



THIS INFORMATION HAS BEEN REVISED
Please see following page for list of revisions.

MEETINGS SCHEDULED FOR OCTOBER

Location:

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

THURSDAY, OCTOBER 23, 2014

Regular Board Meeting
State Street Conference Room – First Floor
10:00 a.m.

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, October 23, 2014.

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

The Agency may conduct a meeting by telephone or other electronic means, provided the conditions of Minn. Stat. §462A.041 are met. In accordance with Minn. Stat. §462A.041, the Agency shall, to the extent practical, allow a person to monitor the meeting electronically and may require the person making a connection to pay for documented marginal costs that the Agency incurs as a result of the additional connection.



400 Sibley Street | Suite 300 | Saint Paul, MN 55101-1998 | 651.296.7608
800.657.3769 | fax: 651.296.8139 | tty: 651.297.2361 | www.mnhousing.gov
Equal Opportunity Housing and Equal Opportunity Employment

Date: October 21, 2014
To: Minnesota Housing Board
From: Becky Schack, 651.296.2172
Subject: Corrections to the October board packet

The following revisions have been made to the board packet:

- Pages 3-6 The minutes have been corrected to indicate that Ms. Grant did not attend the meeting and to include that Auditor Otto seconded the motion for approval of 6A, Amendments to the Lower Sioux Indian Community Proposal,
- Page 37 This resolution has been corrected to reflect a Housing Infrastructure Bonds -EDHC award of \$4,220,000. The award amount is correct in all supporting documents but was incorrectly entered on the resolution as \$4,120,000.
- Page 107 The map of Single Family selections has been corrected:
- The City of Baudette has been removed from the map; there are no funded projects in the city.
 - A portion of the City of Thief River Falls has been added
 - A portion of the City of Jackson has been added; is part of SWMHP Worthington & Jackson CLT proposal
 - A portion of the City of Proctor has been added; it is part of the One Roof acquisition / rehabilitation proposal
- Pages 198 - 199 The financial and regulatory leverage worksheet indicated 20 units in the Robert Engstrom project. The project has five units. Pages 198 and 199 have been replaced to reflect this correction and to correct the total development cost for the project.
- Pages 248 - 249 The information for Three Rivers Community Action – Home Matters – Phase 3 has been replaced to reflect that the Greater Minnesota Housing Fund is not recommending funding for the project.
- Pages 249 - 251 The primary information for the Hutchinson Revitalization Project was omitted from the packet. Replacement pages, numbered 249a, 249b, 250 and 251, have been provided.



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AGENDA
Minnesota Housing Finance Agency
Board Meeting
Thursday, October 23, 2014
10:00 a.m.

State Street Conference Room – First Floor
400 Sibley Street, St. Paul, Minnesota 55101

- 1. Call to Order**
- 2. Roll Call**
- 3. Agenda Review**
- 4. Approval of Minutes**
 - A. Regular Meeting of September 25, 2014
 - B. Special Meeting of October 7, 2014
- 5. Reports**
 - A. Chair**
 - B. Commissioner**
 - C. Committee**
- 6. Consent Agenda**
 - A. Loan Modification, Twin Cities Community Land Bank (K. Johnson)
 - B. Modification, Economic Development and Housing Challenge (EDHC) Program
- Clare Terrace, Robbinsdale, D7664
 - C. Commitment Extension, Housing Infrastructure Bond - Housing Trust Fund (HIB-HTF) Program
- VA St. Cloud (formerly known as Commonbond VA St. Cloud), Saint Cloud D7602
- 7. Action Items**
 - A. 2014 Consolidated Request for Proposals
 - B. Single Family Selections, Community Homeownership Impact Fund
 - C. Deferred Loans and Grants, Low and Moderate Income Rental (LMIR), Housing Tax Credit (HTC) Program, 2015 Round 1
 - Approvals related to Multifamily selections
 - Resolution approving selections, authorizing the closing of loans, and granting waivers related to housing infrastructure bonds
 - Resolution allocating federal low income housing credits and granting waivers related to federal low income housing tax credits.
 - Resolution approving mortgage loan commitments under the Preservation Affordable Rental Investment Fund (PARIF) program.

- o Adoption of a motion approving selections under the Low and Moderate Income Rental (LMIR) and Flexible Financing for Capital Costs (FFCC) programs.

8. Discussion Items

- A. Homeless Management Information System (HMIS) Governance Structure

9. Informational Items

- A. Report of Complaints Received by Agency or Chief Risk Officer

10. Other Business

11. Adjournment

REVISED MINUTES**MINNESOTA HOUSING FINANCE AGENCY BOARD MEETING****Thursday, September 25, 2014**

1:00 p.m.

State Street Conference Room – 1st Floor

400 Sibley Street, St. Paul, MN 55101

1. Call to Order.

Chair Johnson called to order the regular meeting of the Board of the Minnesota Housing Finance Agency at 1:01 p.m.

2. Roll Call.

Members present: Chair Ken Johnson, John DeCramer, George Garnett, Joe Johnson, Stephanie Klinzing, Rebecca Otto. Ms. Gloria Bostrom joined the meeting at 1:11 p.m.

Minnesota Housing staff present: Gene Aho, Tal Anderson, Paula Beck, Lori Berg, Jim Cegla, Kay Finke, Al Hoof, Karen Johnson, Bill Kapphahn, Kurt Keena, Julie LaSota, Lori Lindberg, Eric Mattson, John Patterson, Luis Pereira, Paula Rindels, Megan Ryan, Joel Salzer, Becky Schack, Barb Sporlein, Emily Strong, Kim Stuart, Will Thompson, Rob Tietz, Mary Tingerthal, Katie Topinka, Elaine Vollbrecht, Xia Yang, Amber Zumski-Finke

Others present: Susan Thompson, Habitat for Humanity Minnesota; Chip Halbach, Minnesota Housing Partnership; Tom O'Hern, Assistant Attorney General; ~~Celeste Grant, Office of the State Auditor.~~

3. Agenda Review

There were no changes to the agenda.

4. Approval of the Minutes**A. Regular Meeting of August 28, 2014**

Mr. Joe Johnson moved approval of the minutes as written. Mr. DeCramer seconded the motion. Motion carries 6-0.

5. Reports**A. Chair**

There was no chair's report.

B. Commissioner

Commissioner Tingerthal announced that staff is anticipating the need for a special meeting on October 7 and the frequency of special meetings may increase as the need for bond issues increases. Ms. Tingerthal added that staff would try to align bond approvals with regular meetings whenever possible, but the timing of the sales is critical and may not always be well aligned.

Commissioner Tingerthal shared that the regular October board meeting would begin at 10 a.m. to accommodate the fact that October is the big meeting where the board would see staff recommendations for Consolidated RFP selections.

Ms. Tingerthal also announced that there would be two Community and Housing Dialogues the week of September 29; one in Chisholm and one in Bemidji. Beginning Friday of that week, Tingerthal and Indian Housing Liaison Rick Smith would have tribal consultation visits in accordance with the Governor's executive order pertaining to tribal state relations.

