24		$456,065	$0														
D6688	M16123	12003	40/60	NC	Heritage Townhomes	Cambridge	GMFP	24		$438,926	$0														
D0006	M16105	12005	40/60	A/R	River Heights	Aitkin	GMFP	12		$64,241	$0														
D6282	M16087	12006	40/60	NC	Falcon Heights Townhomes	Rochester	GMFP	40		$732,463	$0														
D7494	M16133	12010	40/60	A/R	Granite City Communities	Sartell	GMFP	66		$411,263	$0														
D0438	M16122	12016	40/60	A/R	Meridian Apartments	Duluth	GMFP	39		$273,254	$0														
D0073	M16104	12018	40/60	A/R	Highland Commons	Arlington	GMFP	41		$425,575	$0														
D6721	M16099	12036	40/60	A/R	White Earth Homes V	White Earth Indian	GMFP	46		$757,195	$0														
D7536	M16121	12038	40/60	NC	Northside Villas	North Branch	GMFP	40		$684,157	$0														
Rural Development/Small Proj																									
D6725	M16110	12028	40/60	A/R	Pinewood Manor	Deerwood	RD	12		$59,178	$0														
D2004	M16088	12044	40/60	A/R	Greenwood Terrace	Thief River Falls	RD	26		$131,676	$0														
Non Select Applications Totals						**Applications**	**32**	**1479**		**$21,561,637**	**$0**														
Total MN Housing Requests						**Applications**	**45**	**2158**		**$29,735,846**	**$11,058,879**														

Proposed

* Subject to city or county board approvals

Exhibit B
2012 Housing Tax Credit Round 1 Selections

- Minnesota Housing (13 Selected Applications | 652 HTC Units)
- Suballocators (6 Selected Applications | 303 HTC Units)
- Tax Exempt Bond (2 Selected Applications | 254 HTC Units)



Proposed

Created: 10.31.2011 by: J Deegan Source: Minnesota Housing | Locations are the cities with selected applications.
Represents 21 selected applications with a total of 1,209 Housing Tax Credit Units.

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MINNESOTA HOUSING FINANCE AGENCY
400 Sibley Street, Suite 300
St. Paul, Minnesota 55101

RESOLUTION NO. MHFA 11-

RESOLUTION ALLOCATING FEDERAL LOW INCOME HOUSING CREDITS FOR CALENDAR YEAR 2012 TO CERTAIN QUALIFIED LOW INCOME HOUSING BUILDINGS

WHEREAS, in accordance with the Tax Reform Act of 1986 and the provisions of Minnesota Statutes Sections 462A.221-462A.223, the Minnesota Housing Finance Agency (Agency) has received applications as a duly designated housing credit agency for allocations to certain developments of the Low Income Housing Credit provided by Section 42 of the Internal Revenue Code of 1986 (the Code); and

WHEREAS, the Agency has applied to said applications the criteria set forth for selection in the Qualified Allocation Plan (QAP) and Procedural Manual for Low Income Housing Tax Credit Program (the Manual), duly adopted by the Agency for 2012; and

WHEREAS, the Agency has determined to reserve, for future allocation, portions of the state ceiling of the Low Income Housing Credit to the developments identified below, pending final staff review and delivery by the applicants of additional certifications and information required for the Agency's issuance of such allocations.

WHEREAS, upon meeting the requirements for allocation contained in the Manual and QAP, the Agency will allocate portions of the state ceiling of Low Income Housing Credits to the following projects:

Metro Selections
5 Projects

Project #	Project Name	HTC $ Awarded
16148	Charter Oaks Townhomes, Stillwater	$ 450,000
16126	Maple Village II, Maple Grove	$ 738,718
16092	Pillsbury Commons, Richfield	$ 1,000,000
16098	Sunset Hill Apartments, Minnetonka	$ 940,793
16129	Touchstone SH & Wellness Center, Minneapolis	$ 257,012
TOTAL CREDITS AWARDED:		**$ 3,386,523**

Greater Minnesota Selections
7 Projects

Project #	Project Name	HTC $ Awarded
16084	Burl Oaks Townhomes, Sartell	$781,085
16108	Munger Terrace, Duluth	$543,109
15400	Nobles Square I & II Apartments, Worthington	$199,999
15741	Park Manor Estates, Detroit Lakes	$809,872
15785	Prairie Rose, Red Lakes Falls	$112,264
15750	Riverside Terrace, Thief River Falls	$567,199
16154	Washington Village East, Rochester	$779,156
TOTAL CREDITS AWARDED:		**$3,792,684**

Rural Development / Small Projects Selections
1 Projects

Project #	Project Name	HTC $ Awarded
16132	New Paris Apartments, Benson	$196,065
TOTAL CREDITS AWARDED:		**$196,065**

NOW, THEREFORE, BE IT RESOLVED:

1. THAT, pursuant to the above-referenced statutes and the allocation ranking factors contained in the Manual when applied to the applications submitted, the Agency hereby makes the following reservations for calendar year 2012 of the Low Income Housing Credit, upon compliance with all of the requirements contained in the QAP and Manual,

2. THAT, the Commissioner of the Agency is authorized to allocate the portions of the state ceiling of Low Income Housing Credits to the developments identified, and in the amount, but not limited to the amounts in Exhibit A, including a waiver to the 10 percent of the state's per capita volume for Park Manor Estates and Riverside Terrace.

3. THAT, notification letters concerning the above be forwarded to the approved applicants.

Adopted this 17th day of November, 2011.

_____
CHAIRMAN

AGENDA ITEM: 9.B.(2).(c)
MINNESOTA HOUSING BOARD MEETING
November 17, 2011

ITEM: Single Family Selections - Community Revitalization Fund

CONTACT: Eric Thiewes, 651-296-6527 Eric.thiewes@state.mn.us
Terry Hanna, 651-296-9567 terry.hanna@state.mn.us

REQUEST:

☑ Approval ☐ Discussion ☐ Information

TYPE(S):

☑ Administrative ☐ Commitment(s) ☐ Modification/Change ☐ Policy ☑ Selection(s) ☐ Waiver(s)

☐ Other:

ACTION:

☑ Motion ☐ Resolution ☐ No Action Required

SUMMARY REQUEST:

The Community Revitalization Fund (CRV) provides resources to increase the supply of affordable, owner-occupied housing in neighborhoods and communities throughout Minnesota. Due to the flexible nature of CRV funds, applicants may use them for a variety of affordable housing purposes as specified in their applications.

Staff hereby requests Board approval of Minnesota Housing's (the Agency's) and its funding partners' selection recommendations.

FISCAL IMPACT:

The Affordable Housing Plan (AHP) includes Single Family Interim Lending and Economic Development and Challenge Program funding under CRV. These financial resources provide the funds to implement selection recommendations. The selections are being made on terms consistent with those described in the AHP and the Community Revitalization Fund Program procedural guidelines.

MEETING AGENCY PRIORITIES:

☑ Provide New Opportunities for Affordable Housing

☑ Mitigate Foreclosure Impact Through Prevention and Remediation

☐ Build our Organizational Capacity to Excel and Achieve Our Vision

☑ Preserve Existing Affordable Housing ☐ Prevent and End Long-term Homelessness

ATTACHMENT(S):

- Background
- Development Summaries
- Map CRV Funded Projects
- Single Family Consolidated RFP Summary Spreadsheet
- List of Non-Recommended Applications

BACKGROUND:
Under the Single Family Consolidated Request for Proposals (RFP), the Agency and its funding partners accepted funding proposals on June 30, 2011. The application process used a common application form and procedure. The primary program offered through the Consolidated RFP is the Agency's Community Revitalization Fund (CRV). The goal of CRV is to maintain and increase the supply of affordable, owner-occupied housing in neighborhoods and communities throughout Minnesota. Due to the flexible nature of CRV funds, applicants may use them for a variety of affordable housing purposes as specified in their applications. The most frequently requested uses of funding are value and affordability gap financing.

Through the CRV "umbrella," applicants may apply for single family resources under a number of programs. Currently, two funding resources are offered under CRV: the Economic Development and Housing Challenge Fund ($8.4 million) and single family interim lending funds ($4.9 million). The Economic Development and Housing Challenge Fund resources are shared with the Multifamily Division.

A total of 36 single family proposals were received requesting $14.2 million in CRV funding.

Selection Process
Applications submitted to the Agency were evaluated by staff including reviewers, management and support staff for:

- Consistency with the mission and strategic priorities of the Agency;
- Compliance with statutes and program rules;
- Consistency with Agency and program priorities;
- Demonstration of development readiness and community support;
- Financial feasibility, market need and capacity for implementation; and
- Fulfillment of the foreclosure remediation, transit, and economic integration funding priorities.

Recommended Funding
From the 36 applications received on June 30, 2011, staff recommends that the Agency fund 25 applications in the amount of $6,106,570 as follows:

- Economic Development and Housing Challenge Fund: 25 applications for 537 units totaling $5,206,570. This includes one Indian housing application; and
- Interim construction loans: four applications for 12 units totaling $900,000.

Contributions from the Agency and its funding partners in the consolidated RFP totaled $7,416,570 to include**:**

- Minnesota Housing CRV funds: $6,106,570
- Greater Minnesota Housing Fund: $660,000
- Metropolitan Council: $650,000

Thus, funding partners contributed 18% of the total amount awarded.

Geographic Distribution of Proposals Recommended
Of the 25 applications being recommended for funding by the Agency, 14 are for projects or programs in the seven-county Twin Cities metropolitan area totaling $3,732,135, or 61 percent of CRV resources. Ten of the proposed projects or programs will be located in the cities of Minneapolis or Saint Paul, three will be in suburban locations, and one project serves both City of Minneapolis and the suburb of Brooklyn Park. Eleven of the proposed projects or programs will be located in Greater Minnesota with a funding recommendation of $2,374,435, or 39 percent of the Agency's available CRV resources.

Trends
Currently, Minnesota Housing's CRV funding focuses on the priorities of foreclosure remediation, community stabilization, increasing affordable housing due to local job growth and economic integration. This funding period, Minnesota Housing and its funding partners generally agreed on funding priorities. The Minnesota Housing community profile data provided a basis for achieving this consensus. Minnesota Housing staff communicated well with funding partners, sharing information and perspectives to reach agreement on funding recommendations presented.

This funding period, Minnesota Housing continues to support housing preservation and neighborhood stabilization. Twenty of the twenty-five recommendations address homeowner housing needs as a result of the foreclosure crisis. Foreclosure remediation remains a high CRV funding priority statewide. Ten of the fifteen metropolitan area recommendations met the Agency's foreclosure remediation funding priority scoring threshold. There were also many additional metropolitan and Greater Minnesota award recommendations that provide remediation and neighborhood stabilization incident to the foreclosure crisis. Examples of this activity include Urban Homeworks' Project Reclaim providing homeownership opportunities to families that are credit challenged yet are willing to commit to a long-term credit repair program with built-in achievement benchmarks. A second example is the Two Rivers Community Land Trust's acquisition, rehabilitation and resale activity to stabilize neighborhoods in the suburban communities of Forest Lake and Oakdale.

The emphasis of supporting home ownership near public transportation and job centers is also evident with the award recommendations. A total of 18 recommendations met this priority, which represents 66% of the metropolitan recommendations and 72% of the Greater Minnesota recommendations. Initiatives to support reducing transportation costs within communities that have significant job opportunities include the Grand Rapids Grand Plaza Phase II new construction development in the central neighborhood district of the city. Another example is the Twin Cities Habitat for Humanity renovation of distressed housing near the light rail line in St. Paul's Aurora St. Anthony neighborhood.

Minnesota Housing CRV funding historically supports applications that demonstrate service to low- and moderate-income homeowners and that has continued this year. Several recommendations serve disadvantaged populations. Recommendations include the Hennepin County Accessibility Ramp Program which will provide up to 37 exterior wheel chair ramps to disabled homeowners and family members. In many cases, this award allows persons to remain in their homes versus moving to alternative housing. Other recommendations include: Three Rivers' Emerging Markets Homeownership Initiative serving much of southern Minnesota, the two Habitat for Humanity awards and Red Lake's Homeownership Initiative providing 90 new units of affordable housing on their reservation.

At its last meeting, Minnesota Housing's Board approved a $750,000 award to the City of Minneapolis for tornado relief and for other rehabilitation support to assist homeowners who need home improvements but do not have enough home equity available to finance their project. The funding for this award is included as part of today's CRV funding resource summary and is noted on the enclosed Board packet funding spreadsheet.

Greater Minnesota Housing Support
Of the proposed 222 units to receive funding in Greater Minnesota, 90 will preserve affordable housing and 122 are new construction units with the remaining 10 units to be determined based on specific properties acquired. The new homes being built include 90 homes on the Red Lake Indian Reservation and 23 homes to be built on infill lots by Greater Minnesota Habitat for Humanity partners.

Seven County Metropolitan Area Support

In the metropolitan area, 337 homes are recommended to receive funding. This includes 232 homes receiving owner-occupied home improvement incentives. There are also over 100 homes that will be purchased, rehabilitated and resold as a primary foreclosure remediation activity.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
City of Minneapolis Department of Community Planning & Economic Development

City
Minneapolis

Community Proposal Details
Minneapolis Advantage Program CRV

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$300,000	$500,000

Funding Recommendations

CRV Amount $200,000 **Number of New Units** **Number of Rehab Units** 20 **Total Number of Units** 20

Funding Partner **Amount**

Project Description

Funds are being requested for down payment assistance for homeowners primarily within the Neighborhood Stabilization Program (NSP) 2 and 3 target areas of Minneapolis. Many of these areas have experienced home mortgage foreclosures creating substantial numbers of vacant and foreclosed properties. Minneapolis has taken steps to mitigate the problem through the development of various programs to help the sale of housing, particularly the sale of bank owned foreclosed properties in the most heavily impacted communities. One program is the Minneapolis Advantage Program which has received approximately $4 million in federal, private and local funds, including funds from the Federal Home Loan Bank of Des Moines. Minneapolis Advantage will continue efforts to rebuild these communities by providing direct assistance to low and moderate income homebuyers to help them cover closing costs and provide additional down payment assistance. This assistance has a goal of assuming a 25% housing ratio for sustainable home ownership for lower income households. This program is even more vital to neighborhood stabilization in light of the May 22, 2011 tornado impacting the north Minneapolis housing market. It is the City's goal to increase owner-occupied housing by providing home buyer incentives and opportunities. These funds will help convert former rental properties, including foreclosed, vacant and boarded, and tornado damaged properties, into owner-occupied properties. The 20 plus new homeowners will positively impact these neighborhoods. The program will provide on average $10,000 in down payment assistance. It will serve households up to 115% of AMI.

Justification

The City's Minneapolis Advantage Loan Program demonstrates high need that is well supported by housing studies prepared for and by the City. The City did a good job creating loan underwriting criteria for implementing this program. This program targets funding towards high need, foreclosure-ridden neighborhoods.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The primary use of this funding is in connection with properties acquired, renovated, and resold as part of NSP activity. Therefore, the funding will be available in any NSP eligible neighborhood. However, the City will not limit the funds to NSP properties. If the City has a non-NSP property that is located in an NSP neighborhood, the sale of which will facilitate the overall performance and goals of the NSP program, the down payment assistance funds will be offered.

Funding Priorities

Organizational Capacity

The neighborhoods within Minneapolis selected for this funding have experienced the greatest negative impact from foreclosures, including substantial reduction in property sales prices. As a result, these communities struggle to maintain stability. The down payment assistance program is designed to create opportunities for sustainable homeownership within these financially troubled neighborhoods.

Foreclosure Remediation

Minneapolis is a major recipient of NSP funding from the state and federal government in the amount of approximately $33 million. NSP 1 is 100% obligated, and NSP 2 and 3 are underway. NSP 1 impacts 275 properties: 96 purchased for rehabilitation and redevelopment, 68 acquired for future redevelopment, and 111 blighted properties demolished. NSP 2 impacts 260 properties: 70 home ownership incentive financing, 134 to be purchased for rehabilitation and redevelopment, and 56 to be acquired for future redevelopment. NSP 3 impacts 56 properties: 12 home ownership incentive financing, 34 to be purchased for rehabilitation and redevelopment, and 10 to be acquired for future redevelopment. This funding will assist in selling homes that are brought back on the market after rehabilitation.

Transportation Costs and Access to Transit

Transit maps of commuter lines, including light rail and transit buses, demonstrate that virtually all of the City of Minneapolis is covered by transit options. Therefore, this activity meets the transportation priority. Most all housing is within either ¼ mile of a public transit fixed route stop or ½ mile of an express or high service bus route transit stop.

Economic Integration

This activity does not meet the Minnesota Housing definition of economic integration.

Sources and Uses, Local Investment and Leverage

Borrowers must qualify for and receive a traditional fixed rate mortgage loan or be purchasing with cash. Cash buyers must demonstrate the financial ability to maintain the home within the same affordability standard as a prime loan recipient. All cash buyers will be underwritten by the program administrator using standards approved by the City. The loan may also be offered in combination with contract for deed financing and held by a non-profit developer who renovated the foreclosed property for resale within the city.

Marketing

The City will use the local Home Stretch homebuyer education workshops and the more intensive assistance of Build Wealth Minnesota in marketing the Minneapolis Advantage down payment assistance program. The City of Minneapolis markets to underserved populations through the LIVEMSP.org outreach initiative, an online resource for residents and homebuyers in Minneapolis. The site provides information about homebuyer assistance at the private, philanthropic, neighborhood, city, state, and federal levels. In addition, the site displays photos of homes for sale, information on housing tours showcasing NSP homes, and homebuyer financing options. LIVEMSP.org co-markets with local neighborhood media, mainstream press, community radio, major print media, neighborhood organization communications and networks with social service agencies to educate people about Minneapolis Advantage and other home purchase opportunities.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
City of Minneapolis - Mortgage Loan dollars	Local Government	$26,000,000	$0	$0	$0	$26,000,000	
Federal Leverage	Federal Government	$1,500,000	$0	$0	$0	$1,500,000	
City of Minneapolis	Local Government	$400,000	$0	$0	$0	$400,000	
Philanthopic Leverage - Wells Fargo	Non-Profit	$0	$0	$125,000	$0	$125,000	01/01/0012
	Total	$27,900,000	$0	$125,000	$0	Total Leverage	
	Total Committed	$27,900,000	Total Pending	$125,000		$28,025,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
City of Lakes Community Land Trust

City
Minneapolis

Community Proposal Details
CLCLT Homebuyer Initiated Program HIP

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$210,000	$300,000

Funding Recommendations

CRV Amount $125,000 **Number of New Units** **Number of Rehab Units** 4 **Total Number of Units** 4

Funding Partner Metropolitan Council **Amount** $175,000

Project Description

Funds are being requested for the City of Lakes Community Land Trust (CLCLT) Homebuyer Initiated Program (HIP). This funding will address the initial affordability investment for low and moderate income households. It will be used specifically for foreclosure remediation and will be leveraged with Neighborhood Stabilization Program (NSP) funds. This program will serve families below 80% of area median income (AMI) with an average household income of 43% of AMI.

