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**MINNESOTA HOUSING ANNOUNCES \$38.8 MILLION IN
NEIGHBORHOOD STABILIZATION AWARDS**
Cities and Counties will use funding to combat foreclosure

(Saint Paul) Minnesota Housing Commissioner Dan Bartholomay announced \$38.8 million in awards to provide emergency assistance to help cities and counties rehabilitate and redevelop abandoned and foreclosed homes and stabilize neighborhoods hit by foreclosure.

Bartholomay was joined by Saint Paul Mayor Chris Coleman, Minneapolis Mayor R.T. Rybak and other community development leaders at a vacant house in the Frogtown neighborhood that had been vandalized and stripped of copper piping. The house is now undergoing significant rehabilitation to prepare it for the Minneapolis/Saint Paul Home Tour in April.

Governor Pawlenty announced last fall that Minnesota would receive the federal funds to acquire and redevelop foreclosed properties. The federal Neighborhood Stabilization Program is designed to combat the destabilizing effect that the foreclosure crisis has had on communities across the country.

In addition to stabilizing neighborhoods, research completed by Minnesota Housing indicates the remediation projects will generate tangible economic impact for the state.

"Of the \$38.8 million that Minnesota Housing is distributing under the Neighborhood Stabilization Program, we expect that at least half of the funding will be used for rehabilitation and redevelopment of foreclosed homes with the remaining funds being used for demolition, land-banking, and financing mechanisms," said Commissioner Bartholomay. "This investment in rehabilitation and redevelopment has the potential to produce over 250 jobs in the state."

As part of the awards, the City of Saint Paul will receive a total of \$6.3 million to rehabilitate and redevelop similar houses in high need areas. "This mortgage foreclosure crisis is affecting cities nationwide and too big for any one entity or strategy to solve," said Saint Paul Mayor Chris Coleman. "The allocation of Neighborhood Stabilization Program funds from Minnesota Housing will help us combat the crisis and further our Invest Saint Paul strategies to keep neighborhoods safe, encourage investment, and support healthy families."

In addition to the Saint Paul award, Minneapolis received a total of \$8.4 million to continue their foreclosure efforts. "A central component of our efforts to stem the tide of mortgage foreclosures in Minneapolis involves getting control of and improving foreclosed properties," Mayor Rybak said. "Using these federal dollars in this way will help stabilize neighborhoods hardest hit by this crisis. For more than two years, fighting the foreclosure crisis has been and continues to be our number one housing priority. Minneapolis has in place an aggressive strategy to help neighborhoods recover from the foreclosure crisis. We are ready to put these news funds to use immediately."

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The \$38.8 million will be awarded in two categories, a high-need ZIP code pool and a high-need county pool based on foreclosure and demographic data analyzed by Minnesota Housing. The category awards are as follows:

High-Need ZIP Code Awards

Anoka County	\$2,506,643
City of Saint Paul	\$4,559,780
City of Minneapolis	\$5,611,272
Hennepin County	\$3,673,757
Ramsey County	\$1,378,753
Scott County	\$734,988
Washington County	\$642,035
TOTAL METRO	\$
City of Big Lake	\$940,676
City of Buffalo	\$543,883
City of Elk River	\$593,820
City of Isanti	\$552,855
Cities of Monticello & Otsego	\$523,923
City of Princeton	\$796,254
City of Zimmerman	\$631,819
TOTAL GREATER MN	\$4,583,230
TOTAL HIGH-NEED ZIP CODE	\$23,690,458

High-Need Counties Awards

City of Minneapolis	\$1,200,000
Carver County	\$735,000
Dakota County	\$1,017,930
Hennepin County	\$1,041,541
Washington County	\$1,000,000
TOTAL METRO	\$
City of Duluth	\$1,600,000
City of Montgomery	\$385,000
City of Rochester	\$1,600,000
Rice County/Faribault	\$800,000
St. Cloud HRA	\$1,600,000
TOTAL GREATER MN	\$5,985,000
TOTAL HIGH-NEED COUNTIES	\$10,979,471

Minnesota Housing is a state agency committed to finance and advance affordable housing opportunities for low and moderate income Minnesotans to enhance quality of life and foster strong communities. The agency invests more than \$1.6 billion in affordable housing each biennium. If ranked among commercial banks, it would be the sixth largest bank, with total agency-wide assets of \$3.2 billion as of March 31, 2008.