Commissioner Tingerthal also reported that she would attend a meeting of the Fannie Mae Consumer Advisory Council in October. The meeting will feature a dialogue with Mel Watt, the new head of the Federal Housing Finance Agency, which is the agency that governs Fannie Mae, Freddie Mac and the Federal Home

Loan Bank. At the meeting, Mary will talk about the importance of the products that are offered and get Mr. Watt's thoughts on the dilemmas HFAs face with first time homebuyers.

Commissioner Tingerthal also shared with the board that two cities and one non-profit organization have authorized staff to engage Myron Orfield and Michael Allen to prepare complaint to be filed with the HUD fair housing office. Minnesota Housing, the State of Minnesota, the Metropolitan Council and cities of Minneapolis and Saint Paul are named in the complaint. Commissioner Tingerthal shared that she has reached out to the administrators of the cities that authorized the complaint to learn if they had any specific issues or concerns with Minnesota Housing and also to share with them the work that we have done in their cities, which includes an extensive amount in the single family area and some multifamily rehabilitation but very little tax credit business and no new construction. The cities did not share any specific concerns but have agreed to continue a dialogue about how we can deploy our resources to help them achieve their goals. In response to a question from Chair Johnson about how long the complaint process may take, Commissioner Tingerthal shared that the same attorney was involved in a complaint against the Maryland HFA that was filed in 2011 and is still pending.

Commissioner Tingerthal also shared with the board that the Agency recently had a fairly serious computer virus attack that was swiftly handled by BTS staff. The experience underscores the importance that the board puts on our technical audits and by updating of our hardware and software yearly.

The following new employee introduction was made:

- Kay Finke introducing Al Hoof, the web and content management developer who will primarily support web content and ensure it is always available. Mr. Hoof was most recently at the City of Minneapolis as an enterprise content management analyst and is currently on the board of the national organization for independent Oracle users.

C. Program And Policy Committee Meeting of September 3, 2014

Chair Johnson reported that the Program and Policy Committee met by phone on September 3 to review public comments received on the 2015 Affordable Housing Plan. The committee discussed the comments and made suggestions to staff based on feedback from stakeholders.

6. Consent Agenda

A. Amendments, Lower Sioux Indian Community Proposal, Community Homeownership Impact

MOTION: Ms. Klinzing moved approval of the amendment to the Lower Sioux Indian Community proposal. [Auditor Otto seconded the motion.](#) Motion carries 7-0.

B. Publicly Owned Housing Program (POHP), Revisions to Manual

Ms. Bostrom requested that the revisions to the POHP manual be considered separately. In response to a question from Ms. Bostrom, Ms. Emily Strong stated that we do not receive fees for monitoring or ongoing management but the risk of default in the program is very low; there has been only one default and that property had been sold. Ms. Strong also stated that the local public housing authority recertifies the properties each year. **MOTION:** Ms. Bostrom moved approval of the revisions to the manual. Auditor Otto seconded the motion. Motion carries 7-0.

7. Action Items

A. Bridge to Success

Mr. Tal Anderson requested board approval of an additional \$2 million in funding for the Bridge to Success and stated that this increase is reflected in the final Affordable Housing Plan but was also being presented as a separate item as it was not included in the previous draft of the affordable housing plan. Mr. Anderson stated that the contract-for-deed program was approved by the board in 2012 and that a progress report had been presented in July. Mr. Anderson shared information about other investors in the program and stated that there remains approximately \$2 million in transactions waiting to close. Mr. Anderson stated

that funding the program at the requested amount is a prudent use of resources that will ensure borrowers can close their loans on time. Mr. Anderson added that the program lender is ceasing further activity until new funding has been secured. **MOTION:** Ms. Klinzing moved approval of the inclusion of funding for the Bridge to Success Program under the 2015 Affordable Housing Plan. Mr. Joe Johnson seconded the motion. Motion carries 7-0.

B. 2015 Affordable Housing Plan

Mr. John Patterson presented the 2015 Affordable Housing Plan for approval, stating that changes had been made in response to public comments and that additional information was added about the Bridge to Success Program. There were also changes to some figures as a result of revisions to the estimated carryforward balances. Mr. Patterson also noted a typographical error in a date reference. Mr. Patterson detailed for the board some of the changes, including the funding levels for the Preservation Affordable Rental Investment Fund, asset management and Bridge to Success. Ms. Bostrom complimented the staff on the work they did to put the plan together, include public comments and address constituent concerns. Mr. Ken Johnson also complimented the staff on behalf of the board for how smooth the process is and for being open to public comments. **MOTION:** Mr. Joe Johnson moved approval of the 2015 Affordable Housing Plan. Mr. Garnett seconded the motion. Motion carries 7-0.

C. Selection/Commitment, Housing Trust Fund (HTF) Young Families Rental Assistance Pilot

Ms. Elaine Vollbrecht presented this request for approval of the funding recommendations for the Housing Trust Fund Young Families Rental Assistance Pilot, a pilot designed to serve families with young children that addresses priorities in the Minnesota State Plan to Prevent and End Homelessness. The pilot offers rental assistance with intensive services to prevent future episodes of homelessness in families headed by a person 24 years of age or younger. A competitive statewide RFP was issued and current state or federal voucher administrators were eligible to apply. Nine applications were received requesting resources in excess of those available. The applications were reviewed by Minnesota Housing and Department of Human Services staff and two proposals have been recommended for funding. In response to a question from Mr. Garnett, Ms. Vollbrecht stated that the program is a pilot and there will be an evaluation to measure how housing stability affects return to shelter for families. Grantees of the program are required to report in the Homeless Management Information System (HMIS) and conduct an evaluation of the program. In response to a question from Mr. DeCramer, Ms. Vollbrecht stated that it is required that administrators have committed funding for age appropriate intensive services. Ms. Vollbrecht added that Housing Trust Fund resources cannot be used to pay for services. **MOTION:** Mr. John DeCramer moved approval of the selections and commitments under the Young Families Rental Assistance Pilot and the adoption of Resolution No. MHFA 14-042. Auditor Otto seconded the motion. Motion carries 7-0.

D. Selection/Commitment, PINES (Preservation: Identifying Needs, Exploring Strategies) Proactive Preservation Pilot Program

Ms. Julie LaSota provided background on the PINES initiative, which was launched in January, 2014. In the program, staff selectively invited owners to talk about their portfolios and developments for investment are chosen based on their individual characteristics. Properties must meet growth and need properties and must not have been the recipient of a large Agency investment for a certain period of time. Other targets included conversion risk and unmet capital needs. Agency staff developed a list of about 150 properties that were fairly equally distributed in Greater Minnesota and in the metropolitan area. Twelve organizations were selected to have initial meetings. These meetings were used as an opportunity to get to know the owners and asset managers and their preservation strategies; the meetings were also a good opportunity to reconnect with owners with whom the Agency has not interacted in some time and get a better understanding of their approach to their portfolio. Four of the meetings resulted in RFP referrals and three properties being recommended for funding under the PINES pilot. Ms. LaSota described the properties recommended for funding and requesting conceptual approval of the financing structure, noting that approval of the mortgage credit committee would be sought prior to issuing loan commitments. In

response to a question from Mr. Ken Johnson, Ms. LaSota stated that the pilot will be used to test what needs exist, what owners are looking for and what tools can be made available. Another goal of the pilot is cost containment; the per unit cost for rehabilitation under the PINES program is significantly below anything seen in the RFP but has a similar return-on-investment for the Agency. Ms. LaSota stated that there would be a program evaluation to measure effectiveness and efficiency.