Justification

HIP uses traditional home buying channels to create permanently affordable single-family homes and includes a rehabilitation component. The program features a buyer-initiated approach to home sales and has been successful in selling foreclosed homes to first-time buyers.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards
Project Feasibility
CLCLT's homeownership model is designed to provide low-income households access to responsible homeownership opportunities while maintaining the long-term affordability of the home. The CLCLT meets Minnesota Housing's community land trust policy goal of serving a niche first-time homebuyer market where incomes are too low to be served under the mortgage revenue bond programs without the infusion of additional subsidy. CLCLT will leverage $24,000 per unit in CRV assistance for affordability gap and use NSP funds for rehabilitation costs.
Funding Priorities
Organizational Capacity
CLCLT provides quality affordable housing for low- and moderate-income families throughout Minneapolis while fostering long-term residence and community stewardship through a community land trust model. To date, CLCLT has successfully assisted 120 households into homeownership and has 112 units in its portfolio. Through HIP, 48 homeowners have been served to date. CLCLT is responsible for marketing HIP to prospective buyers, confirms buyer eligibility, coordinates rehabilitation activities if needed, and manages the land trust. CLCLT has a strong recent track record with working in heavily impacted foreclosure remediation areas. In the last three years, 48% of HIP home purchases were foreclosures.
Foreclosure Remediation
Foreclosed and non-foreclosed homes in the following high need zip codes are targeted: 55401, 55407, 55411, 55412, 55415, 55428 and 55429. The target area aligns with the Neighborhood Stabilization Program #2 (NSP2) target area, and CLCLT estimates that 1/3 of the total Minneapolis residential parcels are in a high-need area. The target area is relatively broad, and provides optimal choice for homebuyers to choose a high need zip code. CLCLT received an NSP2 award from the City of Minneapolis for foreclosure remediation targeted to rehabilitation activities. HIP allows homebuyer choice within targeted neighborhoods with funds for moderate rehabilitation to ensure a quality home.
Transportation Costs and Access to Transit
The target area of this proposal falls in a tier two target area in close proximity of the Hiawatha Light Rail Corridor, within ½ mile of park-and-ride locations, and ¼ mile from a high service public transit fixed route.
Economic Integration
The census tracts targeted by CLCLT with this application do not meet the economic integration priority.
Sources and Uses, Local Investment and Leverage
Leverage sources include Hennepin County, the City of Minneapolis and private foundation funds. A total of $870,000 in committed leverage is available. The gap subsidy sources are customized by income level with up to $60,000 in affordability gap available for households earning less than 50% of AMI, $40,000 for households earning less than 60% of AMI and $25,000 for households earning less than 80% of AMI.
Marketing
Marketing techniques to reach low and moderate income households include community land trust orientation sessions and Home Stretch homebuyer education presentations. Overall, CLCLT's portfolio of homeowners includes a significant percentage of underserved populations. Marketing efforts are planned for additional languages.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Minneapolis

Unit Information	
Style of unit	Variety
Finished square feet	1257
Unfinished square feet	
Bedrooms	3
Bathrooms	1
Garage	Y
Number of Stalls	1
Visitability	N

Development Cost Information	
Land Acquisition Cost	$54,000
Total Per Unit Hard Costs	$201,500
Total Per Unit Soft Costs	$6,300
Total Development Costs Per Unit	$207,800
Anticipated Mortgage Amount	$102,000

Value Gap	
Per Unit Value Gap Amount Needed	$51,800
Sources	**Amount**
Other Resources:NSP and Hennepin County	$51,800
	$
Totals	$51,800

Affordability Gap	
Per Unit Affordability Gap Needed	$54,000
Sources	**Amount**
Minnesota Housing CRV Funds	$24,000
Hennepin County	$30,000
Totals	$54,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Hennepin County AHIF 2010	Local Government	$150,000	$0	$0	$0	$150,000	
Hennepin County AHIF 2011	Local Government	$120,000	$0	$0	$0	$120,000	
CPED NSP 2	Local Government	$600,000	$0	$0	$0	$600,000	
	Total	$870,000	$0	$0	$0	Total Leverage	

Total Committed $870,000 Total Pending $0 $870,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Greater Metropolitan Housing Corporation

City
Multiple

Community Proposal Details
Fix up Incentive Program

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$111,415	$148,553

Funding Recommendations

CRV Amount $111,415 **Number of New Units** **Number of Rehab Units** 110 **Total Number of Units** 110

Funding Partner **Amount**

Project Description

Funds are being requested to offer a 3% interest rate discount on loans originated through the Community Fix-Up Fund (CFUF) loan program. Greater Metropolitan Housing Corporation (GMHF) will partner with the cities of Richfield, Crystal and Brooklyn Center. The purpose of the program is to encourage existing homeowners in neighborhoods affected by foreclosures to reinvest in their housing, and to encourage potential homeowners to purchase a foreclosed property by offering an affordable rehabilitation product. Homeowners in these communities have been negatively impacted by the foreclosure crisis. The program will allow up to 115% of area median income (AMI). However, population demographics in these cities and current home values suggest a majority of the funds will be used by lower income households.

Justification

The strategy of this proposal is to stabilize neighborhoods and preserve the housing stock that was built primarily between 1950 and 1970. Each city targeted in the proposal has experienced the impact of numerous foreclosures and overall decline in property values in all neighborhoods.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	NO

Selection Standards

Project Feasibility

In each city, property values have declined thereby reducing equity and the owners' ability to invest in their homes. Concurrently, housing stock continues to age and deteriorate, and vacant properties detrimentally affect the quality of housing available to homebuyers in target cities. Due to the decline in value of housing, ongoing aging of housing stock and the negative effects of foreclosures, the interest rate write-down program will be targeted city-wide in Richfield, Crystal and Brooklyn Center. The program focus includes permanent improvements that improve the livability, energy efficiency and accessibility of the home, as well as ensure the health and safety of the occupants. All work will be completed in compliance with Minnesota Housing's Fix-up Fund Procedural Manual.

Funding Priorities

Organizational Capacity

In 1995, GMHC established its first Housing Resource Center (HRC) in NE Minneapolis. The purpose of the HRC is to provide high quality individualized housing services to families and individuals. It provides easy access to a variety of home improvement financing programs, offers free construction consultation services and is a general resource to the community on a wide range of housing issues. There are three HRC's serving communities throughout the seven county metropolitan area. In 2002, GMHC became a Minnesota Housing lender. To date they have originated many Fix-Up Fund and CFUF loans totaling $1.3 million. GMHC also originates Minnesota Housing's Rental Rehabilitation Loan Program, Emergency and Accessibility Program and Rehabilitation Loan Program.

Foreclosure Remediation

The proposed program does not meet Minnesota Housing's foreclosure remediation definition.

Transportation Costs and Access to Transit

The target cities are well established and have fully developed transportation and transit systems. The cities have worked with the Metropolitan Council to plan for and establish a system of fixed route stops and express bus lines. Areas in each city are proximate to proposed Light-Rail Transit (LRT) or Bus Rapid Transit (BRT) stops. Arterial BRT studies may lead to the establishment of additional service. Many homes are within one-quarter mile of high service public transit fixed routes and have accessible park-and-ride facilities.

Economic Integration

Neighborhoods within all three cities meet Minnesota Housing's definition of community economic integration. Community Profiles indicate several census tracts in each city have median family income that meet or exceed the 40th percentile and are located near job centers that pay low and moderate income wages.

Sources and Uses, Local Investment and Leverage

Each city is contributing funding towards the program, and there is an in-kind commitment from GMHC. Applicants/homeowners are encouraged to get competitive bids. GMHC construction managers will review and approve the bids that the homeowner proposes to accept. The CFUF loan is secured with a mortgage in favor of Minnesota Housing.

Marketing

The CFUF loan will be marketed by each city and GMHC's HRC. Successful marketing techniques include: advertising the CFUF loan program on respective web sites; adding program information to MN Home Ownership Center's loan matrix; publishing quarterly recurring articles in city newsletters and offering press release information to local newspapers. Flyers and brochures will be distributed at city buildings, community centers, libraries and housing fairs. GMHC will coordinate with city inspectors and planning department staff to help inform current residents, buyers of foreclosed properties, real estate agents and contractors. Residents living on city blocks with multiple foreclosures will receive targeted mailings to inform them of the program available to purchasers of foreclosed properties. GMHC will hold meetings with lenders and Realtors to advertise the program, and conduct outreach through the African Development Center, Hmong American Partnership, CLUES, and CAPI Asian & Pacific Islanders. In addition, GMHC will continue to hire interpreters for outreach and help with the application process, construction manager visits and loan closings. Finally, program flyers will be translated into Spanish.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
GMHC	Non-Profit	$0	$9,000	$0	$0	$9,000	
City of Richfield	Local Government	$37,000	$0	$0	$0	$37,000	
City of Brooklyn Center	Local Government	$61,533	$0	$0	$0	$61,533	
City of Crystal	Local Government	$50,000	$0	$0	$0	$50,000	
	Total	$148,533	$9,000	$0	$0	Total Leverage	
	Total Committed	$157,533	Total Pending	$0		$157,533	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Greater Metropolitan Housing Corporation

City
Minneapolis

Community Proposal Details
Minneapolis Foreclosure Initiative

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$350,000	$500,000

Funding Recommendations

CRV Amount $500,000 **Number of New Units** **Number of Rehab Units** 20 **Total Number of Units** 20

Funding Partner **Amount**

Project Description

Funds are being requested for value gap for foreclosed homes that Greater Metropolitan Housing Corporation (GMHC) has already acquired as well as homes that are a part of the TJ Waconia fraud lawsuit. All of the homes are located within Neighborhood Stabilization Program (NSP) identified target areas. GMHC's rehabilitation standards stipulate the repair or replacement of all major systems plus Energy Star rated appliances and additional work as needed, to eliminate the need for major repairs for a minimum of ten years. All rehabilitation will follow Minnesota Green Communities standards.
Selected homes will have at least 2 bedrooms and egress windows will be added within basements whenever feasible to provide a safe expansion of living space. Many of the foreclosed homes GMHC has acquired were rental properties that have decades of deferred maintenance. The broad scope of the rehabilitation that GMHC is able to perform on the homes ensures that they will be a positive addition to the neighborhood. Homes will be sold to buyers with incomes at or below 115% of area median income (AMI).

Justification

This foreclosure remediation proposal continues GMHC's rehabilitation of blighted homes in target neighborhoods purchased as a result of the foreclosure crisis and the TJ Waconia lawsuit. GMHC has demonstrated capacity in responding to the foreclosure crisis having served 111 borrowers, 85 of whom were in North Minneapolis, during 2009 and 2010. GMHC has purchased over 240 foreclosed homes in the City of Minneapolis since 2007. 141 of these homes have been acquired for rehabilitation. The rest were either demolished or resold to a government or nonprofit partner. Of the 141 homes to be rehabilitated, 112 are complete, 98 have been sold and 22 are currently on the market.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

North Minneapolis remains the epicenter of Minneapolis' foreclosure epidemic, and GMHC's efforts are necessary for the neighborhoods to reach stability. Though North Minneapolis has been particularly devastated by the housing crisis, other areas of the city are also in need of intervention, particularly South and Northeast Minneapolis. These areas overlap with the NSP1 and NSP2 target geographies in Minneapolis. By focusing in the same areas where they are redeveloping homes under NSP GMHC is able to have a greater impact, bringing new homeowners to areas that lost a significant numbers of residents between 2000 and 2010. Minneapolis has a mix of housing options and a solid population between the ages of 25 to 34 but its homeownership rate is just above 50%. According to the Community Profiles, almost all of the target area is considered in high need for maintaining this older housing older housing stock. Minneapolis' median house age is 70 years.

Funding Priorities

Organizational Capacity

GMHC's mission is to preserve, improve and increase affordable housing for low and moderate income individuals and families, assist communities with housing revitalization, and create and implement demonstration projects designed to benefit the communities in which it operates. GMHC has been successful in implementing its mission, beginning with the Single Family Homeownership and the Predevelopment Loan Fund programs in the early 1970s, developing Housing Resource Centers and, most recently, partnering with Dayton's Bluff Neighborhood Housing Services to create the Sustainable Homeownership Program (SHOP). SHOP is approved by the Federal Housing Administration (FHA), the city of Minneapolis bond programs, Minnesota Housing as a mortgage lender, Wells Fargo as a mortgage broker, and is in partnership with Mid-Country Bank.

Foreclosure Remediation

GMHC was awarded NSP1 funds for use in Minneapolis, Brooklyn Center, and Richfield. NSP1 funds must be expended by March 2013. GMHC was also awarded NSP2 funds for use in Minneapolis which must be expended by February 2012. GMHC is participating in NSP3 in Minneapolis and Brooklyn Center. By focusing on the target areas, GMHC is able to maximize the impact of its rehabilitation. According to the City of Minneapolis, there have been 11,112 foreclosures between January 2007 and April 2011.

Transportation Costs and Access to Transit

Metro Transit serves the majority of Minneapolis neighborhoods. Selected homes are generally within one quarter mile of a fixed route transit stop. There are many high-frequency routes serving the target areas. The 35W corridor Bus Rapid Transit (BRT) and Light Rail Transit (LRT) are accessible in south Minneapolis.

Economic Integration

The proposed target areas do not meet Minnesota Housing's economic integration definition.

Sources and Uses, Local Investment and Leverage

GMHC has a $7.5 million line of credit with U.S. Bank for the purposes of constructing new or acquiring and rehabilitating existing single family homes. Strategic Acquisition funds are committed from the Home Prosperity Fund and North Minneapolis Foreclosure Remediation Program. Counselor Realty has reduced their Realtor commission by 2.3% per transaction. GMHC selects contractors through a competitive bidding process ensuring that the redevelopment of the homes is accomplished in an economically responsible way. GMHC has relationships with various venders and suppliers that reduce materials costs.

Marketing

GMHC's comprehensive marketing plan includes contracts with five listing agents who advertise GMHC's program information on their websites and at their open houses. The listing agents pre-qualify homebuyers. Buyers who are not able to qualify for a mortgage loan are referred to the Bridge-to-Success Contract for Deed Program. GMHC also markets via print, electronic and in-person presentations to real estate agents, employers, neighborhood groups and cultural organizations. They actively participate in various home tours, network with loan officers, are listed with city and private referral resources and proactively work with City of Lakes Community Land Trust buyers. Their local media relationships allow their work to be covered in many print and broadcast features. GMHC works with neighborhood groups, churches, employers, and targeted cultural organizations to reach buyers of various ethnic backgrounds, including Latino, Hmong and African-American households.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Various

Unit Information	
Style of unit	2+ Story
Finished square feet	2065
Unfinished square feet	
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	Y

Development Cost Information	
Land Acquisition Cost	$15,000
Total Per Unit Hard Costs	$148,555
Total Per Unit Soft Costs	$22,855
Total Development Costs Per Unit	$171,410
Anticipated Mortgage Amount	$140,000

Value Gap	
Per Unit Value Gap Amount Needed	$31,410
Sources	**Amount**
Minnesota Housing CRV Funds	$25,000
Other Resources	$6,410
Totals	$31,410

Affordability Gap	
Per Unit Affordability Gap Needed	$
Sources	**Amount**
Totals	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
US Bank Line of Credit	Lender	$7,500,000	$0	$0	$0	$7,500,000	
Counselor Realty (Commission reduction)	Local Business	$50,000	$0	$0	$0	$50,000	
Strategic Acq Fund (Home Prosp & N. Mpls Forcl)	Non-Profit	$5,000,000	$0	$0	$0	$5,000,000	
	Total	$12,550,000	$0	$0	$0	Total Leverage	
	Total Committed	$12,550,000	Total Pending	$0		$12,550,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Hennepin County Housing and Redevelopment Authority

City
Multiple

Community Proposal Details
Lead-Safe Rehabilitation Assistance Program

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$82,656	$160,720

Funding Recommendations

CRV Amount $160,720 **Number of New Units** **Number of Rehab Units** 35 **Total Number of Units** 35

Funding Partner **Amount**

Project Description

Funds are being requested by Hennepin County Housing and Redevelopment Authority (HCHRA) to continue the Lead-Safe Rehabilitation Assistance Program. Deferred loans for lead-based paint hazard control will average $4,592 per unit with a maximum of $8,000 per unit and be made available to low-income owner occupied homes in Hennepin County, primarily within the City of Minneapolis. Funds will assist owners and rehabilitation agencies to incorporate lead hazard control and lead-safe work practices in rehabilitation projects and leverage U.S. Department of Housing and Urban Development (HUD) lead funds and public and private rehabilitation funds to preserve affordable housing.

Justification

According to Minnesota Department of Health Surveillance Data, Hennepin County has the highest number of children with an elevated blood lead level in the state. Over the years, research has demonstrated that lead poisoning even at very low levels can have an impact on the learning potential of affected children by lowering IQs and contributing to delinquent behavior. The applicant is a strong performer, with good leverage, in high need inner city neighborhoods.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	NO

Selection Standards

Project Feasibility

The target area is Hennepin County, with the assumption that most of the funds will be used within the City of Minneapolis. Minneapolis and Hennepin County as a whole have an older housing stock. The average home in Hennepin County was built in 1937, and over 75% of housing was built prior to 1979. The older the housing, the more likely lead hazards are present. In the current market, it can be difficult for homeowners to have the necessary equity for conventional home improvement financing, making this proposal for deferred loans for lead-based paint hazard control even more critical. Homeowners will be selected based on income eligibility and the existence of lead-based paint hazards in their homes. Priority will be given based on the presence of children under the age of six, family income below 50% of area median income (AMI) or other demonstration of financial need, property viability and, where necessary, eligibility criteria set by other funding sources.

Funding Priorities

Organizational Capacity

HCHRA has been an administrative agency for local, federal and state-funded housing programs for over 27 years. Staff has experience in administering housing rehabilitation programs and has successfully completed lead hazard control projects with a broad range of partners and funding sources in many housing types across the county. HCHRA received a CRV award in 2008 and has served 41 owner occupants with over $155,840 in CRV funding.

Foreclosure Remediation

This proposal does not address foreclosure remediation efforts.

Transportation Costs and Access to Transit

Although the proposal is for Hennepin County, a majority of completed projects have been in North Minneapolis. Minneapolis is a Tier 2 transit location with high frequency and express bus routes.

Economic Integration

The proposal does not meet Minnesota Housing's definition of economic integration.

Sources and Uses, Local Investment and Leverage

Funds will be leveraged with resources from private owners, partnering rehabilitation agencies and HCHRA. Requested funding assistance will be kept low at an average $4,000 per unit with a maximum of $8,000 per unit. Combinations of abatement methods, such as window replacement with interim contro measures and maintenance plans, are very effective in reducing the re-occurrence of lead hazards. These methods maintain reasonable costs and provide protection to current and future occupants. Additionally, the match requirement from the homeowner and U.S. Department of Housing and Urban Development resources creates self-interest on behalf of the homeowner to control the costs.

Marketing

Hennepin County Housing Redevelopment Authority (HCHRA) primarily markets its lead programs through partners that use existing connections to neighborhoods, communities, or target populations. Partners use varied methods of marketing from word of mouth, door-to-door canvassing, clinic outreach, community events, to blood lead screening events.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
HUD Lead Grant	Federal Government	$157,500	$0	$0	$0	$157,500	
	Total	$157,500	$0	$0	$0	Total Leverage	

Total Committed $157,500 Total Pending $0 $157,500

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Powderhorn Residents Group, Inc.

City
Multiple

Community Proposal Details
PRG Foreclosure Recovery Program II

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$360,000	$500,000

Funding Recommendations

CRV Amount $363,800 **Number of New Units** **Number of Rehab Units** 7 **Total Number of Units** 7

Funding Partner **Amount**

Project Description

Funds are being requested to continue Powderhorn Residents Group, Inc. (PRG) foreclosure recovery and mitigation efforts by acquiring ten or more lender-owned single family homes within three identified target neighborhoods of Harrison and Phillips in Minneapolis and a portion of Brooklyn Park. To-date, this strategy has proven very successful in preserving existing housing that is affordable to first-time homebuyers. This program acquires, rehabs and resells homes that meet the current market demand in terms of size, location, price and amenities. Since inception of PRG's foreclosure recovery program, 29 lender-owned single family homes have been acquired in these target areas. Fifteen homes have been sold and three have pending sales, six are on the market, and eight are in process. PRG is requesting value gap funding up to $20,000 per unit. This program will serve incomes at 80% area median income or below. The value gap would assist with ten units of homeownership. In addition, PRG Inc is seeking interim financing of $300,000 to assist with funding. The interim funds will be used to acquire and rehab homes.