Commissioner Tingerthal added that the pilot nature of the program has more to do with the Agency's process of putting structure around a pro-active approach to borrowers and an ongoing availability of funds that we wanted to test in a side-by-side relationship with the RFP. The pilot is less about the results of a program, like the Housing Trust Fund pilot that was approved earlier, and more a fine tuning of how we manage our programs. The Agency has already learned to retain a modest amount of deferred funding to be able to act in real-time on projects that are ready to go; this allows for the opportunity to not have a change in ownership and can keep the per unit cost at a much lower basis. In terms of the pilot, we've already incorporated a lot of learnings because they were really process oriented. **MOTION:** Ms. Bostrom moved to approve the selections and commitments under the PINES program and the adoption of Resolution No. MHFA 14-041. Mr. Joe Johnson seconded the motion. Motion carries 7-0.

8. Discussion Items

None.

9. Informational Items

A. Post-Sale Report, Homeownership Finance Bonds, 2014 Series B/C

Information item; no report, discussion or action.

B. Conflict of Interest Disclosure Reporting

Information item; no report, discussion or action.

C. Report of Action under Delegated Authority – Non-material Changes to the Affordable Housing Plan

Information item; no report, discussion or action.

10. Other Business

11. Adjournment.

The meeting was adjourned at 1:40 p.m.

Ken Johnson, Chair

MINUTES

MINNESOTA HOUSING FINANCE AGENCY SPECIAL BOARD MEETING**Tuesday, October 7, 2014**

1:00 p.m.

Boardwalk Conference Room – First Floor

400 Sibley Street, St. Paul, MN 55101

1. Call to Order.

Chair Johnson called to order the special meeting of the Board of the Minnesota Housing Finance Agency at 1:05 p.m.

2. Roll Call.

Members present: Ken Johnson, George Garnett, Gloria Bostrom, and State Auditor Rebecca Otto (by phone). Absent: Joe Johnson, Stephanie Klinzing and John DeCramer.

Minnesota Housing staff present: Paula Rindels, Rob Tietz, Mary Tingerthal (by phone).

Others present: Michelle Adams, Kutak Rock; Celeste Grant, Office of the State Auditor (by phone); Tom O'Hern, Assistant Attorney General.

3. Agenda Review

Commissioner Tingerthal requested to share information with the board following approval of the bond transaction.

4. Approval of the Minutes.

None.

5. Reports

There were no reports.

6. Consent Agenda

No items.

7. Action Items**A. Approval, Resolution Authorizing Issuance and Sale of Minnesota Housing Finance Agency Residential Housing Finance Bonds, 2014 Series D.**

Mr. Rob Tietz presented a request for approval of \$150 million of authorization under the Housing Finance Bond indenture. Mr. Tietz stated that the board approved \$100 million under the indenture in June and that the Agency had twice sold bonds totaling just over \$70 million under that authorization. Both transactions were executed at full spread and generated investor orders in excess of three times the amount sold. Investor interest in pass-through housing bonds continues and the transaction for which approval was being sought is expected to be slightly more than the \$40 million remaining available from previous approvals.

Mr. Tietz reminded the board that the Agency, in consultation with tax counsel and the banking team developed a method to include TBA hedging economics into the bond yield calculation of a bond transaction. It is believed that Minnesota Housing is the only HFA in the country incorporating hedge costs and is also the only HFA to have consistently been able to sell new issue product in 2014 at full spread.

Ms. Michelle Adams described for the board the parameters of the transaction, noting that the issue was being approved on a not-to-exceed basis for both principle amount and pricing. **MOTION:** Mr. George Garnett moved approval. Ms. Bostrom seconded the motion. Motion carries 4-0.

8. Discussion Items

No items.

9. Informational Items

No items.

10. Other Business

Commissioner Tingerthal invited members to participate in a media event for the consolidated RFP selections following the board meeting on October 23.

11. Adjournment.

The meeting was adjourned at 1:14 p.m.

Kenneth R. Johnson
Chair



AGENDA ITEM: 6.A.
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: Loan Modification, Twin Cities Community Land Bank

CONTACT: Karen Johnson, 651-297-5146
 karen.l.johnson@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:

Adoption of a Resolution to restructure the revolving lines of credit extended to the Land Bank and the FHF and to modify the loan maturity of both credit lines. The combined amount of the credits totals \$20 million and the restructure would reallocate funds between the credit facilities. Both loans would be modified to extend the loan maturity to December 31, 2018 under a twelve month wind-down date in advance of maturity.

FISCAL IMPACT:

The fiscal impact of this request is minimal. The lines of credit to the Land Bank and the FHF are funded through the Economic Development and Housing Challenge Fund ("Pool 2") as a moderate risk revolving loan program.

MEETING AGENCY PRIORITIES:

Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets
 Prevent and end homelessness Prevent foreclosures and support community recovery

ATTACHMENT(S):

- Background
- Resolution

BACKGROUND:

The Twin Cities Community Land Bank (Land Bank) is a nonprofit LLC formed by the Family Housing Fund (FHF) in 2009. The entity was structured to respond quickly to challenges and opportunities of the foreclosure crisis and to further regional growth objectives linking housing, job transportation and education. The Land Bank is certified by the U.S. Treasury Department as a Community Development Financial Institution (CDFI).

Minnesota Housing has been the primary funder of the Land Bank. In 2012, the Board approved a request to convert its existing loans with the Land Bank to revolving lines of credit, as follows:

- \$15,000,000 to the Land Bank for the purpose of foreclosure recovery and neighborhood stabilization; and
- \$5,000,000 to the Family Housing Fund that is passed through to its Land Bank subsidiary for the purpose of lending for strategic acquisition, interim financing, and land banking.

The revolving credit lines are coterminous with a loan maturity date of June 30, 2016. Both facilities are funded through the Economic Development and Housing Challenge Fund ("Pool 2") at a rate of 5 percent per annum.

In April of 2014, the Land Bank requested an amendment to these lines of credit. The changing market conditions and the decline in the overall number of foreclosed properties created a shift in the Land Bank's core line of business. Its lending activities under the foreclosure recovery line have decreased while, at the same time, it is experiencing an increased demand to its large site acquisition lending activities. In order to accommodate the increased demand for strategic acquisitions, additional capital is needed under this line of credit.

Recommendation:

Minnesota Housing staff recommends that the existing credit facilities to the Twin Cities Community Land Bank be restructured as follows:

- \$10,000,000 to the Land Bank for the purpose of foreclosure recovery and neighborhood stabilization lending activities; and
- \$10,000,000 to the Family Housing Fund that is passed through to the Land Bank for the purpose of lending for strategic acquisitions, interim financing, and land banking activities.

In order to allow the time necessary for the development of strategic acquisition sites, staff is recommending an extended loan maturity of December 31, 2018. Providing the Land Bank with a longer term also positions it to secure other long term capital sources. A twelve month wind down date in advance of the maturity date would remain in effect.

In an effort to streamline the management of both credit facilities, staff also recommends extending the maturity on the foreclosure recovery line to December 31, 2018, thereby keeping the agreements coterminous.

MINNESOTA HOUSING FINANCE AGENCY
400 Sibley Street – Suite 300
Saint Paul, Minnesota 55101

RESOLUTION NO. MHFA 14-

**RESOLUTION APPROVING A MODIFICATION OF LOANS TO TWIN CITIES COMMUNITY
LAND BANK AND FAMILY HOUSING FUND**

WHEREAS, the Agency's Board approved a restructuring of its existing financing to the Twin Cities Community Land Bank (Land Bank) and to the Family Housing Fund (FHF) in April 2012; and

WHEREAS, the approved \$15,000,000 revolving line of credit to the Land Bank is for the purpose of purpose of foreclosure recovery and neighborhood stabilization; and

WHEREAS, the approved \$5,000,000 revolving line of credit to the FHF is passed through to its subsidiary, the Land Bank, for the purpose of lending for strategic acquisition, interim financing, and land banking; and

WHEREAS, the Agency has examined the structure of its existing financing to the Land Bank and the FHF and has determined that it would be suitable to change the amount of each revolving line of credit to a maximum of \$10,000,000; and

WHEREAS, it is the intent of Agency staff to modify the terms of the revolving credit facilities to extend the maturity dates to December 31, 2018 and to continue to implement a wind-down date twelve months in advance of the maturity date; and

WHEREAS, the Agency has determined that the proposed transaction will assist in fulfilling the purposes of Minn. State. Ch. 462 A and the Economic Development Housing Challenge Program;

NOW THEREFORE, BE IT RESOLVED THAT the Agency hereby approves the following:

1. A revolving line credit in the maximum amount of \$10,000,000 to the Land Bank for the purpose of foreclosure recovery and neighborhood stabilization lending activities;
2. A revolving line of credit in the maximum amount of \$10,000,000 to the Family Housing Fund that is passed through to the Land Bank for the purpose of lending for strategic acquisitions, interim financing, and land banking activities;
3. An extension loan maturity date on each revolving line of credit to December 31, 2018 with a wind-down period during the twelve months in advance of the maturity date.

Adopted this 23rd day of October, 2014.

CHAIRMAN

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AGENDA ITEM: 6.B.
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: Clare Terrace, D7664

CONTACT: Caryn Polito, 651-297-3123
 caryn.polito@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 a modification to increase the Economic Development and Housing Challenge (EDHC) loan commitment, by an amount up to \$285,359.

FISCAL IMPACT:

Funding for this loans falls within the approved budget consistent with the AHP.

MEETING AGENCY PRIORITIES:

Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets Prevent and end homelessness
 Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT(S):

- Background
- Resolution

Background

The Agency Board, at its November 7, 2013 meeting, approved a loan commitment for this development under the EDHC program in the amount of \$854,700. The following summarizes the changes in the proposal since that time:

| DESCRIPTION: | 2013 | | 2014 | | VARIANCE | |
|-------------------------------------|----------------|-------------|----------------|-------------|-----------------|-------------|
| Total Development Cost (TDC) | \$7,788,109 | | \$8,133,375 | | \$345,266 | |
| Gross Construction Cost | \$4,288,460 | | \$4,766,462 | | \$478,002 | |
| Agency Sources: | | | | | | |
| Minnesota Housing EDHC | \$854,700 | | \$1,140,059 | | \$285,359 | |
| Total Agency Sources | \$854,700 | | \$1,140,059 | | \$285,359 | |
| Non-Agency Sources: | | | | | | |
| Syndication Proceeds | \$4,842,333 | | \$5,022,519 | | 180,186 | |
| Federal Home Loan Bank | \$500,000 | | \$500,000 | | \$0 | |
| HOPWA | \$100,000 | | \$100,000 | | \$0 | |
| TIF | \$0 | | \$350,000 | | \$350,000 | |
| Hennepin County | \$400,000 | | \$675,000 | | \$275,000 | |
| Hennepin County HOME* | \$400,000 | | \$0 | | (\$400,000) | |
| Sales Tax & Energy Rebates | \$140,000 | | \$120,000 | | (\$20,000) | |
| Other Sources / TBD | \$151,076 | | \$0 | | (\$151,076) | |
| Met Council LHIA | \$200,000 | | \$200,000 | | \$0 | |
| Environmental grants | \$0 | | \$25,797 | | \$25,797 | |
| Deferred Developer Fee** | \$200,000 | | \$0 | | (\$200,000) | |
| Total Non-Agency Sources | \$6,933,409 | | \$6,993,316 | | \$59,907 | |
| Gross Rents: | | | | | | |
| Unit Type | # of DU | Rent | # of DU | Rent | # of DU | Rent |
| O BR / SRO | 36 | \$700 | 36 | \$700 | 0 | 0 |
| Total Number of Units | 36 | | 36 | | 0 | |

*The project did not qualify for HOME funding due to the higher GRH rents; however, Hennepin County increased its funding by \$275,000.

**After underwriting, the project did not cash flow without an operating reserve so it is not feasible to repay a deferred developer fee.

Factors Contributing to Variances:

Costs

- TDC has increased because construction pricing increased by 11%. The Agency staff architect has reviewed the final bids and proof of multiple subcontractor bids.
- Prior to obtaining final bids, the development team value engineered the project by scaling back materials and reducing building square footage (the size of the units has not changed). The total amount of value engineered items is \$595,950.
- TDC is within 25% of the predictive cost model. Predicted total development costs per unit are \$217,348. Actual total development costs per unit are \$225,927.

Agency Sources

- The request for additional EDHC funds is 33% of the original funding award.
- The request is 27% of the total RFP funding award, which also included \$200,000 in Met Council Local Housing Incentive Account (LHIA) funds.

Non-Agency Sources

- The syndicator, National Equity Fund (NEF), agreed to increase credit pricing from \$.8599 to \$.8809, resulting in additional syndication proceeds of \$180,186.
- The development team secured Tax Increment Financing from the City of Robbinsdale, in the amount of \$350,000.
- The project was not eligible for Hennepin County HOME funds due to the Group Residential Housing (GRH) rent levels.
- Because the project does not cash flow without an operating reserve, deferred developer fee cannot be repaid and is not a feasible source. The total developer fee has not increased with the increased project cost.

Gross Rents, Unit Types and Population Served

- There is no change in number of units, unit sizes, rents, Long Term Homeless units, or population served.

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

RESOLUTION NO. MHFA 14-

**RESOLUTION APPROVING MORTGAGE COMMITMENT
ECONOMIC DEVELOPMENT AND HOUSING CHALLENGE (EDHC) PROGRAM**

WHEREAS, the Board has previously authorized the commitment for the development hereinafter named by its Resolution No. 13-061; and

WHEREAS, the development continues to be in compliance with Minn. Stat. ch. 462A and the Agency's rules, regulations, and policies; and,

WHEREAS, Agency staff have determined that there are increased development costs created by increased construction costs.

NOW THEREFORE, BE IT RESOLVED:

THAT, the Board hereby increases the funding commitment for the development noted below:

1. Clare Terrace – D7664
 - The amount of the Economic Development and Housing Challenge (EDHC) funding commitment may be increased by an amount up to \$285,359, from \$854,700 up to \$1,140,059; and
2. All other terms and conditions of the MHFA Resolution No. 13-061 remain in effect.

Adopted this 23rd day of October 2014.