Justification

PRG has significant leverage commitments for this program. The organization also has a proven track record selling homes to underserved populations and low income buyers. PRG is a leader incorporating green strategy in homes they develop. This program meets Minnesota Housing's transportation and foreclosure priorities. The Family Housing Fund supports this program activity. Community profile information was well incorporated into the proposal.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

Foreclosure recovery remains a top priority for these targeted neighborhoods. Many of the lender-owned homes that PRG will rehabilitate require a substantial investment of value gap. This strategy is still more cost effective than site clearance and new construction. Proposed sale prices are affordable to the local workforce. Given an overall increase in the number of local households, moving housing stock back into productive use is especially important. This program adheres to a green strategy and preserves the fabric of the neighborhoods.

Funding Priorities

Organizational Capacity

PRG has developed over 500 housing units, including over 300 for-sale units, and helped thousands of people become first time home buyers through their education/counseling program. Their experience includes both rehabilitation and new construction. PRG has completed more than 100 single family detached houses using state and federal funding including, the Minneapolis Neighborhood Revitalization Program (NRP), Homeownership Works (HOW), Minnesota Urban and Rural Homesteading Loan Program (MURL), HOME, Community Development Block Grant (CDBG), Community Revitalization Fund (CRV) and Neighborhood Stabilization Program (NSP). PRG has an excellent track record of selling homes to underserved populations. Of the 39 properties sold in the past 3 years, 82% were sold to households earning less than 80% AMI; 54% were sold to households of color; 41% were sold to single heads of household; and 8% were sold to buyers with a disability.

Foreclosure Remediation

The City of Minneapolis has committed up to $60,000 per property in NSP2 funds or up to $50,000 per property in HOME funds. PRG expects to complete a minimum of 15 properties using these funds over the next 18 months. PRG has a contract with the City of Brooklyn Park in the amount of $1,050,000 for NSP. PRG has expended 100% of these funds. Because their contract enables recycling of program funds, PRG has approximately $500,000 still available in value gap and revolving financing to complete an additional 12 properties. In most cases, Brooklyn Park limits the per unit value gap to $30,000. CRV funds will be used only when these resources and leverage are insufficient to fully address the rehabilitation needs of a property.

Transportation Costs and Access to Transit

This program meets the Minnesota Housing transportation priority. The East Phillips neighborhood is adjacent to the completed Lake Street station on the Hiawatha Light Rail Transit (LRT) line. The Harrison neighborhood is one half mile from the planned Van White station on the Southwest LRT line and encompasses three high-frequency Metro Transit routes. The East and Midtown Phillips neighborhoods encompass stops along six high frequency bus routes. Brooklyn Park is served by a high frequency bus route. In addition six other limited stop bus routes serve these neighborhoods.

Economic Integration

This proposal does not meet the Minnesota Housing threshold definition of economic integration.

Sources and Uses, Local Investment and Leverage

Initial acquisition costs will be low because all homes will be vacant, lender-owned foreclosures. To date PRG has achieved a 22% discount from appraised values. Approximately 50% of PRG's acquisitions thus far have been Multiple Listing Service (MLS) listings while the other 50% have been Twin Cities Community Land Bank transactions. Competitive bidding, including the possibility of bidding multiple homes at the same time, will result in cost savings due to economies of scale and the competition that exists among contractors to obtain work. PRG in-house marketing will reduce costs and reduce the likelihood of holding costs. The provision of interim loan funds will further reduce costs by reducing financing fees and interest.

Marketing

During the past 35 years, PRG has sold 300 units of PRG-developed town homes, new construction single-family homes and rehabbed homes. Much of PRG's success in marketing is because they rely on the identification and fulfillment of small niche homebuyer pools. These niches are a combination of sub-neighborhoods and ethnic or affinity groups. Each niche has its own network, institutions, communication systems and commonly held perceptions about homes and neighborhoods. PRG takes the time to understand the players and speak their language. PRG not only develops properties for homeownership, but also provides homebuyer education and counseling to their clients. PRG places signage at properties upon acquisition. This signage generates considerable interest from area residents, including a high percentage of renters. While most potential buyers are not usually mortgage ready PRG connects them with the education and tools necessary to obtain homeownership in the future and thus creates a pipeline of prospective buyers. Similarly, when individuals go to PRG's web site for homebuyer education and counseling, they will find information about affordable homeownership opportunities. PRG staff is well-versed in the various down payment assistance programs available and can often layer multiple resources to ensure a financially sustainable opportunity for buyers. The availability of these supplemental programs are advertised and promoted through PRG's home purchase process.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style # 1 Brooklyn Park Example

Unit Information	
Style of unit	Split Entry
Finished square feet	2000
Unfinished square feet	
Bedrooms	4
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$30,000
Total Per Unit Hard Costs	$170,200
Total Per Unit Soft Costs	$35,200
Total Development Costs Per Unit	$205,400
Anticipated Mortgage Amount	$150,000

Value Gap	
Per Unit Value Gap Amount Needed	$45,400
Sources	**Amount**
Minnesota Housing CRV	$15,400
NSP	$30,000
Totals	$45,400
Affordability Gap	
Per Unit Affordability Gap Needed	$10,000
Sources	**Amount**
Other Resources	$10,000
Totals	$10,000

Unit Style # 2 Minneapolis Example

Unit Information	
Style of unit	2+ Story
Finished square feet	1400
Unfinished square feet	
Bedrooms	4
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$15,000
Total Per Unit Hard Costs	$157,700
Total Per Unit Soft Costs	$42,300
Total Development Costs Per Unit	$200,000
Anticipated Mortgage Amount	$110,000

Value Gap	
Per Unit Value Gap Amount Needed	$80,000
Sources	**Amount**
Minnesota Housing CRV	$20,000
NSP	$60,000
	$
Totals	$80,000
Affordability Gap	
Per Unit Affordability Gap Needed	$10,000
Sources	**Amount**
Other Resources	$10,000
Totals	$10,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Twin Cities Community Land Bank	Lender	$440,000	$0	$0	$0	$440,000	
Brooklyn Park EDFA - NSP	Federal Government	$500,000	$0	$0	$0	$500,000	
City of Minneapolis CPED - NSP	Federal Government	$600,000	$0	$0	$0	$600,000	
University Bank	Lender	$300,000	$0	$0	$0	$300,000	
	Total	$1,840,000	$0	$0	$0	Total Leverage	
	Total Committed	$1,840,000	Total Pending	$0		$1,840,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Urban Homeworks

City
Minneapolis

Community Proposal Details
Project Reclaim 2

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$500,000	$500,000

Funding Recommendations

CRV Amount $500,000 **Number of New Units** **Number of Rehab Units** 20 **Total Number of Units** 20

Funding Partner **Amount**

Project Description

Urban Homeworks (UHW) Project Reclaim is requesting affordability gap grant funds for scattered site acquisition, rehabilitation, and resale of foreclosed single family homes in Minneapolis. They will serve primarily North Minneapolis households who make below 80% of area median income (AMI). Project Reclaim is a collaboration among Urban Homeworks, City of Lakes Community Land Trust (CLCLT), Build Wealth, and Lutheran Social Services. Urban Homeworks will acquire and rehabilitate foreclosed vacant properties and find clients who are able to refinance from a contract for deed to a conventional mortgage within two to four years of the contract for deed closing. Upon completion of the rehabilitation, homes will immediately be placed in the City of Lakes Community Land Trust. Buyers must meet buyer eligibility guidelines which include performance benchmarks related to credit repair and community land trust requirements. The Community Reinvestment Fund will service the contracts for deed.

Justification

The proposal presents a creative approach to the reuse of foreclosed properties in targeted areas of north Minneapolis. The interim financing will allow foreclosed homes to be acquired and rehabilitated. Leverage sources include a local lender, local government, volunteers and construction trainees.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The confidence of the City of Minneapolis is demonstrated in the large Neighborhood Stabilization Program (NSP) #3 award to UHW that is the foundation for this project. Project Reclaim aims to improve both housing stock and neighborhood assets, and opportunities for lower income families. The scattered site rehabilitation and resale strategy avoids losing properties to inappropriate and unsightly infill, approaches on poor quality rental. It also protects families against housing cost burdens by improving financial literacy and providing a homeownership product that is realistic and sustainable.

Funding Priorities

Organizational Capacity

UHW has constructed, rehabilitated and managed scattered site multi-unit and single-family housing in distressed areas of Minneapolis and St. Paul since 1995. Since the organization was founded, it has rehabilitated, rented and managed 147 units. UHW currently has a portfolio inventory of 56 properties with an expansion capacity of 35 units per year. The waiting list of families needing homes ensures successful occupancy of the Project Reclaim project. As an approved developer for NSP #1 funding through Minneapolis, UHW has already shown that it can act quickly and work within the funding guidelines to obligate funds and complete construction within required timeframes.

Foreclosure Remediation

UHW is a recipient of $1.2 million in funding from NSP which is designed to address the redevelopment of communities affected by the foreclosure crisis. The majority of the properties are purchased out of foreclosure or abandonment, and all must be located in high foreclosure areas of North Minneapolis.

Transportation Costs and Access to Transit

All Project Reclaim sites will be within 1/2 mile or less of transit stops. Many UHW residents rely on public transit as their principal means of transportation, so it is important that properties are located adjacent to or near transit access serving employment centers such as downtown Minneapolis. Existing North Minneapolis properties fall along the Bottineau transit corridor where Metro Transit is studying the option of Bus Rapid Transit (BRT). Metro Transit formulas for Minneapolis estimate that the preservation of 75 housing units in the city will maintain or introduce 93 round trip transit rides per day.

Economic Integration

This proposal does not meet Minnesota Housing's definition of economic integration.

Sources and Uses, Local Investment and Leverage

Total committed leverage for this project is $2,800,000 with primary leverage coming from county and federal leverage sources. They anticipate the need for $60,000 in value gap financing and $30,000 in affordability gap financing with about $25,000 per unit in affordability gap from CRV funds.

Marketing

UHW advertises in newspapers to multiple ethic populations. They also attend housing fairs, home tours, and receive many referrals from partner organizations which include The City of Lakes Community Land Trust and Lutheran Social Services.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Minneapolis Scattered Site

Unit Information	
Style of unit	Variety
Finished square feet	1350
Unfinished square feet	
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	Y

Development Cost Information	
Land Acquisition Cost	$
Total Per Unit Hard Costs	$160,185
Total Per Unit Soft Costs	$39,815
Total Development Costs Per Unit	$200,000
Anticipated Mortgage Amount	$110,000

Value Gap	
Per Unit Value Gap Amount Needed	$60,000
Sources	**Amount**
Minneapolis NSP2	$60,000
Totals	$60,000

Affordability Gap	
Per Unit Affordability Gap Needed	$30,000
Sources	**Amount**
Minnesota Housing CRV Funds	$25,000
Hennepin County AHIF	$5,000
Totals	$30,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Private Secondary Const. 5% Loan	Private Investment	$0	$0	$240,000	$0	$240,000	11/01/2012
University Bank	Lender	$1,500,000	$0	$0	$0	$1,500,000	
		$0	$0	$0	$0	$0	
Minnneapolis NSP2	Local Government	$1,200,000	$0	$0	$0	$1,200,000	
Hennepin County AHIF	Local Government	$100,000	$0	$0	$0	$100,000	
	Total	$2,800,000	$0	$240,000	$0	Total Leverage	
	Total Committed	$2,800,000	Total Pending	$240,000		$3,040,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Dayton's Bluff Neighborhood Housing Services

City
Saint Paul

Community Proposal Details
East Side Neighborhood Housing Renewal Project

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Ramsey	METRO	CRV

Minimum Request	Maximum Request
$100,000	$250,000

Funding Recommendations

CRV Amount $75,000 **Number of New Units** **Number of Rehab Units** 8 **Total Number of Units** 8

Funding Partner Metropolitan Council **Amount** $175,000

Project Description

Funds are being requested for interim lending and value gap financing. Dayton's Bluff Neighborhood Housing Services (DBNHS) is rehabilitating and reselling eight vacant foreclosed houses. The houses are located on the East Side of St. Paul, MN, which is one of the areas hardest hit by the foreclosure crisis. This target area includes parts of the Dayton's Bluff, Payne Phalen, and North East Neighborhoods in City of St. Paul. None of the houses are eligible for St. Paul's NSP funding. While DBNHS anticipates that most of the homebuyers will have incomes equal to or less than 80% of the Twin Cities Area median income, they request an income limit of 115% to broaden the potential buyer pool. The CRV value gap funding will be matched with value gap funding from DBNHS' East Side Revolving Loan Fund and/or the Federal Home Loan Bank's Affordable Housing Program, and/or with value gap funding from NeighborWorks® America's Capital Funding. DBNHS will use some of its own capital for acquisition and construction financing. The areas DBNHS is targeting will be sub-neighborhoods referred to as "Market Correction Areas," where the housing is fairly stable but there may be one house on a block that is vacant and will not become a community asset without intervention for market re-stabilization. Given the extent of the foreclosure crisis in this service area, with a large volume of properties foreclosed upon, the poor physical condition of many of the properties, and the huge decline in property values, obtaining interim and value gap financing is a major challenge.

Justification

DBNHS has a realistic approach to targeting properties needing foreclosure remediation. They have obtained significant leverage resources. The program meets several CRV goals such as foreclosure and transportation priorities. DBNHS has a well prepared and thought out marketing plan for selecting homes and implementing sales. They also have a good organizational history and have demonstrated the ability to deliver affordable housing. DBNHS does good job of containing and controlling costs during development process.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

DBNHS will be acquiring single family homes with three or more bedrooms or with space to add bedrooms, and two car garages or room to build one. Most of the area in which they will be acquiring homes was developed after WWII until the early 1980s. Generally, the area is made up of small single family homes with a mix of 1960s-1970s era three story, walk-up apartment buildings. These homes are usually found along major arterial streets. Since January 2009, DBNHS has acquired 210 vacant properties at prices ranging from $0 to $100,000. A purchase price average for the houses to be rehabilitated is approximately $60,000.

Funding Priorities

Organizational Capacity

Since January 2009, DBNHS has acquired more than 210 vacant, foreclosed properties and coordinated property purchases for the benefit of the neighborhood and the City of St. Paul. Of this total, DBNHS kept 41 properties for rehabilitation and resale. As of June 21, DBNHS completed and sold 19 of these properties. DBNHS has four more under purchase agreements, 10 listed for sale, five under construction, two out on bids, and one in the pre-development stage. DBNHS has been rehabilitating housing for more than 30 years. DBNHS began acquiring,rehabilitating and reselling vacant and foreclosed properties in 1988.

Foreclosure Remediation

There currently are approximately 1,500 vacant houses within the target area. Many of these houses are located in pockets within the neighborhoods where most of the surrounding blocks are generally stable. These generally stable areas will be where CRV funding activity will be undertaken. The strategy is to focus on these pockets to help keep the surrounding blocks stabilized and to complement the activities of St. Paul's Neighborhood Stabilization Program (NSP) funding activities that are focused on areas of major foreclosure devastation.

Transportation Costs and Access to Transit

The activity to be undertaken with this funding does meet the seven county metropolitan area threshold for transportation. The rehabiliated homes will have locations within one quarter mile of a high service public transit fixed stop route or within one half mile of an express bus route transit stop routes.

Economic Integration

This activity does not meet Minnesota Housing's definition of economic integration.

Sources and Uses, Local Investment and Leverage

Houses are acquired through the First Look Program which on average results in 15% discount below appraised values. Houses that need excessive rehabilitation will not be acquired. Scopes of work are developed to make as much use of existing room configurations as possible. All projects are competitively bid by at least three general contractors. DBNHS will involve their local YouthBuild Program as the general contractor on at least one house. Leverage resources will be provided by a number of partners that include Dayton's Bluff Neighborhood Housing Services, City of St. Paul, NeighborWorks® America and the Federal Home Loan Bank of Des Moines.

Marketing

DBNHS knows their potential buyer pool. Potential buyers are described as primarily younger Hispanic, Asian and African American singles and families, and some low and moderate income Caucasian families that include many female heads of household. Potential buyers prefer smaller, energy efficient homes with three plus bedrooms and two stall garages. This type of home is almost exclusively sought for initial purchase and redevelopment. The Realtors and loan officers who work with DBNHS are multicultural and ethnically diverse with expertise in first-time homebuyer mortgage programs and loan products. DBNHS can provide buyers with forgivable entry cost assistance loans. Through their SHOP Home Mortgage, they offer a menu of mortgage programs as well as the Bridge to Success Contract-for-Deed Program. The Bridge to Success Program works with potential buyers to get them "mortgage ready". DBNHS' Realtors market rehabilitated houses through the MLS and several web sites. Open houses are held after work hours and on the weekends. Targeted mailings to renters are made within the local neighborhoods. The focus is on marketing locally by attending such events as block clubs and church events, etc. These efforts are supplemented by DBNHS' staff marketing and outreach efforts which include sponsoring a major neighborhood housing tour and several smaller tours and housing fairs throughout the year.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	East Side of the City of St. Paul - Example

Unit Information	
Style of unit	Variety
Finished square feet	1400
Unfinished square feet	
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$15,000
Total Per Unit Hard Costs	$130,000
Total Per Unit Soft Costs	$40,000
Total Development Costs Per Unit	$170,000
Anticipated Mortgage Amount	$150,000

Value Gap	
Per Unit Value Gap Amount Needed	$20,000
Sources	**Amount**
Minnesota Housing CRV	$10,000
CDBG, NWA/CRF and FHLB/AHP	$10,000
Totals	$20,000

Affordability Gap	
Per Unit Affordability Gap Needed	$
Sources	**Amount**
Totals	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Fedral Home Loan Bank	Lender	$0	$0	$170,034	$0	$170,034	
Neighborworks America	Federal Government	$0	$0	$250,000	$0	$250,000	
City of St. Paul	Federal Government	$292,250	$0	$0	$0	$292,250	
Dayton's Bluff NHS	Non-Profit	$3,750,000	$0	$0	$0	$3,750,000	
	Total	$4,042,250	$0	$420,034	$0	Total Leverage	

Total Committed $4,042,250 Total Pending $420,034 $4,462,284

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Twin Cities Habitat for Humanity, Inc.

City
Saint Paul

Community Proposal Details
Aurora Saint Anthony Neighborhood Revitalization Initiative

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Ramsey	METRO	CRV

Minimum Request	Maximum Request
$89,000	$178,000

Funding Recommendations

CRV Amount $89,000 **Number of New Units** **Number of Rehab Units** 2 **Total Number of Units** 2

Funding Partner **Amount**

Project Description

Funds are being requested for two activities. The first is to acquire, rehabilitate and sell vacant and/or foreclosed properties to support a targeted revitalization effort in St. Paul's Aurora/St. Anthony neighborhood. This neighborhood is the regional locus of two emerging trends in urban development: transit orientated development (TOD) and neighborhood education achievement zones. The second activity will support costs incurred by Twin Cities Habitat for Humanity (Habitat) in carrying out critical home repair projects through A Brush with Kindness Owner-Occupied Rehab Program (ABWK). This program serves owner occupied households with incomes between 30% and 50% of area median income (AMI) that cannot afford a traditional rehabilitation loan. ABWK projects will help low income homeowners remain in their homes and help preserve affordable housing. Homes will be identified early in 2012 for work to begin in mid-summer.

Justification

Working in a targeted, narrow geography with intensive orientation towards partnership with local community organizations and residents will help Habitat develop broader, integrated housing strategies. The overall Neighborhood Revitalization Initiative (NRI) effort will allow Habitat to learn how it can best leverage affordable housing development with transit oriented development strategies and community level educational attainment strategies.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The size and demographics of the Aurora/St. Anthony neighborhood, the housing needs of the community, and the convergence of transit has created both pressures on affordable housing and a unique environment for community development. The Aurora/ St. Anthony Neighborhood Development Corporation (ASANDC), District 8 (D8), and Model Cities serve this neighborhood with organizing community development and activities. Habitat will partner with these organizations, among others, in planning its NRI outreach and home selection. Habitat is one of 55 nationwide Habitat affiliates launching the initiative. The NRI follows an asset-based community development model, engages community members in decision making and responds to community goals with an expanded array of products, services and partnerships. In Aurora/ St. Anthony, the program will target two census tracts over a three year period.

Funding Priorities

Organizational Capacity

Habitat has sold homes to over 840 families in the seven-county area since 1985 and through its ABWK program served more than 1,300 families since 1998. Currently, they build and sell an average of 55-60 homes annually but are expanding their efforts with a goal of 20% growth in annual production by 2013. They rehabilitated 32 foreclosed homes in the last two years and plan to complete another 12 this year. Habitat serves an average of 125 families each year through its ABWK program. In its ABWK efforts, they identify and screen homeowners in need, guide them through the application and rehabilitation process, develop scopes of work, acquire materials, conduct rehabilitation and hire subcontractors as needed. Habitat homebuyers contribute 300-500 hours of sweat equity in their home as well as other homes in production. ABWK homeowners are asked to participate in the repair of their home to the extent they are physically able.

Foreclosure Remediation

Habitat's proposal meets the ten percent sheriff sale and 200 parcel count threshold. Foreclosure data for the years 2008, 2009 and 2010 shows a total of 116 foreclosures within the target census tracts. Data indicates that there are 846 residential parcels in those census tracts, including 828 single family, duplex, triplex and townhome units. Eighteen parcels are multi-family rental. The target area satisfied NRI goals as a neighborhood in need of stabilization and revitalization with the ability to leverage acquisition, rehabilitation, new construction and ABWK projects with community support and involvement in planning activities.

Transportation Costs and Access to Transit

The neighborhood lies just north of I-94 with easy access to the freeway at University Avenue. The Central Corridor Light Rail Transit (LRT) line will change the way people move in and through the neighborhood and will reorient the patterns of development in the neighborhood's physical space. Four Central Corridor LRT stops currently in progress will serve the Aurora/St. Anthony neighborhood. Most of the neighborhood will be within ½ mile of a LRT stop. The entire target area is within a ¼ mile of University Avenue. A high frequency bus route with stops on each block of University Avenue, Route 16, runs the entire length of the neighborhood.

Economic Integration

This proposal does not meet Minnesota Housing's Economic Integration definition.

Sources and Uses, Local Investment and Leverage

In order to control costs, Habitat contacts multiple contractors and selects the lowest qualified bid. They seek competitive bids for overall material contracts, typically on an annual basis. Habitat negotiates in-kind donations and or/ discounts on services and materials, reducing costs. All paint for the ABWK program is donated. In addition, Habitat extends project planning over multiple years allowing them to lock in prices with vendors when they are at low levels and secure discounts for bulk purchases that support production on multiple homes. Habitat uses its own warehouse rather than going to vendors for each individual project, which helps achieve economies of scale.

Marketing

Habitat solicits applications for its homeownership program from persons in the housing market who are least likely to apply without special outreach efforts. These efforts include the use of community organizations, churches, employment centers, housing counselors at referral agencies and local HRAs. On an annual basis they receive more than 3,000 inquiries about homeownership opportunities and, of these, more than 600 apply. As a result Habitat is able to apply its resources to support the families in its programs rather than to marketing.

Board Summary Report
2011 - CRV

Run Date: 11/09/2011

Unit Style #	1	Habitat for Humanity

Unit Information	
Style of unit	Two Story
Finished square feet	1500
Unfinished square feet	
Bedrooms	3
Bathrooms	1
Garage	Y
Number of Stalls	1
Visitability	N

Development Cost Information	
Land Acquisition Cost	$15,000
Total Per Unit Hard Costs	$146,000
Total Per Unit Soft Costs	$40,000
Total Development Costs Per Unit	$186,000
Anticipated Mortgage Amount	$125,000

Development Sources	
Private Cash Donations	$18,000
Public Sector Funding - Federal, County, City	$2,000
In-Kind Donations	$77,000
Total Development Sources	$97,000
Development Gap	$89,000

Development Gap	
Per Unit Dev Gap Amount Needed	$89,000
Sources	**Amount**
Minnesota Housing - CRV	$89,000
Totals	$89,000

Affordability Gap	$61,000
Per Unit Affordability Gap Needed	
Sources	**Amount**
Habitat for Humanity - Recovered	$35,000
Habitat for Humanity - Unrecovered	$26,000
Totals	$61,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
TCHFH In Kind - ABWK	Private Investment	$0	$0	$0	$4,000	$4,000	
Wells Fargo NRI Grant -Acq Rehab	Lender	$36,000	$0	$0	$0	$36,000	
TCHFH Sponsorship Annual Fund - Acq Rehab	Non-Profit	$172,000	$0	$0	$0	$172,000	
TCHFH In Kind materials -Acq Rehab	Private Investment	$0	$14,000	$0	$0	$14,000	
TCHFH Sponsorships - ABWK	Non-Profit	$0	$0	$8,000	$0	$8,000	
	Total	$208,000	$14,000	$8,000	$4,000	Total Leverage	
	Total Committed	$222,000	Total Pending	$12,000		$234,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Build Wealth Minnesota, Inc.

City
Minneapolis

Community Proposal Details
Family Stabilization Plan Program

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$180,000	$300,000

Funding Recommendations

CRV Amount $180,000 **Number of New Units** **Number of Rehab Units** 15 **Total Number of Units** 15

Funding Partner **Amount**

Project Description

Funds are being requested for affordability gap loans in conjunction with the Family Stabilization Plan (The Plan). The Plan is responsible for identifying emerging market clients and providing them with two years of counseling, financial literacy education and coaching, to foster sustainable homeownership through the acquisition of a foreclosed property. Build Wealth Minnesota, Inc. (BWM) works with developers and community access partners including Twin Cities Community Land Bank, Urban Homeworks, Greater Metropolitan Housing Corporation, Powderhorn Residents Group, Project for Pride in Living, Ethnic Homes, Dayton's Bluff, Thor Construction, Stairstep Foundation, City of Lakes Community Land Trust and others, to prepare potential homebuyers to purchase a home and assist them in selecting a foreclosed property. Community Revitalization Funds (CRV) will provide affordability gap funding in the amount of $5,000 to $15,000 per unit.

Justification

The program offers a workable concept that is timely given the foreclosure situation and Minnesota Housing's priority for foreclosure remediation. BWM's Plan provides potential homeowners and their families with tools that encourage a more active role in increasing their economic and social wealth by owning a home and taking pride in their neighborhoods.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The target zip codes (55411, 55412, 55430, 55443, 55445, 55104, 55106 and 55130) include primarily North Minneapolis and parts of St. Paul, and are selected due to the influx of client families that need BWM's services and have enrolled or inquired about residing in these specific areas. The zip codes are targeted for foreclosure inventory and rate, delinquencies, non-prime and adjustable rate mortgages due to reset and the unemployment rates.
Investing in affordable housing in these communities will slow the rate of foreclosure, reduce the inventory of foreclosed housing, stabilize neighborhoods with a renewed tax base and provide families that historically pay an excessive percentage of their income towards housing or rent with affordable monthly payments.

Funding Priorities

Organizational Capacity

Build Wealth has partnered with numerous social service providers and community developers which provide assistance in listing, rehabilitating, developing and selling affordable housing. With a previous Community Revitalization Fund (CRV) award, BWM has assisted seventeen first time home buyers. They are currently working with 73 families that are interested in becoming homeowners. Seventy-five percent of the families that were assisted are located in high need zip code areas. BWM works with traditional mortgage companies, i.e.: Bremer Bank, US Bank and Wells Fargo.

Foreclosure Remediation

Although BWM does not acquire homes or provide rehabilitation directly, they continue to partner with community organizations that do provide those services to help client families acquire foreclosed single family homes in high need zip code areas. BWM develops pools of potential home owners to support partners that have obtained funds to acquire, develop, rehabilitate and sell foreclosed properties under NSP.

Transportation Costs and Access to Transit

Seventy-five percent of families served by BWM are close to bus routes and/or light rail transit. Whenever possible, BWM will continue to partner with organizations that offer properties with access to public transportation within one-half mile. Park-and-ride facilities are within a reasonable distance within several of the zip codes.

Economic Integration

The majority of families to whom BWM provides services live in neighborhoods of Minneapolis, St. Paul and Tier 1 & Tier 2 suburban communities. Some areas are located where economic integration is targeted.

Sources and Uses, Local Investment and Leverage

BWM hopes to leverage financial resources from a number of other local area foundations and supporters to help support programming, including McKnight Foundation, Minneapolis Foundation and Northwest Area Foundation. Layering resources from other programs allows BWM to expand its capacity to help more families.

Marketing

BWM has adopted a client and community partner referral system that produces waiting lists of potential homeowners for future sessions. BWM has periodic affordable housing fairs and seminars, involves itself with community partner fairs, produces written marketing materials, promotes the program on its website (www.buildwealthmn.org) and through a financial literacy television program, "Build Wealth TV."

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Foreclosure - Balance Reduction

Unit Information	
Style of unit	Variety
Finished square feet	1800
Unfinished square feet	
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$30,000
Total Per Unit Hard Costs	$120,000
Total Per Unit Soft Costs	$3,600
Total Development Costs Per Unit	$123,600
Anticipated Mortgage Amount	$110,000

Value Gap	
Per Unit Value Gap Amount Needed	$3,600
Sources	**Amount**
Minnesota Housing CRV	$2,000
Foundation Funding	$1,600
Totals	$3,600

Affordability Gap	
Per Unit Affordability Gap Needed	$10,000
Sources	**Amount**
Minnesota Housing CRV Funds	$10,000
-	$
Totals	$10,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Northwest Area Foundation	Non-Profit	$0	$0	$20,000	$0	$20,000	09/01/2011
McKnight Foundation	Non-Profit	$0	$0	$20,000	$0	$20,000	09/01/2011
Minneapolis Foundation	Non-Profit	$0	$0	$20,000	$0	$20,000	01/01/2012
		$0	$0	$0	$0	$0	
	Total	$0	$0	$60,000	$0	Total Leverage	

Total Committed $0 Total Pending $60,000 $60,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Hennepin County Housing and Redevelopment Authority

City
Multiple

Community Proposal Details
Home Accessibility Ramp Program

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$100,000	$150,000

Funding Recommendations

CRV Amount $150,000 **Number of New Units** **Number of Rehab Units** 37 **Total Number of Units** 37

Funding Partner **Amount**

Project Description

Hennepin County Housing and Redevelopment Authority (HCHRA) is requesting gap financing in the form of a grant to cover the cost of ramp construction for households with a resident with a disability. HCHRA partners with Tree Trust and the Minnesota Department of Employment and Economic Development's (DEED) division of Rehabilitation Services for the Home Accessibility Ramp Program. Funds will be used to construct ramps or low-riser steps at an average cost of $4,000 (maximum of $6,000) for owner-occupied homes in Hennepin and Ramsey counties. This funding allows full grants to households with incomes less than 80% of area median income (AMI). Those households with incomes between 80 and 115% of AMI qualify for a partial grant, and will be required to pay one-half the cost of the ramp.

Justification

For over 12 years, the Home Accessibility Ramp Program has been a cost-effective way to preserve affordable housing for people with disabilities. Income targeting under this program is successful, with most households earning less than 50% of AMI. Both Ramsey and Hennepin counties are served under the program. The demand for ramps and steps continues with over 300 requests per year.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	NO

Selection Standards

Project Feasibility

Ramps are built for individuals of all ages, including those of working age (18 years to 65 years). Since the program began receiving CRV funds in 1999, 40% of the ramps have been built for individuals of working age. The Home Accessibility Ramp Program provides critical assistance for low-income persons with disabilities to maintain homeownership. Without this cost-effective program, many of these individuals would no longer be able to remain in their homes. The program benefits the community by preventing the costs associated with developing new accessible housing or institutional care.

Funding Priorities

Organizational Capacity

HCHRA has been partnering with DEED and Tree Trust on this program since 1996. The applicant has a proven track record under previous awards for accessibility ramps. HCHRA will continue to financially manage and administratively oversee the program to ensure program compliance. Tree Trust's goal for the ramp program is to provide an ongoing training opportunity in dimensional lumber construction techniques for young adults and adults in job training programs. DEED's Division of Rehabilitation Services performs marketing, an assessment of need and design of the ramps, and quality control.

Foreclosure Remediation

This proposal does not address foreclosure remediation.

Transportation Costs and Access to Transit

The application has too broad of a territory to qualify for scoring under the definition of minimizing transportation cost and promoting access to transit. Although past project have been completed near transit oriented locations, many of the zip codes in Ramsey and Hennepin counties do not fall within a half mile of LRT, transit bus routes or park-and-rides to be awarded points for this priority.

Economic Integration

This proposal does not promote economic integration.

Sources and Uses, Local Investment and Leverage

In order to minimize costs and enhance long-term affordability of the program without compromising quality, HCHRA continues to build upon the efficiencies they have developed since the program began in 1999. The modular design of the ramps and steps are a more cost-effective method than constructing a permanent accessibility structure. HCHRA continues to maintain their partnerships with Shaw-Stewart Lumber Company, the Veterans Administration, Multiple Sclerosis Society and other organizations that provide discounts and/or combine resources to minimize the use of CRV funds. They will continue to deconstruct ramps that are no longer needed and reuse/recycle appropriate materials in repair and new construction projects to minimize the costs of materials. The City of Minneapolis provides a set permit fee for Tree Trust for ramps built in the city, resulting in an overall reduction in permit fees for ramp construction projects.

Marketing

Marketing and outreach activities are primarily conducted through regular contact with agencies that serve persons with disabilities. These agencies are provided with information about the Home Accessibility Ramp Program and the availability of other related resources. Agency personnel are encouraged to refer eligible individuals to the program when other resources are not available. DEED typically receives 300 referrals each year throughout the seven-county metropolitan area.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Shaw-Steward Lumber Co.	Local Business	$0	$2,570	$0	$0	$2,570	
Bob Zimmerman	Private Investment	$0	$3,000	$0	$0	$3,000	
Tree Trust	Non-Profit	$5,141	$18,000	$0	$0	$23,141	
Hennepin County HRA	Local Government	$0	$4,550	$0	$0	$4,550	
	Total	$5,141	$28,120	$0	$0	Total Leverage	

Total Committed $33,261 Total Pending $0 $33,261

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Two Rivers Community Land Trust

City
Multiple

Community Proposal Details
Safekeeping:Affordable Homes for Generations

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Washington	METRO	CRV

Minimum Request	Maximum Request
$280,000	$900,000

Funding Recommendations

CRV Amount $296,000 **Number of New Units** **Number of Rehab Units** 3 **Total Number of Units** 3

Funding Partner Metropolitan Council **Amount** $150,000

Project Description

Funds are being requested for value gap and affordability gap to develop three community land trust homes totaling $96,000 ($32,000 per unit) plus $200,000 in construction financing. Value and affordability gap will be grant funds. These funds are necessary because the rehabilitation necessary to return homes to market condition, combined with acquisition and soft costs, exceed the market value of the property. The funds stay in the property and continue to provide value to the community and the county because the community land trust homes serve subsequent owners in perpetuity. This activity will focus on the cities of Forest Lake and Oakdale. The homes will be made affordable to families earning up to 80% of area median income (AMI).

Justification

Two Rivers Community Land Trust (CLT) has a good organizational and implementation history with past CRV awards. Two Rivers CLT works with good implementation partners. The activities being recommended have good leverage resources and good community support. These activities also support foreclosure remediation and economic integration. Anderson Windows, a private business which operates in their service area, also provides leverage support. Recently Two Rivers CLT has increased their emphasis on marketing homes and educating potential land trust buyers, thus creating a larger buyer pool.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

Two Rivers CLT has been working in partnership with the City of Oakdale (the City) to acquire and rehabilitate houses in the Tanners Lake neighborhood. The City's comprehensive plan targets this area. The City's Tanners Lake Loan Program, a partnership with the Center for Energy and the Environment (CEE), facilitates the rehabilitation of older owner occupied housing. Two Rivers CLT's acquisition/ rehab of single family home's will complement the current activity in Oakdale, revitalizing a declining value neighborhood. The City offers access to the Washington County Deferred Loan Program, Minnesota Housing's Community Fix up Fund and enforces its rental licensing ordinances to make needed community improvements. Neighborhood trash pick-ups and increased code enforcement activities have also created a more appealing neighborhood. As part of the overall strategy, the City began acquiring property on the south west side of Tanner's Lake across from 3M. The proposed future development plan includes retail, restaurant, office and housing. Minnesota Housing Community Profile information illustrates community stabilization as a key concern. Two Rivers CLT will give priority to rehabilitating Forest Lake houses with in four specific census tracts undergoing foreclosure increase. Forest Lake has a poverty rate of 13.79%, as compared to a .93-6.33% poverty rate in nearby areas. Forest Lake has a low ownership rate of 51.24% compared to 76.2%-96.65% in nearby areas.

Funding Priorities

Organizational Capacity

Two Rivers CLT's acquisition/rehabilitation program allows interested municipalities to identify declining neighborhoods to target for community stabilization, address foreclosure remediation, upgrade the condition of the single family housing stock and provide ownership opportunities. Two Rivers CLT's partnership with the City of Oakdale is an example of this. The Tanners Lake and Tartan neighborhoods, where age of housing stock ranges from 1930's to 1980's, are suffering from disrepair. Two Rivers CLT has acquired and rehabilitated five foreclosed homes and eight homes in the foreclosure process. These home locations included Forest Lake and Oakdale.

Foreclosure Remediation

The Two Rivers CLT foreclosure remediation threshold is met by undertaking foreclosed home rehabilitation in Forest Lake. Because Forest Lake has lower wages, higher housing cost burden and fewer entry level households (25 to 34 year-olds) the region is less able to respond to and mitigate foreclosure. Average Forest Lake housing prices have come down from a high of $242,500 to $131,000. Despite declining average home prices, this market is still unable to meet the needs of lower wage earners (households 25 to 34 years old). A community land trust provides the best option for access to ownership and affordability for the first buyer and each subsequent buyer.

Transportation Costs and Access to Transit

Two River CLT chooses home purchase opportunities assessing proximity to nearby jobs and transportation. Forest Lake has commuter buses running from two locations, Rush Line Transit Center and Running Aces Park & Ride, plus one central Forest Lake stop. In Oakdale, Metro Transit buses run along the west side. Another route has three fixed stops in Oakdale and a park-and-ride location serves routes near the Oakdale City Hall.

Economic Integration

Minnesota Housing's economic integration priority is satisfied by the activity located within three Oakdale census tracts.