CHAIRMAN



AGENDA ITEM: 6.C.
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: VA St. Cloud (formerly known as Commonbond VA St. Cloud), Saint Cloud (D7602)

CONTACT: Marty McCarthy, 651-284-3178
 marty.mccarthy@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 requests adoption of the attached resolution extending the commitment for the referenced development to allow additional time for the finalization of due diligence items.

FISCAL IMPACT:

The 2013 Affordable Housing Plan (AHP) allocated \$30 million in new activity for the Housing Infrastructure Bond (HIB) program. Funding for this loan falls within the approved budget, and the loan will be made at interest rates and terms consistent with what is described in the AHP. Per Agency guidelines, the loan will not generate fee income.

MEETING AGENCY PRIORITIES:

Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets Prevent and end homelessness
 Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT(S):

- Background
- Resolution

BACKGROUND

At its October 25, 2012 meeting, the Minnesota Housing Finance Agency Board approved this development for a commitment of \$3,920,380 under the Housing Infrastructure Bond Housing Trust Fund (HIB-HTF) program, executing resolution 12-066.

As part of the 2014 Super RFP, \$2.2 million of additional HIB-HTF funding is being recommended for the VA St. Cloud development, which, if approved, will ensure that it can move forward and meet the timeline requirements of the HIB financing. Closing has been delayed because the development did not secure the anticipated rent assistance through VASH vouchers, and the project as it was originally proposed encountered resistance from the St. Cloud VA Medical Center because of the nature of a program offered on the medical center campus. Minnesota Housing extended the funding's initial commitment term, and its second extension expires on October 31, 2014. Minnesota Housing's commitment extension policy requires board approval for the third extension.

The development team and proposal have been restructured. In particular, the developer switched from CommonBond to Sand Companies. The VA has indicated that it will allow this change in connection with their long-term lease for the site of the project. In order to allow the development to move forward on the currently expected timeline with the new development team, a commitment extension of 12 months for the existing Minnesota Housing funds is being requested.

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

RESOLUTION NO. MHFA 14-

**RESOLUTION APPROVING MORTGAGE LOAN COMMITMENT MODIFICATION
HOUSING INFRASTRUCTURE BOND HOUSING TRUST FUND (HIB-HTF) PROGRAM**

WHEREAS, the Board has previously authorized the issuance of a loan commitment for the development hereinafter named by its Resolution No. MHFA 12-066; and

WHEREAS, it is the desire of the Agency to extend the expiration date to allow for closing of the loan; and

WHEREAS, the application continues 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 extends the HIB-HTF loan commitment expiration date for the VA St. Cloud development (formerly known as Commonbond VA St. Cloud development) from October 31, 2014 to October 31, 2015.

THAT, except for the extended commitment expiration date, all other terms and conditions of MHFA Resolution No. 12-066 remains in effect.

Adopted this 23rd day of October 2014.

CHAIRMAN

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AGENDA ITEM: 7.A.
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: 2014 Consolidated Request for Proposals

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

Barb Sporlein, 651-297-3125
 barb.sporlein@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:

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 2014 Affordable Housing Plan.

MEETING AGENCY PRIORITIES:

- Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets Prevent and end homelessness
 Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT(S):

- Background

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, a number of improvements were made to the application and selection processes in both Single Family and Multifamily. The Community Profiles provided on the Agency's website were prominently used by applicants in preparing their proposals and by Agency staff in evaluating the proposals for funding.

At the Board meeting, staff will present several slides to illustrate the selection process and provide an overall summary of how this year's selection recommendations will help the Agency meet its production and program targets in the Affordable Housing Plan and its strategic priorities.



AGENDA ITEM: 7.C.
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: Deferred Loans and Grants, Low and Moderate Income Rental (LMIR), Housing Tax Credit (HTC) Program, 2015 Round 1

CONTACT: Kayla Schuchman, 651-296-3705
 kayla.schuchman@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 requests the following approvals related to the 2014 Consolidated RFP:

- Adoption of a resolution approving selections, authorizing the closing of loans, and granting waivers related to housing infrastructure bonds
- Adoption of a resolution allocating federal low income housing credits and granting waivers related to federal low income housing tax credits.
- Adoption of a resolution approving mortgage loan commitments under the Preservation Affordable Rental Investment Fund (PARIF) program.
- Adoption of a motion approving selections under the Low and Moderate Income Rental (LMIR) and Flexible Financing for Capital Costs (FFCC) programs.

FISCAL IMPACT:

The Consolidated RFP funding recommendations include numerous funding sources.

In the 2015 Affordable Housing Plan (AHP), the board allocated the following for amortized lending:

- \$10 million for MAP lending
- \$85 million in for the LMIR program
 - \$35 million from the Housing Investment Fund - Pool 2
 - \$50 million through tax-exempt bonding

In the 2015 AHP, the board allocated the following for deferred lending:

- \$4.5 million under the FFCC program (Housing Affordability Fund – Pool 3)
- \$1.6 million under the Asset Management loan program (Housing Affordability Fund – Pool 3)

Preservation Affordable Rental Investment Fund (PARIF) and other remaining deferred funding are from state or federal appropriations and do not impact the Agency's financial condition. Housing Tax Credits are a federal resource and do not impact the Agency's financial condition.

The LMIR loans will generate approximately \$714,000 in fee income from construction oversight and origination fees and provide ongoing interest income. It is anticipated that MAP loans will generate \$65,000 in fee income.

MEETING AGENCY PRIORITIES:

- Promote and support successful homeownership Preserve federally-subsidized rental housing
- Address specific and critical needs in rental housing markets Prevent and end homelessness
- Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT(S):

- Background
- Predictive Cost Model rationale
- Waivers requested
- Resolutions
- Map of funding recommendations
- Summaries of funding recommendations
 - Consolidated
 - Detailed
 - Strategic Priority
- Development summaries
- Non-selected applications

BACKGROUND

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.

As of the June 10, 2014 application deadline, Minnesota Housing and its funding partners received 114 applications requesting approximately \$315 million in deferred loans, \$89 million in permanent first mortgage financing, and \$38 million in Agency-administered 2015 Round 1 competitive tax credits.

On March 27, 2014, the Board approved the Amended 2014/15 Housing Tax Credit (HTC) Qualified Allocation Plan (QAP), procedural manual and timetables for applications. The total Minnesota tax credit allocation is approximately \$12,466,874. 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.

The City of Minneapolis, City of St. Paul, Dakota County and Washington County administer their tax credits locally as suballocators. Duluth, St. Cloud and Rochester have entered into Joint Powers Agreements with the Agency whereby their credits are apportioned back to the Agency for selections processes and certain allocation and compliance functions. The Agency administers \$8,439,750 in credit allocations including \$749,925 from Joint Powers Suballocator credits.

In addition to the annual Multifamily RFP process, amortizing mortgage financing and preservation funding are also available from Minnesota Housing on an open pipeline basis for developments that meet the eligibility criteria as outlined in the Multifamily Consolidated Request for Proposal guide. Additionally, a second competitive round for tax credits (2015 Round 2) will be held January 27, 2015 incorporating tax credits remaining or returned following the conclusion of 2015 Round 1. Based on the recommendations in this report regarding 2015 Round 1 tax credits, the Agency will have a remaining tax credit balance of \$190,891.

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.