Sources and Uses, Local Investment and Leverage

Two Rivers CLT will purchase foreclosed units with substantially reduced prices on the MLS and the Wells Fargo real-estate owned web sites. While acquisition values are important, key in the current volatile housing market is timely rehabilitation and resale. Two Rivers CLT completes the scope of work and begins the bidding process prior to acquisition and closing in order to accelerate the rehabilitation process. Rehabilitation timelines are kept to a minimum, and work is scheduled to commence as soon after acquisition closing as possible. Two Rivers CLT uses low-cost/no-cost labor to keep project costs in check. Sentence to Serve in Washington County provides no cost lawn maintenance and winter snow removal, selective demolition, painting and some light carpentry. Volunteer crews from local churches offer no cost labor to paint and perform light carpentry. Two Rivers CLT has negotiated reduced costs from several professional service providers. Real estate agents have agreed to list the homes at 5% and 5.5% commission, a savings of up to $1,200 per house. Attorneys review the ground lease for a set price of $250 because they have familiarized their staff with the terms of the ground lease and count on repeat business. Greater Metropolitan Housing Corporation provides construction management services at a much lower, fixed rate cost than a private company would charge on an hourly basis.

Marketing

Two Rivers CLT has had 70 inquiries from buyers, Realtors, or lenders thus far in 2011. So far this year, they have 18 households attending orientation. In 2011, Two Rivers CLT has received 18 purchase agreements, sold 3 homes, and is set to close on four more. Listing agents report a strong interest in the community land trust program as evidenced by the number of showings and quick receipt of purchase agreements after listing on the MLS. The most recent Forest Lake home had 21 showings the first week on the market and received the first purchase agreement within the first week. Similarly, the last two homes listed in Oakdale had over 50 showings each within the first weeks and offers within a few days of listing.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Example in Cities of Oakdale and Forest Lake

Unit Information	
Style of unit	Split Entry
Finished square feet	1550
Unfinished square feet	
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$45,000
Total Per Unit Hard Costs	$185,000
Total Per Unit Soft Costs	$31,000
Total Development Costs Per Unit	$216,000
Anticipated Mortgage Amount	$120,000

Value Gap	
Per Unit Value Gap Amount Needed	$51,000
Sources	**Amount**
Minnesota Housing CRV	$32,000
Met Council	$5,000
Local Government Contributions	$14,000
	$
Totals	$51,000

Affordability Gap	
Per Unit Affordability Gap Needed	$45,000
Sources	**Amount**
Met Council	$45,000
	$
Totals	$45,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
ICWC and Volunteer Groups	Local Government	$0	$6,436	$0	$0	$6,436	10/30/0011
Washington County Sentence to Serve	Local Government	$0	$1,400	$0	$0	$1,400	06/22/0011
Foundations - Andersen	Non-Profit	$33,000	$0	$0	$0	$33,000	05/27/0011
Washington County HOME	Local Government	$98,164	$0	$0	$0	$98,164	05/03/0011
City of Oakdale	Local Government	$0	$1,000	$0	$0	$1,000	06/21/0011
	Total	$131,164	$8,836	$0	$0	Total Leverage	

Total Committed $140,000 Total Pending $0 $140,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
West Hennepin Affordable Housing Land Trust

City
Multiple

Community Proposal Details
Homes Within Reach

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Hennepin	METRO	CRV

Minimum Request	Maximum Request
$245,000	$245,000

Funding Recommendations

CRV Amount $95,000 **Number of New Units** **Number of Rehab Units** 3 **Total Number of Units** 3

Funding Partner Metropolitan Council **Amount** $150,000

Project Description

West Hennepin Affordable Housing Land Trust's (WHALT) dba "Homes Within Reach (HWR)" is requesting value gap funds to acquire entry level market rate or foreclosed properties in the western suburbs of Hennepin County to create workforce housing. They will market homes to buyers with incomes below 80% of area median income (AMI). The locations of homes have not been predetermined but are located in first and second ring suburbs of Minneapolis in Hennepin County. They will need approximately $35,000 per unit in value gap funds.

Justification

WHALT has developed strong relationships in the western suburbs and has secured leverage from several of them including St. Louis Park, Maple Grove, Edina, Eden Prairie, and Minnetonka. Many of these communities demonstrate a need for economic integration and/or have a large number of current homeowners paying in excess of 30% of their income for housing. WHALT has demonstrated success with marketing to and serving underserved populations.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards
Project Feasibility
HWR acquires foreclosed properties that are 20-60 years old in well established neighborhoods. Purchase prices of properties range from $190,000-$240,000 (except in Edina where home prices could be higher due to land costs). Foreclosed properties have been acquired from $135,000-$195,000 with substantial rehab costs. The surrounding areas where HWR has acquired properties provide close access to schools, transportation, churches, hospitals and shopping. Many of the communities served are first and second ring suburbs where the infrastructure of the community is well suited for HWR prospective homebuyers. Community Profiles for Hennepin County indicate HWR's target market has a high need for economic integration, community stabilization and increasing homeownership, and moderate need for maintaining aging housing stock.
Funding Priorities
Organizational Capacity
HWR's experience is demonstrated by growing its service area from one community in 2002 to 11 communities currently. Additionally, HWR has provided 87 clients (includes two resales) with affordable homes and has acquired 88 properties to date. HWR has successfully assisted 85 families to become homeowners. In addition, HWR expanded the types of housing offered in the program from the sale of existing detached single family homes in 2002, to newly constructed townhomes and twin homes in 2004 and detached single family homes in 2005.
Foreclosure Remediation
This proposal does not meet Minnesota Housing's foreclosure remediation priority.
Transportation Costs and Access to Transit
Since there are no predetermined site locations, this proposal does not meet Minnesota Housing's Transportation priority.
Economic Integration
HWR creates affordable housing in the western suburbs of Hennepin County, all supporting opportunities for economic integration, providing homeownership options for households in higher median family income communities in close proximity to jobs.
Sources and Uses, Local Investment and Leverage
Seven units will be built with an estimated project cost of $254,850 per unit. The per unit value gap is $120,000. Minnesota Housing will fund $35,000 in value gap per unit and city, county and/or federal leverage will cover the remaining gap. WHALT has lines of credits with four cities and a bank and trust, which will be used towards construction financing.
Marketing
HWR markets their properties through one-on-one contacts, presentations, written information to local newspapers, libraries and service centers, local government, community agencies, religious organizations, community advocacy groups, public school systems and community employers.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Scattered Site in Western Hennepin County

Unit Information	
Style of unit	Variety
Finished square feet	1200
Unfinished square feet	
Bedrooms	3
Bathrooms	1.5
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$95,000
Total Per Unit Hard Costs	$237,000
Total Per Unit Soft Costs	$17,850
Total Development Costs Per Unit	$254,850
Anticipated Mortgage Amount	$133,850

Value Gap	
Per Unit Value Gap Amount Needed	$97,000
Sources	**Amount**
Minnesota Housing CRV Funds	$31,666
Met Council	$26,000
Home Funds - City - CDBG & AHIF	$39,334
	$
Totals	$97,000

Affordability Gap	
Per Unit Affordability Gap Needed	$24,000
Sources	**Amount**
Met Council	$24,000
Totals	$24,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
City of Maple Grove	Federal Government	$40,000	$0	$0	$0	$40,000	
City of Minnetonka	Local Government	$225,000	$0	$0	$0	$225,000	
City of St Louis Park	Local Government	$150,000	$0	$0	$0	$150,000	
Hennepin County HRA	Local Government	$70,000	$0	$0	$0	$70,000	
City of Edina	Federal Government	$68,575	$0	$0	$0	$68,575	
Hennepin County	Federal Government	$380,000	$0	$0	$0	$380,000	
Brooklyn Park EDA	Federal Government	$200,000	$0	$0	$0	$200,000	
City of Eden Prairie	Federal Government	$50,000	$0	$0	$0	$50,000	
	Total	$1,183,575	$0	$0	$0	Total Leverage	
	Total Committed	$1,183,575	Total Pending	$0		$1,183,575	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Arrowhead Economic Opportunity Agency

City
Multiple

Community Proposal Details
AEOA 2011 Single Family Development and Rehabilitation Project

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Lake	NORTHEAST	CRV

Minimum Request	Maximum Request
$644,000	$695,000

Funding Recommendations

CRV Amount $134,400 **Number of New Units** **Number of Rehab Units** 16 **Total Number of Units** 16

Funding Partner Greater Minnesota Housing Fund **Amount** $110,000

Project Description

Funds are being requested for rehabilitation of 25 owner occupied homes by Arrowhead Economic Development Agency, Inc (AEOA) to preserve existing affordable housing. AEOA targets homes that would otherwise continue to deteriorate without intervention and provides financial assistance to rehabilitate the housing. This rehabilitation provides low and moderate income households with an affordable way to make needed home improvements. Households served by the program must meet specific guidelines to receive assistance such as having incomes below 50% of the area median income (AMI). Services for this program will be provided on a first come, first served basis. It is anticipated that homes will be in need of significant rehabilitation, with the average project needing approximately $28,000. AEOA rehab staff conducts an in depth inspection and designs a scope of work that prioritizes health and safety concerns, energy conservation, accessibility and any mechanical issues.

Justification

There are 57 homeowners in need of home rehabilitation on a waiting list in Lake County. AEOA has experience and has demonstrated the capacity to originate and process these rehab loans.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	NO

Selection Standards
Project Feasibility
Community profile data indicates there is need for housing stock preservation in northeast Minnesota. AEOA will address this need by delivering owner occupied housing rehabilitation services for low and moderate income households. This activity will also address a need within communities experiencing foreclosure that will likely not be addressed by the private market.
Funding Priorities
Organizational Capacity
AEOA is a private, non-profit Community Action Agency with over 44 years experience providing self-sufficiency services to citizens in northeastern Minnesota. AEOA's mission is to strengthen communities by providing opportunities for people experiencing social and economic challenges. Over the years, they have grown in response to community needs. AEOA offers a wide range of programs including housing development, owner occupied rehabilitation, homeownership education, foreclosure prevention, homeless and basic need services, energy assistance and weatherization, employment and training, youth development, Head Start and Early Head Start, rural transit and senior services. This wide range of services assists AEOA in meeting the varying needs of the people they serve.
Foreclosure Remediation
The activity undertaken does not remediate foreclosure, but AEOA works to mitigate blight in high foreclosure communities. They target distressed homes if available and viable within the targeted communities and provide financial assistance and home rehabilitation for low and moderate income homeowners.
Transportation Costs and Access to Transit
This application did not meet the transportation priority requirements.
Economic Integration
This application did not meet Minnesota Housing's definition of economic integration.
Sources and Uses, Local Investment and Leverage
AEOA's rehabilitation services will target households with 50% or less of AMI. Households work with AEOA rehabilitation services to establish income eligibility and complete loan application materials. The level of rehabilitation the home requires is determined by an in-depth inspection. The AEOA rehabilitation and development teams meet weekly to assesses projects, review material choices, suggest areas of rehabilitation and explore what alternative materials can be considered without negative impact to quality and safety. AEOA has developed close relationships with local contractors to reduce costs by using acceptable alternate materials already on hand and thus less expensive. AEOA also purchases materials directly from local vendors, when possible to achieve cost savings. For example, AEOA now purchases kitchen cabinets directly from a local vendor that is offering a reduced price.
Marketing
AEOA conducts outreach with other housing entities that may have contact with homeowners needing rehabilitation services. They advertise in traditional media outlets such as newspapers, local real estate publications and organizational websites. AEOA ensures that flyers, including photos of completed homes and program information about owner-occupied rehabilitation, are visible to the hundreds of community members that walk through AEOA's doors for services. Example houses are featured in full page ads in the Hometown Focus; a local monthly paper. This marketing approach generates numerous referrals and calls to assist low-income clients.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Federal Home Loan Bank	Lender	$0	$0	$125,000	$0	$125,000	
DEED Small Cities	State Government	$0	$0	$90,000	$0	$90,000	
CDBG Funds	Local Government	$285,000	$0	$0	$0	$285,000	
		$0	$0	$0	$0	$0	
	Total	$285,000	$0	$215,000	$0	Total Leverage	

Total Committed $285,000 Total Pending $215,000 $500,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Housing and Redevelopment Authority of Duluth

City
Duluth

Community Proposal Details
Single Family Regabilitation Program

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Saint Louis	NORTHEAST	CRV

Minimum Request	Maximum Request
$204,000	$408,000

Funding Recommendations

CRV Amount $102,000 **Number of New Units** **Number of Rehab Units** 9 **Total Number of Units** 9

Funding Partner **Amount**

Project Description

Funds are being requested for the Housing and Redevelopment Authority of Duluth's (Duluth HRA) Single Family Rehabilitation program. Interest-free, 30 year deferred loans of up to $20,000 will be available to each household. The Duluth HRA currently has fifty applicants on a waiting list, which represents a two year backlog. Although Community Development Block Grant (CDBG) funding has been a source of funds in the past, those funds are not being awarded for single family rehabilitation for the next two years. The average age of homes on the waiting list is 85 to 90 years old. In addition to rehabilitating homes to meet code standards, the Duluth HRA is requesting funds in an amount not to exceed $5,000 per home to leverage HUD lead funds to address health and safety hazards. Funds will be available to households with incomes at or below 80 percent of area median income (AMI).

Justification

This proposal is part of the At Home in Duluth Collaborative (At Home Collaborative). The collaborative helps partners increase their organizational capacity by pooling together marketing and outreach opportunities. The result is a comprehensive and coordinated strategy implemented to address Duluth's housing and community needs. In a community with relatively low incomes and an aging housing stock, this proposal increases access to funds for home rehabilitation for low-income families and neighborhoods.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	NO

Selection Standards

Project Feasibility

The target area includes neighborhoods in East Hillside, Central Hillside, Lincoln Park, and West Duluth. The goal is to help stabilize these neighborhoods. Almost 68% of Duluth's housing units are over 50 years old, which increases the need for resources for housing rehabilitation, lead paint abatement, and energy conservation. The Rehabilitation Program helps meet a critical need for preserving older homes, which can help increase home values and homeowner equity.

Funding Priorities

Organizational Capacity

Duluth HRA is charged with fostering and creating decent, safe and affordable rental and homeownership opportunities for households at various income levels. The Duluth HRA has been the program manager of the Rehabilitation Program since 1975. Over 7,700 units have been rehabilitated. Duluth HRA's Rehabilitation Department performs activities including intake and processing of applications, performing inspections, preparing work specification write-ups, conducting lead-based paint assessments/clearances, assisting homeowners with the contractor bidding process and loan document preparation. Minnesota Power, Arrowhead Opportunity Agency and the Duluth Energy Efficiency Program provide energy assessments and recommendations.

Foreclosure Remediation

While the census tracts targeted in this program do not meet the 10% foreclosure rate specified in Minnesota's Housing foreclosure remediation priority, these target neighborhoods do contain foreclosures of four to six percent. The Duluth HRA received funding through the Neighborhood Stabilization Program 1 (NSP I) for acquisition/rehabilitation/resale of foreclosed properties. They have completed the rehabilitation work and sold three of the five homes purchased. The remaining two homes are in the final stages of rehabilitation. The timeline for resale of these homes is March, 2013. Duluth was not eligible for NSP II or III.

Transportation Costs and Access to Transit

The target areas are served by public bus routes with frequent service and access to downtown Duluth as well as the Miller Hill Mall, the medical district and college campuses. Based on a comparison of the Duluth Transit Authority's route maps, and the target area location maps, an estimated 99% of the target area is located within ½ mile of a public transit fixed route stop or station.

Economic Integration

The proposed target area does not meet Minnesota Housing's economic integration definition.

Sources and Uses, Local Investment and Leverage

Duluth HRA requires competitive bidding for rehabilitation. The rehabilitation advisors estimate costs before bidding to ensure that contractor bids are fair and reasonable. All contractors must comply with applicable codes and standards.

Marketing

The "At Home in Duluth" Collaborative works together in an effort to perform outreach to households earning at or below 80% AMI. Specifically, neighborhood meetings are held in target areas to obtain input from families for the needs of the neighborhood and individual homes. Information flyers, brochures, videos, pictures and handouts about the program are made available at various events held throughout the city during the year. The City of Duluth has created a Blight and Nuisance Property Team which partners with the Collaborative to inform individuals throughout the city of housing assistance opportunities available to correct identified code violations. Neighborhood Housing Services (NHS) is the lead neighborhood organization that markets the "At Home in Duluth" partnership programs in all eligible neighborhoods in the City of Duluth, with the exception of West Duluth. The West Duluth area is marketed by Spirit Valley Citizens and Neighborhood Development Association (SVCNDA). The HRA also has a website which offers information about various programs.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
GMHF	Non-Profit	$42,500	$0	$0	$0	$42,500	
HUD Lead Paint	Federal Government	$1,014,684	$0	$0	$0	$1,014,684	
		$0	$0	$0	$0	$0	
	Total	$1,057,184	$0	$0	$0	Total Leverage	
	Total Committed	$1,057,184	Total Pending	$0		$1,057,184	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Kootasca Community Action, Inc.

City
Grand Rapids

Community Proposal Details
Grand Plaza Phase II

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Itasca	NORTHEAST	CRV

Minimum Request	Maximum Request
$75,000	$75,000

Funding Recommendations

CRV Amount $75,000 **Number of New Units** 7 **Number of Rehab Units** **Total Number of Units** 7

Funding Partner **Amount**

Project Description

Funds are being requested to provide five low and moderate income homebuyers with down payment assistance toward purchase of affordable newly constructed single family housing opportunities in the City of Grand Rapids, Grand Plaza development. This project will enhance and complement the overall value of the recently completed development, financed by the Multifamily Division, Grand Plaza, completed by D.W. Jones. This multifamily development was recently completed on the old hospital site within the City of Grand Rapids. Nine new affordable single family homes will be constructed with gap funding provided based upon individual buyer's need. The funding recommended is $75,000 of affordability gap financing for families with incomes of less than 80% of area median income (AMI), with a maximum $15,000 deferred loan per home purchased in this development. The builder developer of this project is Black Bear Homes which recently completed another CRV funded re-development in City of Grand Rapids at Crystal Lake Estates, the former Grand Rapids middle school site.

Justification

Kootasca is a key partner in completing the City of Grand Rapids redevelopment project. Minnesota Housing made a significant commitment to this redevelopment with funding for the DW Jones rental units in phase one. The Greater Minnesota Housing Fund (GMHF) is a major financial partner as well as technical support contributor for this project. This project meets the agency transportation and economic integration thresholds.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	NO
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The affordability gap mortgage subsidy available broadens the sales pool to include more low and moderate income buyers. Median household income for this specific census tract is $43,551. A large number of homeowner households are cost burdened with 55.14% of their incomes going towards housing costs. Based on income and mortgage calculator target incomes, the potential buyer pool will have incomes from $42,000 to $60,000. The median home sale price is $157,625; the proposed housing will sell for $169,900.

Funding Priorities

Organizational Capacity

The homes will be constructed by Black Bear Homes. GMHF is providing interim construction financing and additional funds for affordability gap financing. Kootasca will facilitate underwriting of the affordability gap loans and provide the coordination necessary for loan closing. Kootasca has a history fulfilling this role with the recent completion of the middle school site in Grand Rapids.

Foreclosure Remediation

This application does not address foreclosure remediation. Grand Rapids has a fairly low foreclosure rate according to community profile data.

Transportation Costs and Access to Transit

This project meets Minnesota Housing's transportation priority threshold criteria. Grand Rapids is served by Arrowhead Transit offering dial-a-ride service. The proposed housing is within a census tract that has 2,000 low and moderate wage jobs. This development is within one mile of a super market, several convenience stores, the library, banks, medical and dental offices, post office, pharmacy, places of worship, an art center, police station, fire station, fitness centers, restaurants, neighborhood retail shops and office buildings.

Economic Integration

The geographic location of this development indicates moderate need for economic integration.