MARKET CONDITIONS

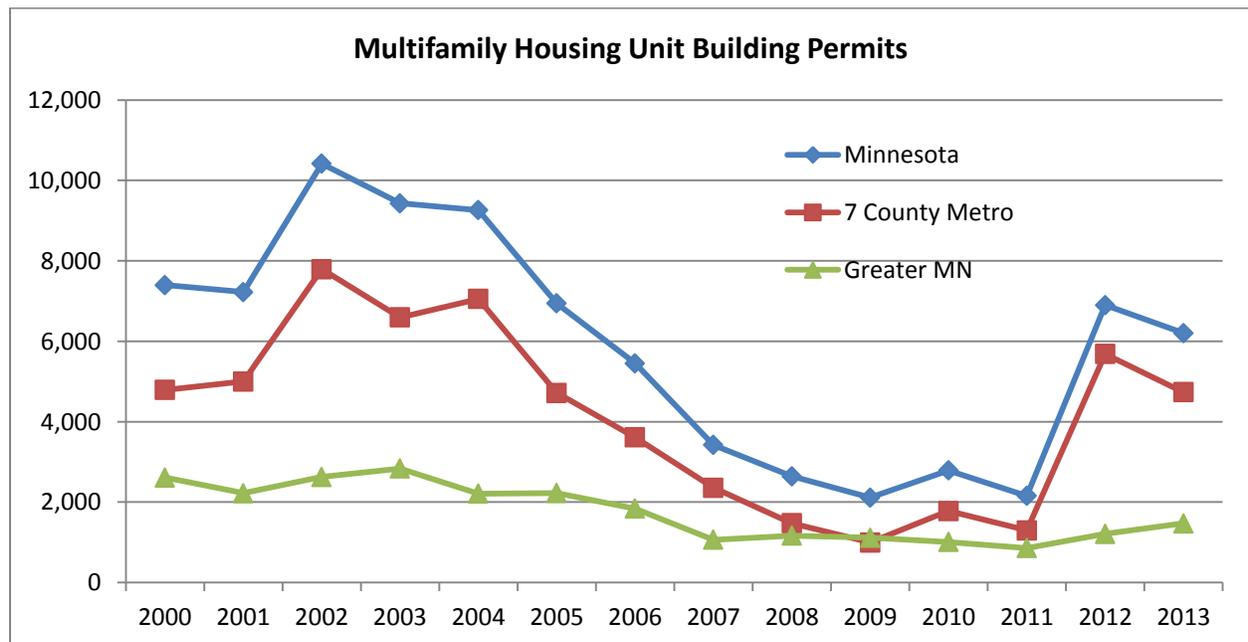
The Census Bureau's 2000 Decennial Census and annual American Community Survey shows the percentage of Minnesota renters who are cost burdened (paying 30% or more of their income toward rent) has increased from 37% in 2000 to 48% in 2013. Among low-income renters (with incomes of less than \$50,000), which represent 68% of Minnesota renters, 67% are cost burdened. Nearly 68% of the state's low-income cost burdened renters live in the 13-county Minneapolis/St. Paul Metropolitan Statistical Area (MSA).

Estimates from Minnesota Housing Partnership’s 2014 County Profiles indicate that 85 of Minnesota’s 87 counties do not have enough available affordable rental housing to meet the needs of extremely low-income renters (with incomes of 30% of area median income or less). Further, estimates indicate that nearly half of these 85 counties need more than double their current supply of affordable housing to meet the basic needs of extremely low-income renters.

The current rental vacancy rate in the Twin Cities metro area continues to be lower than the 5% generally considered being optimal. According to the quarterly *Apartment Trends* report from Marquette Advisors, as of the end of the second quarter of calendar year 2014 the rental vacancy rate in the metro area was slightly higher than one year ago, at 2.3% and 2.6%, respectively, yet the vacancy rate is still much lower than optimal. With vacancy rates remaining low, average monthly rents increased between June 2013 and June 2014 by 2.6%, now at \$1,004.

In Greater Minnesota, subsidized, affordable housing units in Minnesota Housing and USDA Rural Development’s portfolios, average vacancy rates are also low, estimated at 3% for 2013. According to data from the Census Bureau’s 2013 American Community Survey, median rent in Greater Minnesota was \$650, similar to the 2010 level.

There were fewer units constructed during and post-recession, increasing pressure in the rental market. While residential building permits have been on the rise in the Metro area since 2009, production is still well below pre-recession levels, as evidenced by the chart below.



Source: HUD SOCDs Buildings Permits Database

Mortgage foreclosures (as measured by sheriff sales) are decreasing each year, but remain above the levels experienced before the foreclosure crisis. In 2013 there were nearly 12,000 sheriff sales, while in 2005 there were fewer than 7,000 sheriff sales. In the past year, sheriff sales dropped by 34%. As reported by HousingLink, this is the third consecutive year of double digit percentage declines.

While the state's unemployment rate continues to decline, falling to 4.3% on a seasonally adjusted basis in August 2014, the Minnesota Department of Employment and Economic Development reports that the decreases are driven by reductions in labor force participation as baby boomers continue to retire. The state's current labor force participation is 70.3%, down from pre-recession highs around 76%.

With these factors causing continuing pressure in the rental housing market, the need for affordable rental housing in Minnesota continues. The Census Bureau's 2013 American Community Survey estimates that there are approximately 257,000 low-income cost burdened renter households in Minnesota.

SELECTIONS

Of the 114 proposals received, funding from Minnesota Housing and funding partners will be provided for 40 developments, including 39 funded by Minnesota Housing with deferred loan financing, first mortgage bridge and permanent financing and tax credits recommended as follows. Some developments will receive more than one type of funding. Of the developments detailed on the funding recommendations attachment (page 47), one development will receive partner funding only and three developments will receive funding only from suballocator tax credits. An additional development, Gateway Tower, is receiving a funding partner deferred award but has not been included in this report because this development is not yet financially viable.

| Funding Type | Proposals | Total |
|---|------------------|---------------|
| Permanent First Mortgage Financing | 11 | \$ 20,236,270 |
| LMIR Bridge First Mortgage Financing | 3 | \$ 9,050,000 |
| Minnesota Housing Deferred Loan Capital | 30 | \$ 99,642,619 |
| Housing Tax Credits | 15 | \$ 8,248,859 |
| Funding Partner Contributions | 10 | \$ 2,734,000 |

Amortizing Mortgages

Developments recommended for LMIR selection will be funded through the Housing Investment Fund - Pool 2. The LMIR mortgage terms will be 30 year amortizations and terms with fixed rates and must be in first lien position. The loans will be processed under HUD's Risk Share Mortgage Insurance Program, and a mortgage insurance premium of 0.25% will be collected in addition to the interest. Several developments are also being recommended for deferred funding through the Flexible Financing for Capital Costs program, which is only available in conjunction with LMIR loans and is funded through the

Housing Affordability Fund – Pool 3. Selections for the LMIR and FFCC loans through this RFP do not represent commitments for funding, but selections will allow up to 12 months for further processing and underwriting at the selected interest rate. Prior to closing, all LMIR and FFCC loans will seek board approval to enter into loan commitments at which time the interest rate will be locked for six months. The HUD Multifamily Accelerated Processing (MAP) program provides mortgage insurance through the Federal Housing Administration (FHA) to facilitate the new construction, rehabilitation, acquisition and refinance of multifamily rental housing. Loans will be funded by a third party lender and securitized into Ginnie Mae Mortgage Backed Securities (MBS) pools. These projects will be presented for informational purposes to the board after application is made to HUD.

Geographic Distribution

Of the 40 recommended proposals, 22 are located in the seven-county Twin Cities metropolitan area, including 13 in the cities of Minneapolis and St. Paul and nine in suburban locations. The remaining 18 proposals are located in Greater Minnesota.

| Project Location | Recommended Proposals | Percentage of Total | Recommended Amount | Percentage of Total |
|---------------------|-----------------------|---------------------|--------------------|---------------------|
| Metro | 22 | 55 percent | \$ 89,055,165 | 63.7 percent |
| <i>Central City</i> | 13 | 32.5 percent | \$ 62,077,504 | 44.4 percent |
| <i>Suburban</i> | 9 | 22.5 percent | \$ 26,977,661 | 19.3 percent |
| Greater Minnesota | 18 | 45 percent | \$ 50,856,583 | 36.3 percent |
| Total | 40 | 100 percent | \$ 139,911,748 | 100 percent |

Three applications were submitted for Saint Paul Public Housing Agency (PHA) Section 8 Project Based Voucher Rental Assistance. These awards will be announced independently by the Saint Paul PHA following the conclusion of the RFP recommendations.

The fifteen proposals recommended for Housing Tax Credits (HTC) are estimated to generate over \$70 million in equity, assuming the current investment of \$.82- \$.95 in investor credit pricing. The geographic distribution of these proposals is as follows:

| HTC Project Location | Recommended Proposals | Percentage of Total | Estimated HTC Investor Equity Amounts | Percentage of Total |
|----------------------|-----------------------|---------------------|---------------------------------------|---------------------|
| Metro | 6 | 40.0 percent | \$ 34,035,591 | 45.8 percent |
| <i>Central City</i> | 2 | 13.3 percent | \$ 6,975,193 | 9.4 percent |
| <i>Suburban</i> | 4 | 26.7 percent | \$ 27,060,398 | 36.4 percent |
| Greater Minnesota | 9 | 60.0 percent | \$ 40,325,711 | 54.2 percent |
| Total | 15 | 100 percent | \$ 74,361,302 | 100 percent |

Meeting Agency Priorities

Of the 3,494 total units recommended for board approval, 3,423 units meet the following Agency priorities:

Preservation of federally-subsidized rental housing. There are 1,650 units recommended for board approval that meet the Agency priority of preserving federally-subsidized rental housing. Investing in these units will address critical capital needs, necessary change in ownership or imminent risk of loss due to market conversion and should position the properties for the long term. A present value of more than \$220 million in federal rent subsidies will be leveraged during the restricted period.

Addressing specific and critical needs in rental housing markets. 1,503 new construction units and 270 unsubsidized preservation units have been recommended for board approval, meeting the Agency's priority of addressing critical needs in the rental housing market.

Preventing and ending homelessness. Significant strides have been made in our efforts to end long-term homelessness. According to the 2012 Wilder Survey, after steep rises in the number of long-term homeless from 2003 to 2009, the rate of increase has slowed significantly, growing just under 11% since 2009. While the rate slowed significantly in the metro region (1%), the rate has increased in greater Minnesota (28%), and families with children are the fastest growing segment of the long-term homeless population. Board approval of the 2014 Multifamily recommendations will advance 255 new housing opportunities at 22 sites for households with long histories of homelessness. Approximately half of these developments are located in greater Minnesota. Ten of the sites will serve homeless families and two will serve homeless youth. Two sites are designated for homeless veterans. In addition to the new units being created, 70 existing units for people experiencing long-term homelessness will be preserved. Another 364 units of supportive housing will be created for people experiencing homelessness that is not long-term. In total, 689 supportive housing units will be created or preserved.

Preventing foreclosure and supporting community recovery. 466 units meet the Agency priority of preventing foreclosures and supporting community recovery.

TRENDS

The number of RFP applications this year (114 proposals) is higher than the 72 proposals received last year due to the inclusion of Housing Infrastructure Bonds in the 2014 bonding bill.

As demonstrated in the data about meeting agency priorities above, proposals heavily targeted the ending homelessness and the preserving federally-subsidized rental housing priorities, and to a lesser extent, the preventing foreclosures and supporting community recovery priority.

In addition to targeting these specific Agency strategic priorities, proposals also were tailored toward meeting the needs of the senior population, the demand for development along transit corridors, for housing in areas of opportunity, and the need for workforce housing in areas of job growth.

Providing affordable housing options for seniors is a growing challenge. Between 2010 and 2020, the State Demographer's Office expects the senior population in Minnesota to grow by 42 percent. 159 units will assist seniors so that they can age in place and remain in their communities, while also leveraging federal resources.

Transit oriented development continues to increase. This year, 1,359 units are being recommended to support affordable housing along transit corridors including the Hiawatha, Central Corridor, and Southwest LRT, Northstar Commuter Rail, and stations of the Cedar Avenue and I-35W BRT lines.

Five developments, representing 374 units, will be made possible by the Governor's 2013 Housing and Job Growth Initiative, to assist in financing affordable housing in the parts of the state where employers are poised to expand but there is not enough housing to meet the needs of the local workforce.

Preservation/rehabilitation units continue to be a high priority in the RFP with additional priority for at-risk federally assisted units. This year, 56% of the recommended units are preservation/rehabilitation, compared to 48% in 2013.

PREDICTIVE MODEL COST RATIONALE

Staff analyzes all proposals on a total and per unit cost basis using a Predictive Cost Model developed by Minnesota Housing research staff 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 that exceed the predictive model estimate by greater than 25%. Five applications meet this threshold and are described below.

Leech Lake District One Rehab and Rebuild, Deer River**D7704/M16749**

22 Units - Rehabilitation

RFP Funding Award: \$ 3,511,038

RFP Award per Unit: \$ 159,593

| <i>TDC</i> | <i>TDC Per Unit</i> | <i>Amount Per Unit above Predicted Amount</i> | <i>Predictive Model Amount</i> | <i>25% over Predictive Model</i> | <i>TDC per Unit as % of Predictive Model</i> |
|-------------|---------------------|---|--------------------------------|----------------------------------|--|
| \$4,011,380 | \$182,320 | \$27,311 | \$155,009 | \$193,761 | 117% |

Leech Lake was originally proposed as 41 units of new construction and rehabilitation but was reduced due to the high cost and subsidy required; staff is recommending the project be reduced to 22 units. The new proposal includes the increase in construction costs recommended by the Agency architect, and the overall development is within the predictive model under the recommended proposal. Breaking out the units to be renovated from the units to be rebuilt, the cost per unit for the rebuilds and the rehab of the four-plex are within 25% of the costs from the predictive model. However, the renovations of the single family and duplex units are higher than the costs from the predictive model by a significant percentage (72%). The predictive model does not work as well for this portion of the development. In this case, the renovations will go down to the studs on buildings with 1-2 units, which is a far more extensive renovation scope than is typical in preservation projects. The per unit rehabilitation costs are in line with previously selected tribal renovation developments White Earth V and Red Lake Homes XII, which had similar scope and building types. The final unit mix and scope of renovation per building will be determined as the project is revised.