Sources and Uses, Local Investment and Leverage

This project will provide affordable starter homes and mirrors the successful plan recently used at the Crystal Lake Estates project. The use of that model ensures a saleable product. The homes are a quality product at a good value. The homes were constructed using a modified Building Better Neighborhoods model. GMHF is a funding partner in this development.

Marketing

Past new home sales efforts have included marketing homes through Kootasca's Homebuyer Program. Potential homeowners participating in the homebuyer education class are better prepared to own a home and once qualified may be eligible for down payment assistance with purchase of a home at Grand Plaza. Local print advertising, Kootasca's Homebuyer Program and website, local lenders, local real estate agents and word of mouth will be used to market this particular project.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Grand Plaza Phase II

Unit Information	
Style of unit	Split Entry
Finished square feet	1064
Unfinished square feet	
Bedrooms	2
Bathrooms	1
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$6,667
Total Per Unit Hard Costs	$155,884
Total Per Unit Soft Costs	$14,016
Total Development Costs Per Unit	$169,900
Anticipated Mortgage Amount	$132,400

Value Gap	
Per Unit Value Gap Amount Needed	$
Sources	**Amount**
	$
	$
	$
Totals	$

Affordability Gap	
Per Unit Affordability Gap Needed	$37,500
Sources	**Amount**
Minnesota Housing CRV	$15,000
Greater Minnesota Housing Fund	$15,000
Other Resources	$7,500
Totals	$37,500

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
GMHF - Downpayment Assistance	Non-Profit	$75,000	$0	$0	$0	$75,000	
GMHF - Interim Financing	Non-Profit	$270,000	$0	$0	$0	$270,000	
	Total	$345,000	$0	$0	$0	Total Leverage	

Total Committed $345,000 Total Pending $0 $345,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Northern Communities Land Trust

City
Cloquet

Community Proposal Details
Permanently Affordable Acquisition-Rehab-Resale-Cloquet

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Carlton	NORTHEAST	CRV

Minimum Request	Maximum Request
$125,500	$184,000

Funding Recommendations

CRV Amount $125,500 **Number of New Units** **Number of Rehab Units** 3 **Total Number of Units** 3

Funding Partner **Amount**

Project Description

Northern Communities Land Trust (NCLT) is requesting affordability gap and value gap financing to rehabilitate homes in Cloquet. The proposed activity will provide workforce housing, stabilize the community and increase emerging market homeownership. Additionally, the activity will provide permanently affordable ownership opportunities in Cloquet. The target population to be served are households that earn below 80% of the area median income. The focus will be first-time homebuyers. NCLT's program helps stabilize housing values and a community's tax base. Funds will also leverage the project investment from the City of Cloquet , NeighborWorks, Federal Home Loan Bank, and the Department of Corrections. Affordability gap funds will be used to market land trust homes specifically for members of a federally recognized Indian tribe.

Justification

NCLT has a solid track record in acquisition-rehabilitation-resale projects with strong implementation partners. They have notable experience with sustainable green building techniques. The proposal addresses preservation needs for the aging housing stock in Cloquet. The City of Cloquet has made a strong commitment of pilot funds to test the community land trust model market in their city.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The expansion of NCLT's acquisition-rehab-resale program to Cloquet is in response to need expressed by the City of Cloquet, Carlton County, a local housing task force, local employers, the local Realtor community, and prospective NCLT homebuyers. The Duluth Area Association of Realtors, which also serves the City of Cloquet, has seen significant interest in NCLT expanding to Cloquet. The similarities between central Duluth and central Cloquet include the age, size and condition of the homes, lot size, population density, median income and proximity to community services. NCLT has received numerous inquiries from home buyers looking for affordable homeownership opportunities in Cloquet during the last few years. Preference for developing community land trust homes in Cloquet will be given to those applicants already working in the Cloquet area, including the Fond du Lac reservation, Fond du Lac Community College, and the Black Bear Casino. The goal is to serve people already invested in Cloquet, by providing them with an affordable home in which to make a long-term commitment to the community.

Funding Priorities

Organizational Capacity

As of June 30, 2011, NCLT has developed and sold a total of 211 single family housing units in addition to its multi-family project. Of these 211 units, 63 were new construction, 94 were buyer initiated, and 57 were acquisition-rehabilitation. Of the 57 properties acquired for the acquisition-rehabilitation program between January 1, 2009 and June 1, 2011, 39 were foreclosed properties (68%). In addition, NCLT has successfully managed the resale of 57 NCLT homes. This funding will allow NCLT to expand into Cloquet for the first time.

Foreclosure Remediation

This proposal does not meet Minnesota Housings definition of foreclosure remediation.

Transportation Costs and Access to Transit

The majority of the target area is located in core Cloquet neighborhoods and therefore well within one mile of a variety of facilities and services. Two small pockets of the target area are located in the Cloquet periphery. All of these areas are served by dial-a-ride services seven days a week.

Economic Integration

Cloquet meets community economic integration needs, because both its median family income and its total number of low wage jobs are in the 60-80th percentile for Greater Minnesota. This application qualifies for community economic integration because its median family income is in the 60-80th percentile for Greater Minnesota, and its total number of low-wage jobs is in the 20-40th percentile for Greater Minnesota.

Sources and Uses, Local Investment and Leverage

Interim financing is not being requested in this application. However, NCLT is currently awaiting $200,000 in interim financing from the Minnesota Department of Corrections, through its Institution Community Work Crew (ICWC) program. In addition, NCLT is currently using and recycling Greater Minnesota Housing Fund (GMHF) interim financing dollars, some of which could potentially be used in Cloquet. Funds will also leverage a $90,000 commitment from the City of Cloquet and funding from NeighborWorks® America, the Federal Home Loan Bank, and the Department of Corrections.

Marketing

NCLT markets through newspapers, the Multiple Listing Service (MLS), homebuyer education services, staffing tables at community events, Community Land Trust orientations, open houses, premarketing of homes, and has good relationships with Duluth brokers and lending partners.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Cloquet, MN

Unit Information	
Style of unit	Variety
Finished square feet	1100
Unfinished square feet	
Bedrooms	3
Bathrooms	1
Garage	N
Number of Stalls	0
Visitability	N

Development Cost Information	
Land Acquisition Cost	$12,000
Total Per Unit Hard Costs	$144,500
Total Per Unit Soft Costs	$30,500
Total Development Costs Per Unit	$175,000
Anticipated Mortgage Amount	$94,000

Value Gap	
Per Unit Value Gap Amount Needed	$45,000
Sources	**Amount**
Minnesota Housing CRV	$15,000
Neighborworks	$10,000
City of Cloquet	$10,000
Federal Home Loan Bank	$10,000
Totals	$45,000

Affordability Gap	
Per Unit Affordability Gap Needed	$36,000
Sources	**Amount**
Minnesota Housing CRV	$10,000
GMHF Affordabilty Gap	$8,500
Neighborworks	$5,000
City of Cloquet	$12,500
Totals	$36,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Dept. of Corrections Interm. Financing	State Government	$0	$0	$200,000	$0	$200,000	07/01/2011
City of Cloquet	Local Government	$90,000	$0	$0	$0	$90,000	
Neighborworks	Federal Government	$60,000	$0	$0	$0	$60,000	
Federal Home Loan Bank	Federal Government	$0	$0	$40,000	$0	$40,000	10/01/2011
	Total	$150,000	$0	$240,000	$0	Total Leverage	
	Total Committed	$150,000	Total Pending	$240,000		$390,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Northern Communities Land Trust

City
Duluth

Community Proposal Details
Permanently Affordable Acquisition-Rehab-Resale

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Saint Louis	NORTHEAST	CRV

Minimum Request	Maximum Request
$271,000	$406,000

Funding Recommendations

CRV Amount $406,000 **Number of New Units** **Number of Rehab Units** 9 **Total Number of Units** 9

Funding Partner **Amount**

Project Description

Northern Communities Land Trust (NCLT) is requesting value and affordability gap financing to facilitate rehabilitation of homes in the City of Duluth for households with incomes below 80% of area median income (AMI). They will acquire, rehabilitate, and sell single family foreclosed or abandoned and/or condemned homes in the target core neighborhoods of Duluth. Affordability gap funds were also requested for urban Indian housing to members of federally recognized tribes. Units will be purchased through lenders, U.S. Department of Housing and Urban Development (HUD), National Community Stabilization Trust via Greater Minnesota Housing Fund (GMHF), and the Multiple Listing Service (MLS).

Justification

NCLT has a solid track record in acquisition-rehabilitation-resale projects as well as strong implementation partners. They have notable experience with sustainable green building techniques. This proposal addresses preservation needs for the aging housing stock in Duluth.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards
Project Feasibility
The target area for this program is home to an estimated 12,406 people. People of color constitute a higher percentage of the target area's tota population than in the City of Duluth, St. Louis County, or the State of Minnesota. The poverty rate in the target area is significantly higher than city county, or state-wide rates. The average median household income for all target areas is significantly lower than the median household income of the city county, or state. The percentage of housing units occupied by homeowners is significantly lower in these target areas than in the city, county, or state. The average median age of housing is significantly higher in these areas than in the city, county, or state.
Funding Priorities
Organizational Capacity
As of June 30, 2011, NCLT has developed and sold a total of 211 single family housing units, in addition to a multi-family project. Of these 211 units, 63 were new construction, 94 were buyer initiated, and 54 were acquisition-rehabilitation. Of the 54 properties acquired for the acquisition-rehabilitation program between January 1, 2009 and June 1, 2011, 39 were foreclosed properties (68%). In addition, NCLT has successfully managed the resale of 57 NCLT homes.
Foreclosure Remediation
This proposal does not meet Minnesota Housings definition of foreclosure remediation.
Transportation Costs and Access to Transit
The target areas of this program are all core neighborhoods of the city of Duluth. They are served extensively by public bus routes of the Duluth Transit Authority.
Economic Integration
This proposal does not meet Minnesota Housings definition of economic integration.
Sources and Uses, Local Investment and Leverage
NCLT has $1,177,500 in committed leverage from federal, state and local funds. NCLT minimizes acquisition costs by purchasing foreclosed homes directly from lenders, through Fannie Mae's First Look Program, and through the National Community Stabilization Trust via GMHF. These partnerships allow NCLT to purchase homes at prices up to 30% below market value.
Marketing
NCLT markets through newspapers, MLS, homebuyer education services, staffing tables at community events, Community Land Trust orientations, open houses and premarketing homes. They have a good working relationship with Duluth brokers and lending partners.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Duluth, MN

Unit Information	
Style of unit	Variety
Finished square feet	1100
Unfinished square feet	
Bedrooms	3
Bathrooms	1
Garage	N
Number of Stalls	0
Visitability	N

Development Cost Information	
Land Acquisition Cost	$12,000
Total Per Unit Hard Costs	$142,500
Total Per Unit Soft Costs	$30,500
Total Development Costs Per Unit	$173,000
Anticipated Mortgage Amount	$87,000

Value Gap	
Per Unit Value Gap Amount Needed	$49,000
Sources	**Amount**
Minnesota Housing CRV Funds	$21,000
Neighborworks	$8,000
City of Duluth HOME	$20,000
Totals	$49,000

Affordability Gap	
Per Unit Affordability Gap Needed	$37,000
Sources	**Amount**
Minnesota Housing CRV	$4,000
GMHF Affordability Gap	$8,500
City of Duluth HOME	$7,500
Neighborwork	$7,000
Federal Home Loan Bank AHP	$10,000
Totals	$37,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
City of Duluth HOME FY11	Local Government	$327,500	$0	$0	$0	$327,500	
Federal Home Loan Bank	Federal Government	$0	$0	$90,000	$0	$90,000	
MHFA - CRV 10-2010-14	State Government	$460,000	$0	$0	$0	$460,000	
Neighborworks	Federal Government	$90,000	$0	$0	$0	$90,000	
GMHF - Interim Financing	Federal Government	$300,000	$0	$0	$0	$300,000	
	Total	$1,177,500	$0	$90,000	$0	Total Leverage	
	Total Committed	$1,177,500	Total Pending	$90,000		$1,267,500	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Midwest Minnesota Community Development

City
Multiple

Community Proposal Details
Affordable Rural Construction-Crookston, Detroit Lakes, Thief River Falls Region

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Becker	SOUTHEAST	CRV

Minimum Request	Maximum Request
$300,000	$500,000

Funding Recommendations

CRV Amount $300,000 **Number of New Units** 2 **Number of Rehab Units** **Total Number of Units** 2

Funding Partner **Amount**

Project Description

Funds are being requested for $300,000 in interim construction financing to support new construction of presold homes in three Midwest Minnesota Community Development Corporation (MMCDC) subdivisions. MMCDC has two subdivisions under development in the cities of Thief River Falls and Detroit Lakes using tax increment financing. An additional development using existing lots at a former elementary school is being finalized in the City of Crookston. MMCDC serves as developer, with a variety of affordable housing designs for potential buyers to choose. The target population earns income up to 115% of area median family income (AMI)

Justification

MMCDC has provided information confirming an increasing homeownership need in each community where new construction activity will be undertaken. There is also some sign of home sales increasing within these targeted communities. No gap financing is being requested. This recommendation meets Minnesota Housing's economic integration and transportation priority criteria. MMCDC's organizational staff and history are strong.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	NO
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards
Project Feasibility
This project meets the need for quality housing desirable to working families, supported by affordable mortgage loans. Homes will be located in desirable communities with adequate jobs and good school systems. MMCDC has been successful with affordable housing programs in these communities. Since the homes are presold, the completion schedule is based on the home sale date plus 120-180 days for the closing to the end buyer.
Funding Priorities
Organizational Capacity
MMCDC top management has a combined 70 years of banking and financing experience they used to create a cooperatively owned construction company in 1998 to develop housing affordable in rural markets. Membership in the construction cooperative now exceeds 60; mostly carpenters, plumbers, electricians and other suppliers of labor and material used in home building. MMCDC has developed 144 single-family homes to date in communities with expanding workforces. They also develop multi-family housing when need and opportunity arise.
Foreclosure Remediation
This project does not meet Minnesota Housing's Foreclosure Remediation priority.
Transportation Costs and Access to Transit
This development activity meets the transportation priority threshold criteria. The proposed housing will be built within census tracts that are within five miles of 2,000 low and moderate wage jobs. Dial-a-ride services are available in each of these communities.
Economic Integration
The census tracts for the Cities of Detroit Lakes and Crookston and meet Minnesota Housing's economic integration priority. The census tracts for Thief River Falls do not meet economic integration requirements.
Sources and Uses, Local Investment and Leverage
MMCDC has $500,000 in matching interim funds from Catholic Health Initiatives. The cities of Thief River Falls and Detroit Lakes previously provided tax increment financing (TIF) for infrastructure development. TIF financing is not required in Crookston because the lots already are developed. Crookston will provide fee waivers and incentives for new construction within the city limits.
Marketing
Homes are advertised via MMCDC's and the development partners' websites, signage and advertisements. In the City of Crookston, homeownership incentives are marketed through the City website and the local housing authority's marketing brochures. In Thief River Falls, marketing materials are provided to the two primary employers, Arctic Cat and Digi-Key.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Scattered Site - Crookston, Thief River Falls, Detroit Lakes

Unit Information	
Style of unit	2+ Story
Finished square feet	1176
Unfinished square feet	
Bedrooms	2
Bathrooms	1
Garage	Y
Number of Stalls	2
Visitability	

Development Cost Information	
Land Acquisition Cost	$12,000
Total Per Unit Hard Costs	$153,600
Total Per Unit Soft Costs	$11,400
Total Development Costs Per Unit	$165,000
Anticipated Mortgage Amount	$162,000

Value Gap	
Per Unit Value Gap Amount Needed	$
Sources	**Amount**
None	$
Totals	$

Affordability Gap	
Per Unit Affordability Gap Needed	$3,000
Sources	**Amount**
Various Down Payment Assistance Programs	$3,000
Totals	$3,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
City of Thief River Falls TIF	Local Government	$0	$170,760	$0	$0	$170,760	
City of Detrioit Lakes TIF	Local Government	$0	$325,000	$0	$0	$325,000	
Catholic Health Initiatives	Non-Profit	$500,000	$0	$0	$0	$500,000	
	Total	$500,000	$495,760	$0	$0	Total Leverage	

Total Committed $995,760 Total Pending $0 $995,760

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Red Lake Reservation Housing Authority

City
Redlake

Community Proposal Details
Red Lake Homeownership Initiative

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Beltrami	NORTHWEST	CRV

Minimum Request	Maximum Request
$500,000	$500,000

Funding Recommendations

CRV Amount $300,000 **Number of New Units** 90 **Number of Rehab Units** **Total Number of Units** 90

Funding Partner Greater Minnesota Housing Fund **Amount** $200,000

Project Description

Funds are being requested for value gap grant funds in the amount of $300,000. The Red Lake Reservation Housing Authority (RLRHA) through their Homeownership Initiative project will create 90 new homes to be sold at a price affordable to families at or below 80% area median income and well below the home prices in the surrounding area. The assistance Minnesota Housing will contribute equals approximately $3,500 per unit. The project is well leveraged with federal funding and tax credit financing. This project will provide opportunities for low and moderate income families develop financial independence, experience stability and strengthen their cultural bonds by remaining in the community. All units will be three bedroom, single-family detached homes and will be available to tribal households. The housing authority has identified specific goals to achieve its mission including creating a more economically integrated community, increasing the rate of homeownership on the reservation, integrating the use of green development standards, and meeting the pressing needs of low and moderate-income families. Without this project, homebuyers will have a very difficult time finding a comparable quality home at an affordable price. The Red Lake Reservation Housing Authority is the sole housing developer on the reservation.

Justification

RLRHA demonstrates a high need for increasing home ownership on the reservation. This need is supported with a list of tribal members waiting for homes. Their funding partner, Greater Minnesota Housing Fund (GMHF), is committed to this project. RLRHA has a history delivering affordable housing within a short period of time. This project is well leveraged requiring only minimum CRV investment to produce 90 units of affordable housing.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	NO
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

This program supports and adds to a growing workforce. The Red Lake Homeownership Initiative will provide local construction jobs to build the 90 homes in Redby and Red Lake. This will prevent residents from leaving the reservation for work and homeownership opportunities. The program supports increasing homeownership and community stabilization. Keeping more families on the reservation is an important component to maintaining tribal cultural bonds. As one of the few tribes still located on aboriginal land, it is important to the tribe to maintain its cultural heritage and its homeland. By offering homes for sale on the reservation, the tribe can maintain a consistent population base and better fund and promote cultural activities.

Funding Priorities

Organizational Capacity

During the past 45 years, the RLRHA has provided over 700 homes to low and very low-income tribal families on the reservation. However, RLRHA has been unable to meet the growing needs of families on the reservation with incomes between 60% and 80% of AMI. The Red Lake Homeownership Initiative will provide an alternative to RLRHA's use of the Low Income Housing Tax Credit program, offering an immediate homeownership opportunity to qualified families that demonstrate an ability and desire to take on the responsibility of homeownership. RLRHA has completed six one-bedroom units with CRV funds received in 2006 as part of the Bezhig project. They also received CRV funds in 2007 for the construction of 10 homes as part of the Wakigan project. The Red Lake Housing Finance Corporation manages a third project, the Highlands, that received CRV funds in 2004. All of these projects have been completed and homes are currently occupied. Most recently, RLRHA received CRV funds in 2010 for its McBride's Second Edition project that is under construction.

Foreclosure Remediation

This is not a foreclosure remediation activity.

Transportation Costs and Access to Transit

The housing has access to dial-a-ride services during standard workday hours. This transit service is available for pick-up/drop-off to and from anywhere on the Red Lake Reservation with a phone call to Red Lake Transit.

Economic Integration

This proposal does not meet Minesota Housing's definition of economic interation.

Sources and Uses, Local Investment and Leverage

RLRHA will keep costs low by limiting government approval processes and maintaining control over all purchasing related to the construction of the project. All contracts and subcontracts entered into during construction will go through RLRHAs procurement policies to ensure cost effectiveness. As the reservation's sole provider for new construction and rehab projects, RLRHA is extremely knowledgeable of the costs to construct homes on the reservation. As feasible, RLRHA will procure services quickly to avoid rising costs of construction materials.

Marketing

The tribe authorized the formation of the RLRHA to specifically address the housing needs of families living on the Red Lake Reservation. The majority of their work includes assessing the reservation's current housing needs, rehabilitating their existing housing stock, building new units, and planning future development communities. Given the need for housing, both homeownership and rental, there is very little need for marketing.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Red Lake Reservation

Unit Information	
Style of unit	Rambler
Finished square feet	1100
Unfinished square feet	
Bedrooms	3
Bathrooms	1
Garage	N
Number of Stalls	0
Visitability	N

Development Cost Information	
Land Acquisition Cost	
Total Per Unit Hard Costs	$125,324
Total Per Unit Soft Costs	$10,232
Total Development Costs Per Unit	$135,556
Anticipated Mortgage Amount	$79,000

Value Gap	
Per Unit Value Gap Amount Needed	$5,556
Sources	**Amount**
Minnesota Housing CRV	$3,333
Greater Minnesota Housing Fund	$2,223
Totals	$5,556

Affordability Gap	
Per Unit Affordability Gap Needed	$51,000
Sources	**Amount**
Federal Government Funding	$51,000
Totals	$51,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Title VI Loan Guarantee		$0	$0	$4,604,000	$0	$4,604,000	
HuD Rural Innovation Fund	Federal Government	$0	$0	$200,000	$0	$200,000	10/01/0011
Federal Home Loan Bank AHP	Lender	$0	$0	$1,900,000	$0	$1,900,000	10/01/0011
New Markets Tax Credits	Lender	$0	$0	$2,696,000	$0	$2,696,000	
Indian Conmmunity Development Block Grant	Federal Government	$0	$0	$500,000	$0	$500,000	01/01/0012
	Total	$0	$0	$9,900,000	$0	Total Leverage	
	Total Committed	$0	Total Pending	$9,900,000		$9,900,000	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Three Rivers Community Action, Inc.

City
Multiple

Community Proposal Details
EMHI Focused Gap Financing

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Rice	SOUTHEAST	CRV

Minimum Request	Maximum Request
$350,000	$500,000

Funding Recommendations

CRV Amount $100,000 **Number of New Units** **Number of Rehab Units** 7 **Total Number of Units** 7

Funding Partner Greater Minnesota Housing Fund **Amount** $250,000

Project Description

Funds are being requested for needs-based affordability gap financing focused on assisting emerging market households earning up to 80% of area median income and single-headed households with children and/or disabled households, earning up to 60% of AMI to purchase a home in targeted southern Minnesota communities, including: Rochester (Olmsted), Faribault (Rice), Albert Lea (Freeborn), Owatonna (Steele), Austin (Mower), Northfield (Rice) and Mankato (Blue Earth). These target areas are racially diverse, have strong employment opportunities and household growth. Buyers are encouraged to use tools like affordable mortgage products and local down payment assistance pools before requesting Community Revitalization Fund (CRV) assistance. Targeted buyers will have access to assistance up to $28,500 from CRV and Greater Minnesota Housing Fund (GMHF) resources.

Justification

Affordability gap financing will increase emerging market homeownership, help stabilize communities and provide workforce housing. Many of the target households are new immigrants to Minnesota, coming to work in growing food processing, medical or service industries. Households using gap financing will be served by homebuyer counseling and education from Three Rivers and Southwest Minnesota Housing Partnership (SWMHP) through the Achieve Homeownership Initiative.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

Several counties in the region added jobs since 2000 in the growth industries of food processing and health care industries that employ new immigrants. This project will help create needed workforce housing for new employees in these industries and further stabilize these communities.

Funding Priorities

Organizational Capacity

Three Rivers, incorporated in 1966, is a non-profit human services organization with a mission to work with community partners addressing basic human needs, thereby improving the quality of life of individuals, families and the community. Three Rivers has been working with communities throughout the region on community stabilization efforts to address vacant and blighted homes due to foreclosures. In partnership with SWMHP, Three Rivers launched the Achieve Homeownership Initiative increasing the number of diverse homeowners. The Achieve Homeownership team is composed of experienced housing professionals who come to the program with lending, banking, real estate, counseling and teaching experience. The addition of this program has significantly increased the ability of Three Rivers and its regional partners to serve diverse households with homeownership programs. The Achieve Homeownership staff will be providing Home Stretch, pre-purchase counseling, financial literacy, homebuyer mentoring, and support through the buying process.

Foreclosure Remediation

The proposal does not meet Minnesota Housing's foreclosure remediation definition.

Transportation Costs and Access to Transit

Although the availability of transit varies, several of the target communities have regular transit routes and stops (Rochester, Mankato, Austin, Albert Lea, Owatonna, Faribault, Red Wing and Winona). The remaining have dial-a-ride service available.

Economic Integration

Some areas in southern Minnesota show a need for economic integration while others do not. A scattered site approach is a mixed-income approach to providing affordable housing. Homes may be purchased in neighborhoods where there is a mix of housing types and prices. Three Rivers will work with each homebuyer to determine the right mix of programs for their specific situation.

Sources and Uses, Local Investment and Leverage

Three Rivers will be evaluating each buyer's application to determine the correct amount of needs-based gap financing assistance required. Buyers must contribute a minimum of $500 of their own funds. Leveraged funds have been committed from the Federal Home Loan Bank Affordable Housing Program.

Marketing

Three Rivers has established Cultural Working Groups in Rochester, Austin and Faribault. These groups meet regularly and bring together resource providers and community leaders providing feedback on the needs of the diverse households in the community. The groups have proven to be a good source of client referrals. Relationships with culturally-specific service providers such as the Somali Community Resettlement Services, New Sudan HOPE and Spanish Head Start provide additional direct client referrals and serve as a means of establishing Three Rivers staff as trusted advisors to the African immigrant and Latino communities. They have a strong network of lending partners including a group who have signed onto a regional CASA initiative.
Three Rivers advertises in Eventos, a free Spanish monthly newspaper in Southern Minnesota and their Achieve Homeownership Initiative website lists resources, gap financing guidelines and class schedules for English and Spanish-speaking clients. Three Rivers also advertises on the Spanish radio station in Faribault. The Somali community in Rochester has a cable-access channel and runs advertising for the homeownership programs and services at no cost. Finally, word of mouth from previous clients has proven one of the best ways to reach emerging market households.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Scattered sites in SE

Unit Information	
Style of unit	Variety
Finished square feet	2000
Unfinished square feet	500
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	2
Visitability	N

Development Cost Information	
Land Acquisition Cost	$12,000
Total Per Unit Hard Costs	$107,385
Total Per Unit Soft Costs	$26,115
Total Development Costs Per Unit	$133,500
Anticipated Mortgage Amount	$105,000

Value Gap	
Per Unit Value Gap Amount Needed	$
Sources	**Amount**
	$
	$
	$
Totals	$

Affordability Gap	
Per Unit Affordability Gap Needed	$28,500
Sources	**Amount**
Minnesota Housing CRV Funds	$14,250
Greater Minnesota Housing Fund	$14,250
	$
Totals	$28,500

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Federal Home Loan Bank	Federal Government	$150,000	$0	$0	$0	$150,000	
	Total	$150,000	$0	$0	$0	Total Leverage	

Total Committed $150,000 Total Pending $0 $150,000

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Hutchinson Housing and Redevelopment Authority

City
Hutchinson

Community Proposal Details
Hutchinson Revitalization Project

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		McLeod	SOUTHWEST	CRV

Minimum Request	Maximum Request
$173,125	$218,785

Funding Recommendations

CRV Amount $173,125 **Number of New Units** **Number of Rehab Units** 10 **Total Number of Units** 10

Funding Partner **Amount**

Project Description

The Hutchinson Housing Redevelopment Authority (HRA) is requesting funds to implement two activities: To acquire/rehab/resell a foreclosed home in Hutchinson, and to continue the owner occupied rehab program leveraging Department of Employment and Economic Development's Small Cities Development Program (SCDP) funding. The first component to the application is for value gap to help mitigate foreclosure impact through preservation. McLeod County had 200 foreclosure sales in 2010. Value gap is being requested for one acquisition/rehab/resale project as well as interim construction financing. The homebuyers' targeted income is 80% or less of area median income. The second component to the application is for affordability gap funds to help preserve existing affordable housing. The Hutchinson HRA is in the middle of a successful SCDP project for income eligible owner occupied units. The current SCDP program, available city wide, provides rehab funding for 70% of the rehab project with 30% coming from owner matches. CRV deferred loan funds are requested for owner occupied rehab matching funds. Four homeowners will be assisted at or below 60% area median income who are not able to meet Community Fix Up Fund (CFUF) underwriting standards. Additionally, funds are recommeded to write down the CFUF interest rate to 4%. It is important to have rehab funding sources for all income groups to make an impact on neighborhoods. Therefore, the Hutchinson HRA is also proposing a CFUF discount loan with income eligibility up to 115% of area median income assisting another five households.

Justification

The HRA has a good track record with past CRV award implementation. Hutchinson has a high need for community stabilization. The local community provides financial support with above average leverage. This activity is development ready. The activity also has Greater Minnesota Housing Fund (GMHF) financial support. The Minnesota Housing Community Fix-up Fund also complements the owner occupied rehab activity to be undertaken with this program.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	YES
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

The housing activities undertaken are a multi-faceted approach to the housing needs in Hutchinson. The flexibility of the CRV program allows the HRA to administer a variety of housing activities with cumulative impact on increased homeownership and/or improvement and stabilization of neighborhoods that have been affected by the layoffs at Hutchinson Technology, Inc. These funds, in conjunction with SCDP, GMHF and local funds, are rejuvenating deteriorating housing stock and preventing the decline of neighborhoods. The HRA works with the city to pursue the feasibility of purchasing nuisance properties.

Funding Priorities

Organizational Capacity

Hutchinson HRA administers four owner-occupied rehabilitation programs through DEED in addition to administering Minnesota Housing's Rehabilitation Loan Program, Fix-up Fund program, the Community Fix-up Fund program and GMHF's rehabilitation program. The program administrators also have extensive experience with affordability gap products and foreclosure recovery funding.

Foreclosure Remediation

This application does meet Minnesota Housing's definition of foreclosure remediation. McLeod County had 200 foreclosure sales in 2010. Hutchinson had 62 foreclosure sales in 2010, an increase of 24% from 2009. Even though Hutchinson is not listed as a high need foreclosure area, foreclosures are likely to increase with the announced loss of 600 jobs at Hutchinson Technology, Inc., following 900 layoffs in 2009.

Transportation Costs and Access to Transit

Hutchinson has access to dial-a-ride service via Trailblazer Transit. It is within census tracts that have over 2,000 low and moderate wage jobs. Therefore, this proposal meets the Minnesota Housing transportation priority definition.

Economic Integration

Hutchinson's proposal activity is within two census tract areas: the north census tract meets or exceeds the higher need for economic integration, and the south census tract meets a moderate need for economic integration.

Sources and Uses, Local Investment and Leverage

This proposal has leverage funding from local government and non-profit entities. These include the HRA, city government, DEED and GMHF. The total leverage is estimated at $609,000. This proposal also has two regulatory incentives: wavier of impact fees and waiver of building permit fees valued at $3,325.

Marketing

Direct mailing of HRA program brochures to employers, daycare facilities and assistance agencies has been a successful marketing tool. Program information in utility bills and on the local cable television channel has also been successful. Households that complete the full application and verification documents with the HRA to confirm eligibility for the program requirements will be processed on a first come, first served basis. Households experiencing emergency housing deficiencies will receive priority (i.e. children with elevated blood lead levels, and other serious verified health and safety violations).

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Unit Style #	1	Acquistion Rehab Resale of Foreclosed Homes

Unit Information	
Style of unit	Variety
Finished square feet	1500
Unfinished square feet	
Bedrooms	3
Bathrooms	2
Garage	Y
Number of Stalls	1
Visitability	N

Development Cost Information	
Land Acquisition Cost	$5,000
Total Per Unit Hard Costs	$115,607
Total Per Unit Soft Costs	$19,393
Total Development Costs Per Unit	$135,000
Anticipated Mortgage Amount	$100,000

Value Gap	
Per Unit Value Gap Amount Needed	$35,000
Sources	**Amount**
Minnesota Housing CRV	$35,000
	$
Totals	$35,000

Affordability Gap	
Per Unit Affordability Gap Needed	$
Sources	**Amount**
	$
Totals	$

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
GMHF-Interim Loan	Non-Profit	$125,000	$0	$0	$0	$125,000	
DEED SCDP	State Government	$125,000	$0	$0	$0	$125,000	
City of Hutchinson Demolition Funds	Local Government	$25,000	$0	$0	$0	$25,000	
GMHF - Gap Assistance	Non-Profit	$90,000	$0	$0	$0	$90,000	
City of Hutchinson Revoling Loan	Local Government	$125,000	$0	$0	$0	$125,000	
Hutchinson HRA Revolving Loan	Local Government	$30,000	$0	$0	$0	$30,000	
Hutchinson HRA Entry Cost Assistance	Local Government	$30,000	$0	$0	$0	$30,000	
GMHF Deferred Loan	Non-Profit	$39,550	$0	$0	$0	$39,550	
Hutchinson High School	Local Government	$0	$20,000	$0	$0	$20,000	
	Total	$589,550	$20,000	$0	$0	Total Leverage	
	Total Committed	$609,550	Total Pending	$0		$609,550	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Southwest Minnesota Housing Partnership

City
Multiple

Community Proposal Details
Southwest Minnesota Regional Rehabilitation Pool

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Rock	SOUTHWEST	CRV

Minimum Request	Maximum Request
$156,705	$313,410

Funding Recommendations

CRV Amount $313,410 **Number of New Units** **Number of Rehab Units** 46 **Total Number of Units** 46

Funding Partner **Amount**

Project Description

Funds are being requested for an owner occupied rehabilitation program for households earning below 60% area median income (AMI) in southern Minnesota. The Southwest Minnesota Housing Partnership (SWMHP) will serve multiple counties in southern Minnesota to preserve existing housing stock. To achieve this goal, SWMHP developed and maintains a Regional Rehabilitation Pool to provide matching funds for Small Cities Development Program (SCDP) owner-occupied rehabilitation efforts to address health and safety issues, energy efficiency, accessibility, and lead hazards in the homes they rehabilitate. The CRV interest free deferred loan will be one of several resources available for the Rehabilitation Pool to maximize leverage.
SWMHP is also requesting funds to reduce Community Fix-up Fund (CFUF) interest rates for homeowners between 60% and 115% AMI in need of SCDP matching funds. SWMHP is currently administering 10 SCDP projects with 171 individual owner-occupied housing rehabilitation units. This requires extensive lead hazard assessment and lead abatement work. While necessary, this work is driving up the average cost of rehabilitation projects and is requiring low income homeowners to seek additional funding through the Regional Rehabilitation Pool or the CFUF program in order to meet SCDP program matching requirements. This request is based on an average rehabilitation cost of $10,000. In summary, a recommended amount of $313,410 will allow the following activities: $282,600 for interest free deferred loans targeted to 36 households at or below 60% AMI and $30,810 to reduce the CFUF interest rate to 1% for 10 households with incomes at or below 115% area median income.

Justification

The project meets the housing preservation strategic priority by providing for interest free funding resources for maintenance of affordable housing. It supports a housing rehabilitation program that encourages long-term community preservation of single family housing. The project also leverages state, federal, private and other financing resources to serve households between 60% and 100% AMI that have rehabilitation needs. Southwest Minnesota Housing Partnership's (SWMNHP) Regional Rehabilitation Pool has proven to work as an efficient and effective means of delivering funds to the region through their long established field administrators and funding participants. The CRV funding contribution complements SCDP and Greater Minnesota Housing Fund (GMHF) financial support. CRV resources are well leveraged providing minimum investment for a large service area for necessary health and safety home improvements. This rehabilitation activity links the need to community profile data well. SWMHP is thorough in their approach to the program and it is well run.

Board Summary Report
2011-CRV

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	YES
Does the proposal Finance New Affordable Housing Opportunities?	NO

Selection Standards

Project Feasibility

A high concentration of old housing stock, in conjunction with low incomes and high poverty rates, supports the need for owner-occupied rehabilitation for low-to-moderate income households. Rehabilitation will preserve existing housing for a growing workforce and avoids the need and additional cost of demolition and creation of replacement housing. Though this process, property owners are able to stay in their homes longer with rehabilitation programs that focus on health and safety, code violations, accessibility, and energy efficiency. The SCDP income maximum is 80% AMI which includes a broad range of incomes and makes the rehabilitation program affordable to variety of individuals. This rehabilitation program also encourages the owner to invest funds in improvements that will increase the home's value and lower utility costs.

Funding Priorities

Organizational Capacity

SWMHP routinely employs a strategic planning process to evaluate the needs of the communities it serves. To uphold SWMHP's mission, the organization has developed strategic goals to meet identified needs. In southern Minnesota, preservation of owner-occupied housing has surfaced as a need because it increases the health and safety of housing for the occupants, prolongs the life of affordable housing stock, leverages state and federal resources, increases home values within the region, and increases the affordability of necessary improvements for borrowers. The Regional Rehabilitation Pool was created and is maintained to assist SWMHP meeting this need by matching SCDP rehabilitation efforts.

Foreclosure Remediation

This proposal does not meet the Minnesota Housing foreclosure remediation priority definition. The activity is not directly related to foreclosure remediation.

Transportation Costs and Access to Transit

Because the Regional Rehabilitation Pool covers such a broad service area in southern Minnesota, there is not one specific location to determine exact distances from community facilities. The distance from community services vary by community but, in most cases, services are located 0.5 mile or less from rehabilitation areas. Community Action Agencies (CAP) provide dial-a-ride services to multi-county areas within the Regional Rehabilitation Pool service area. Transportation information from the following CAPs was included with this proposal: Southwest Minnesota Opportunity Council, Western Community Action, Prairie Five, and Minnesota Valley Action Council. The agencies offer different schedules but all provide a viable transit alternative that can be used for transportation to work, school, shopping, services, and appointments.

Economic Integration

The following counties in the target area have a high need for economic integration as defined by Minnesota Housing's Community Profiles: Lyon, Blue Earth, Brown, Nicollet, Kandiyohi, Meeker, Le Sueur and McLeod. This means that that these areas have high incomes and are proximate to low and moderate wage jobs. The following additional counties in the target area have a moderate need for economic integration: Nobles, Pipestone, Cottonwood, Martin, and Chippewa.

Sources and Uses, Local Investment and Leverage

SWMHP has obtained significant leverage resources of $1,749,000 from SCDP and the Department of Health. They anticipate obtaining additional resources from the Federal Home Loan Bank of Des Moines. SWMHP employs a competitive bidding process and combines resources to minimize staff time and duplication of services, thus keeping administrative costs low.

Marketing

To reach low to moderate income homeowners, applications are solicited through a variety of methods. When planning occurs on a SCDP program, it is marketed using outreach tools including community meetings, large local employers, public access television, newspapers, radio, and other media outlets. Pre-applications are collected in order to establish a waiting list for funds, to generate significant interest in the program during the initial planning stages, and to enable the project to begin immediately upon funding award. Once a project is funded, additional outreach is done to provide households with information on how to proceed in accessing the funding. If community interest is low during the project, additional outreach is done including mailings through local utility bills or newsletters, public access television, newspapers, and outreach to local service agencies. In addition to conducting mailings through local utility bills, SWMHP has worked with the local utility company to provide coupons for free compact fluorescent lamps (CFL), local rebates, energy saving fact sheets, and demonstrations on installing low flow showerheads and faucet aerators. SWMHP continues to look for new marketing opportunities, especially among emerging market households. They partner with local adult education, English as Second Language, and ethnic groups to build trust and ongoing relationships with service providers and immigrant households.

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Minnesota Department of Health	State Government	$300,000	$0	$0	$0	$300,000	
Federal Home Loan Bank	Lender	$0	$0	$0	$270,000	$270,000	11/15/0011
DEED 2011 SCDP (CDBG)	Federal Government	$1,449,027	$0	$0	$0	$1,449,027	
	Total	$1,749,027	$0	$0	$270,000	Total Leverage	
	Total Committed	$1,749,027	Total Pending	$270,000		$2,019,027	

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Applicant Name
Habitat for Humanity of Minnesota

City
Multiple

Community Proposal Details
Habitat for Humanity CRV#5

Application Type	Previous Contract Id	County	RHAGS Region	Program Name
Long Form		Otter Tail	WEST CENTRAL	CRV

Minimum Request	Maximum Request
$300,000	$345,000

Funding Recommendations

CRV Amount $345,000 **Number of New Units** 23 **Number of Rehab Units** **Total Number of Units** 23

Funding Partner **Amount**

Project Description

Funds are being requested for value gap assistance for Habitat for Humanity of Minnesota (Habitat Minnesota) affiliates in Greater Minnesota. Funds will be split between 21 Greater Minnesota Habitat affiliates serving 42 counties throughout the state. An average amount of $15,000 will be provided to Habitat Minnesota homes built in partnership with persons making at or below 50% of area median income (AMI) and who are either a single headed household or an ethnic and/or racial minority or have a family member with a disability. All homes will be new construction meeting Minnesota Green Communities requirements.

Justification

Habitat Minnesota researched Minnesota Housing's Community Profile data and selected 21 affiliates that they deemed to have the capacity to meet CRV program requirements. These affiliates serve 42 Greater Minnesota counties. Habitat Minnesota provides job training to volunteers on Minnesota Green Communities Criteria resulting in energy-efficient and sustainable housing. All housing will be built on in-fill lots using existing sewer and water infrastructure.

Strategic Priorities of Agency

Does the proposal End Long-Term Homelessness?	NO
Does the proposal Address Foreclosure Remediation?	NO
Does the proposal Preserve Affordable Housing?	NO
Does the proposal Finance New Affordable Housing Opportunities?	YES

Selection Standards

Project Feasibility

Habitat Minnesota used county-wide and city-wide data from the Community Profiles to guide them to geographic areas in Greater Minnesota that exhibit the following: a growing workforce, high median home sales price, lack of affordable rental housing, a high percentage of low-income families that are "cost-burdened," an increase in area job availability, and high job demand and vacancies for those jobs paying wages totaling below 50% of AMI (held by the majority of Habitat Minnesota homeowners). Every affiliate meets either a moderate or high need in the categories of Growing Workforce and/or Increasing Homeownership. Habitat's first mortgage is an interest free, 30-year mortgage. Habitat sets the first mortgage amount equal to the building cost, not including the value of sweat equity and volunteer labor, and if necessary, reduces the first mortgage so housing costs do not exceed 30% of the Habitat homeowner's income.

Funding Priorities

Organizational Capacity

Habitat Minnesota affiliates have been building homes for nearly 20 years. To date, they have produced over 890 homes. On average, Habitat Minnesota affiliates build 70-80 homes each year. All homes are built in partnership with persons earning up to 50% AMI who are selected before home building is begun. Approximately 85%-90% of all original Habitat homeowners still occupy their home. The average income of a Habitat homeowner is $25,828 (35% of the area median income). These 56 families exhibited the following demographic characteristics: single head of household (75%), ethnic/cultural minority households (32%) and households with a disabled family member (25%).

Foreclosure Remediation

This proposal does not meet the foreclosure remediation priority.

Transportation Costs and Access to Transit

This proposal does not meet the transportation priority.

Economic Integration

This proposal does not meet the economic integration priority.

Sources and Uses, Local Investment and Leverage

Based on Habitat Minnesota's historical use of CRV funding, affiliates provide 88% of the total development costs with non-state resources including contributions from local units of government and private philanthropic, religious, and charitable organizations. Value gaps range from $6,160 to $25,000, with an average gap of $15,000.

Marketing

Habitat Minnesota affiliates post notices and make personal presentations regarding Habitat for Humanity's mission, its family selection process and its open house dates at a variety of locations that work with low-income persons on a regular basis. Some examples include churches, laundromats, mobile home parks, thrift shops, pharmacies, women's shelters, Catholic Charities, United Way, Salvation Army, Community Action Agencies and Family Assets for Independence in Minnesota (FAIM) programs. Habitat affiliates commonly have five to ten qualified applicants for each home they are able to build.

Board Summary Report
2011 - CRV

Run Date: 11/09/2011

Unit Style #	1	Habitat for Humanity

Unit Information	
Style of unit	Rambler
Finished square feet	1064
Unfinished square feet	
Bedrooms	2
Bathrooms	1
Garage	N
Number of Stalls	
Visitability	Y

Development Cost Information	
Land Acquisition Cost	$12,546
Total Per Unit Hard Costs	$113,535
Total Per Unit Soft Costs	$10,882
Total Development Costs Per Unit	$124,417
Anticipated Mortgage Amount	$90,000

Development Sources	
Private Cash Donations	$71,790
Public Sector Funding - Federal, County, City	$10,275
In-Kind Donations	$27,352
Total Development Sources	$109,417
Development Gap	$15,000

Development Gap	
Per Unit Dev Gap Amount Needed	$15,000
Sources	**Amount**
Minnesota Housing - CRV	$15,000
Totals	$15,000

Affordability Gap	$34,417
Per Unit Affordability Gap Needed	
Sources	**Amount**
Habitat for Humanity - Recovered	$19,417
Habitat for Humanity - Unrecovered	$15,000
Totals	$34,417

Board Summary Report
2011-CRV

Run Date: 11/09/2011

Source of Leverage

Source	Organizational Type	Cash Committed	In-Kind Committed	Cash Pending	In-Kind Pending	Total	Approval Date
Habitat Affiliates Local Fund Raising		$1,969,145	$629,096	$0	$0	$2,598,241	
	Total	$1,969,145	$629,096	$0	$0	Total Leverage	
	Total Committed	$2,598,241	Total Pending	$0		$2,598,241	

Community Reinvestment Selections
Single Family - 2011

CRV Funded

- City Based
- County Based

19 Proposals

Co Funded

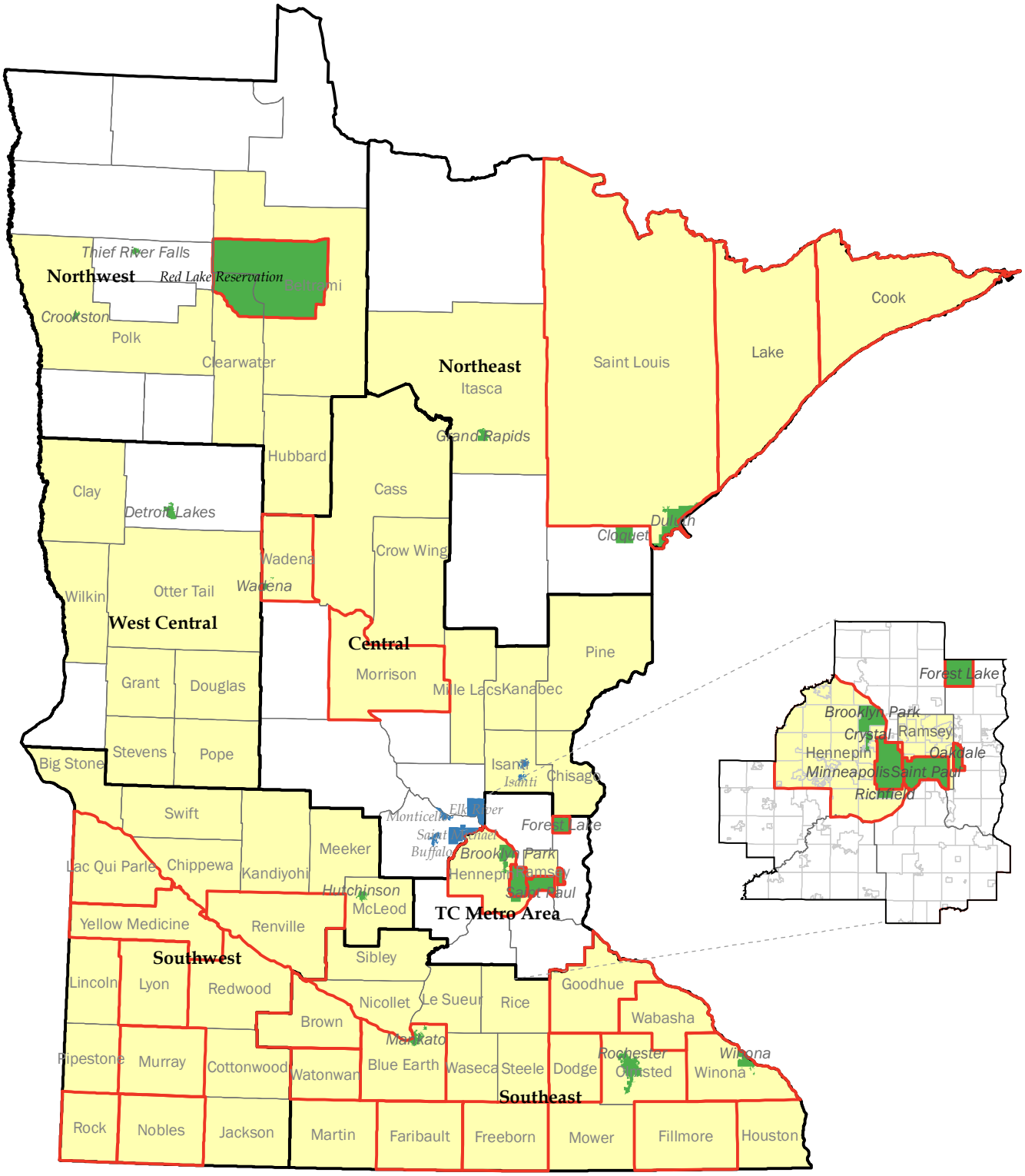
- City / Reservation Based
- County Based

7 Proposals

Partner Funded Only

- City Based

1 Proposal



Created: 11.03.2011 by: J Deegan Source: Minnesota Housing

Administrator Project Name Location	Unit Count					* Strategic Priorities # of Units			MH Funding			Funding Partner		Total Funding		
	Forecl Units	Rehab Exist	New To be Built	Total Units	Afford Units	Finance New Afford Hsg Opp	Forecl Rem	Preserve Afford Hgs	EDHC	EDHC INDIAN SET ASIDE	PAH	Met Council	GMHF	Total MH Funding	Total Partner Funding	Total Funding
METRO AREA																
Minneapolis																
City of Minneapolis Dept of Community Planning & Economic Development - Advantage Program	20			20	15	20	20	20	$200,000					$200,000	$0	$200,000
**City of Minneapolis Dept of Community Planning & Economic Development - Enhanced Rehab Support Program		50		50	40		50	50	$750,000					$750,000	$0	$750,000
City of Lakes Community Land Trust - Homebuyer Initiated Program (HIP)	4			4	4	4	4	4	$125,000			$175,000		$125,000	$175,000	$300,000
Greater Metropolitan Housing Corp - Fix Up Fund Incentive		110		110	90			110	$111,415					$111,415	$0	$111,415
Greater Metropolitan Housing Corp - Foreclosure Initative	20			20	16	20	20	20	$500,000					$500,000	$0	$500,000
Hennepin County Housing and Redevelopment Authority - Lead Safe Rehab Assistance Program		35		35	35			35	$160,720					$160,720	$0	$160,720
Powderhorn Residents Group, Inc. - Foreclosure Recovery Program II	7			7	6	7	7	7	$153,800		$210,000			$363,800	$0	$363,800
Urban Homeworks - Project Reclaim 2	20			20	20	20	20	20	$500,000					$500,000	$0	$500,000
Total Minneapolis:	71	195	0	266	226	71	121	266	$2,500,935	$0	$210,000	$175,000	$0	$2,710,935	$175,000	$2,885,935
Saint Paul																
Dayton's Bluff Neighborhood Housing Services - East Side Neighborhood Renewal	8			8	6	8	8	8	$75,000			$175,000		$75,000	$175,000	$250,000
Twin Cities Habitat for Humanity - Aurora St. Anthony	1	1		2	2	1	1	2	$89,000					$89,000	$0	$89,000
Total Saint Paul:	9	1	0	10	8	9	9	10	$164,000	$0	0	$175,000	0	$164,000	$175,000	$339,000
Minneapolis and Saint Paul																
Build Wealth Minnesota, Inc. - Family Stabilization Plan Program	15			15	15	15	15	15	$180,000					$180,000	$0	$180,000
Hennepin County Housing and Redevelopment Authority - Home Accessibility Ramp Program		37		37	30			37	$150,000					$150,000	$0	$150,000
Total Saint Paul/Minneapolis:	15	37	0	52	45	15	15	52	$330,000	$0	$0	$0	$0	$330,000	$0	$330,000
Suburbs																
Powderhorn Residents Group, Inc. - Foreclosure Recovery Program II. Brooklyn Park	3			3	2	3	3	3	$46,200		$90,000			$136,200	$0	$136,200
Two Rivers Community Land Trust - Safekeeping Affordable Homes. Forest Lake and Oakdale	3			3	3	3	3	3	$96,000		$200,000	$150,000		$296,000	$150,000	$446,000
West Hennepin Affordable Housing Land Trust - Homes Within Reach	2	1		3	3				$95,000			$150,000		$95,000	$150,000	$245,000
Total Suburbs:	8	1	0	9	8	6	6	6	$237,200	$0	$290,000	$300,000	$0	$527,200	$300,000	$827,200
Total METRO AREA:	103	234	0	337	287	101	151	334	$3,232,135	$0	$500,000	$650,000	$0	$3,732,135	$650,000	$4,382,135

Administrator Project Name Location	Unit Count					* Strategic Priorities # of Units			MH Funding			Funding Partner		Total Funding		
	Forecl Units	Rehab Exist	New To be Built	Total Units	Afford Units	Finance New Afford Hsg Opp	Forecl Rem	Preserve Afford Hgs	EDHC	EDHC INDIAN SET ASIDE	PAH	Met Council	GMHF	Total MH Funding	Total Partner Funding	Total Funding
GREATER MINNESOTA																
Central Region																
Central Minnesota Housing Partnership - Downpayment for Foreclosed Property Acq/Rehab/Resale				0			4						$100,000	$0	$100,000	$100,000
Total Central:	0	0	0	0	0	0	4	0	$0	$0	$0	$0	$100,000	$0	$100,000	$100,000
Northeast Region																
Arrowhead Economic Opportunity Agency - Single Family Rehabilitation		16		16	16			16	$134,400				$110,000	$134,400	$110,000	$244,400
Housing and Redevelopment Authority of Duluth - Single Family Rehab		9		9				9	$102,000					$102,000	$0	$102,000
Kootasca Community Action, Inc. - Grand Plaza Phase II - Grand Rapids			7		7	7			$75,000					$75,000	$0	$75,000
Northern Communities Land Trust - Acq-Rehab-Resale - Cloquet		3		3	3	3		3	$125,500					$125,500	$0	$125,500
Northern Communities Land Trust - Acq-Rehab-Resale - Duluth	9			9	9	9	9	9	$406,000					$406,000	$0	$406,000
Total Northeast:	9	28	7	37	35	19	9	37	$842,900	$0	$0	$0	$110,000	$842,900	$110,000	$952,900
Northwest Region																
Midwest Minnesota Community Development - Affordable Rural Construction			2		1	2					$300,000			$300,000	$0	$300,000
Red Lake Reservation Housing Authority - Homeownership Initiative			90	90	90	90				$300,000			$200,000	$300,000	$200,000	$500,000
Total Northwest:	0	0	92	90	91	92	0	0	$0	$300,000	$300,000	$0	$200,000	$600,000	$200,000	$800,000
Southeast Region																
Three Rivers Community Action, Inc. - EMHI Focus Gap		7		7	7	7		7	$100,000				$250,000	$100,000	$250,000	$350,000
Total Southeast:	0	7	0	7	7	7	0	7	$100,000	$0	$0	$0	$250,000	$100,000	$250,000	$350,000
Southwest Region																
Hutchinson Housing and Redevelopment - Hutchinson Revitalization	1	9		10	7	1	1	10	$73,125		$100,000			$173,125	$0	$173,125
Southwest Minnesota Housing Partnership - Regional Rehab Pool		46		46	40			46	$313,410					$313,410	$0	$313,410
Total Southwest:	1	55	0	56	47	1	1	56	$386,535	$0	$100,000	$0	$0	$486,535	$0	$486,535
West Central Region																
No funding recommended				0										$0	$0	$0
Total West Central:	0	0	0	0	0	0	0	0	$0	$0	$0	$0	$0	$0	$0	$0
Multiple Regions/ Cities																
Habitat for Humanity of Minnesota - CRV #5			23	23	23	23			$345,000					$345,000	$0	$345,000
Total Multiple Regions/Cities:	0	0	23	23	23	23	0	0	$345,000	$0	$0	$0	$0	$345,000	$0	$345,000
Total GREATER MINNESOTA:	**10**	**90**	**122**	**213**	**203**	**142**	**14**	**100**	**$1,674,435**	**$300,000**	**$400,000**	**$0**	**$660,000**	**$2,374,435**	**$660,000**	**$3,034,435**
Total STATE WIDE:	**113**	**324**	**122**	**550**	**490**	**243**	**165**	**434**	**$4,906,570**	**$300,000**	**$900,000**	**$650,000**	**$660,000**	**$6,106,570**	**$1,310,000**	**$7,416,570**

Key:

EDHC: Economic Development & Housing Challenge Program
PAH: Partnership for Affordable Housing Program
Met Council:Metropolitan Council
GMHF: Greater Minnesota Housing Fund
*Units may achieve multiple Stategic Priorities
**Approved October 2011

Note: All Co-Funder allocations are contingent upon individual board approval.

2011 Single Family RFP Non-Recommended Applications

Applicant, Development Name, Location	Dollars Requested
Greater Minnesota	
Central Region	
Minnesota Chipewa Tribe. Cass Lake	$187,500.00
Northwest Region	
Northwest Community Action - Northwest Minnesota Regional Downpayment Assistance Program. Northwest Region	$400,000.00
Southeast Region	
First Homes Properties - Heritage Homes Core Neighborhood Foreclosures. Rochester	$400,000.00
Total Greater Minnesota	**$987,500.00**

Twin Cities Metropolitan Area	
Children's Hope International / R & R Family Centers. Multiple projects with multiple locations	$500,000.00
Farrington Properties - Farrington Foreclosure Renovation Initiative. Hennepin, Ramsey, Washington County	$75,000.00
Greater Frogtown Community Development Corporation - Foreclosure Remediation Program. St. Paul	$320,000.00
Mid River Residence - Mid River Residences Cooperative. Hennepin County	$200,000.00
Robert Engstrom Capital Management LLC - Foreclosure Recovery. Brooklyn Park, Osseo, Maplewood, St. Paul	$2,250,000.00
Total Twin Cities Metropolitan Area	**$3,345,000.00**