McDonough Public Housing Six Plex, Saint Paul

D7740/M16844

12 Units - New Construction

RFP Funding Award: \$ 1,080,000

RFP Award per Unit: \$ 90,000

| <i>TDC</i> | <i>TDC Per Unit</i> | <i>Amount Per Unit above Predicted Amount</i> | <i>Predictive Model Amount</i> | <i>25% over Predictive Model</i> | <i>TDC per Unit as % of Predictive Model</i> |
|-------------|---------------------|---|--------------------------------|----------------------------------|--|
| \$2,694,350 | \$224,529 | \$51,118 | \$173,411 | \$216,764 | 129% |

McDonough Public Housing Six Plex is part of a St. Paul PHA public housing site and is a townhome development with shared surface parking. The proposed TDC per unit is 29% above the predictive model estimate. Contributing to the costs are HUD requirements and the specification that the building’s plan and envelope match the existing units on the public housing site, including design elements such as basements and more durable products. 94% of the TDC is attributable to hard construction costs and 60% is funded by a HUD CFP grant and HUD pre-development grant.

Hiawatha Bluffs, Winona

D7714/M16774

20 Units - New Construction

RFP Funding Award: \$ 3,998,763

RFP Award per Unit: \$ 157,403

| <i>TDC</i> | <i>TDC per Unit</i> | <i>Amount Per Unit above Predicted Amount</i> | <i>Predictive Model Amount</i> | <i>25% over Predictive Model</i> | <i>TDC per Unit as % of Predictive Model</i> |
|-------------|---------------------|---|--------------------------------|----------------------------------|--|
| \$3,998,763 | \$199,938 | \$42,535 | \$157,403 | \$196,754 | 127% |

The project was submitted with a TDC per unit of \$175,544, which is within the predictive model. During underwriting, staff increased operating expenses based on comparable developments. This resulted in the project needing an operating deficit reserve of \$487,875. The Agency will not fund the operating reserve. A condition of selection will be that the sponsor must fund the operating reserve to ensure the project is viable for 15 years.

Jamestown Homes, Saint Paul D3470/M16865

73 Units - Rehabilitation
RFP Funding Award: \$ 344,000
RFP Award per Unit: \$ 4,712

| <i>TDC</i> | <i>TDC Per Unit</i> | <i>Amount Per Unit above Predicted Amount</i> | <i>Predictive Model Amount</i> | <i>25% over Predictive Model</i> | <i>TDC per Unit as % of Predictive Model</i> |
|--------------|---------------------|---|--------------------------------|----------------------------------|--|
| \$16,080,860 | \$220,286 | \$44,249 | \$157,403 | \$220,046 | 140% |

The property receives Section 8 rental assistance under a Housing Assistance Payments (HAP) contract and is in jeopardy of losing the federal subsidy due to substantial and immediate physical needs. The hard construction costs of the required repairs are \$106,000 per unit. While the predictive model captured the substantial rehabilitation that is required, the costs for this project are higher than we typically see based on the extensive scope of the work required. Thus, the construction costs were deemed reasonable.

Hickory Ridge, Maple Grove D0753/M 16745

32 Units- Rehabilitation
RFP Funding Award: N/A- HTC Only
RFP Award per Unit: N/A- HTC Only

| <i>TDC</i> | <i>TDC Per Unit</i> | <i>Amount Per Unit above Predicted Amount</i> | <i>Predictive Model Amount</i> | <i>25% over Predictive Model</i> | <i>TDC per Unit as % of Predictive Model</i> |
|-------------|---------------------|---|--------------------------------|----------------------------------|--|
| \$8,317,295 | \$259,915 | \$75,157 | \$184,758 | \$230,948 | 140% |

The property receives Section-8 rental assistance under a Housing Assistance Payments (HAP) contract, and is in jeopardy of losing the federal subsidy due to the substantial and immediate physical needs. The hard construction costs of the required repairs are \$113,000 per unit. Even though the predictive model takes into account the extensive rehabilitation, the rehabilitation scope proposed is more extensive than we typically see, such as correcting many systems issues including poor roof ventilation, foundation work, complete re-grading and re-work of the non-accessible, non-visitable entries with serious site drainage issues. Mechanical systems will also be replaced to meet current code requirements. Due to the lack of repairs being completed by the previous owner, the cost indicated is reasonable for the complete scope accounted for. This development is being recommended for Agency tax credits, but no other RFP funding.

WAIVERS REQUESTED**Waiver of Minnesota Administrative Rules**

Minnesota Administrative Rules 4900.3632 and 4900.3720 require that Challenge and Housing Trust Fund funding be provided in the form of a deferred loan except when another funding source requires Agency funding in the form of a grant or if the other funding source is of a greater amount than the Agency funding, in which circumstance the rules allow for grant funding. Staff is requesting the board waive administrative rules 4900.362 and 4900.3720 for projects selected for Housing Infrastructure Bonds and allow staff to determine if the developments would be best served by receiving deferred or forgivable funding.

Housing Tax Credit Waiver of Development Allocation Credit Limits:

Article 8.0 of the Amended 2014/2015 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 Amended 2014/2015 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 a waiver to the \$1,000,000 per development cap to allow for an aggregate amount of \$1,057,872 for Carver Crossing submitted by Connelly Development, LLC and Carver Crossing, LLC Ronald Clark (GP). The amount of the waiver request is \$57,872.

Carver Crossing is a 68 unit development requesting \$1,057,872 in tax credits. It is located in Carver, has significant support from the city, and furthers the goals of its Comprehensive Plan and Housing Action Plan. The area has been identified by the city as a priority growth development site and is in response to significant proposed expansions in area employment. The development also includes four units serving long term homeless households with rents affordable to households at or below 30 percent of median income. In addition, the mortgage amount is conservatively underwritten but maximized, the proposal contains costs using Minnesota Housing's methodology, the city and the developer have committed substantial funds and the proposal does not include a request for Minnesota Housing or funding partner deferred funds. A waiver of the \$1,000,000 per development cap will allow the applicant to maximize the amount of equity available to fund development costs and allow the remaining gap to be fundraised through local and philanthropic sources.

Staff is also recommending a waiver to the per developer cap of 10 percent of the state's per capita volume in any calendar year to allow for an aggregate amount of \$1,693,371 combined for Ashland Village and The Meadows submitted by Joseph Development, LLC (GP). The amount of the waiver request is \$446,684.

Ashland Village is a 49 unit development being recommended for \$808,842 in tax credits and The Meadows is a 54 unit development being recommended for \$884,529 in tax credits. Both developments are located in Rochester and further the goals of responding to significant proposed expansions in area employment in addition to including four units each to serve long term homeless households with rents affordable to households at or below 30 percent of median income. In addition, Ashland Village also furthers the goal of developing land involved in foreclosure action. Both mortgage amounts are conservatively underwritten but maximized, the proposals contain costs using Minnesota Housing's methodology, the city and the developer have committed substantial funds and neither proposal includes a request for Minnesota Housing or funding partner deferred funds. A waiver of the 10% per developer cap will allow the applicant to maximize the amount of equity available to fund development costs with no remaining funding gaps.

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REVISED

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

RESOLUTION NO. MHFA 14-

RESOLUTION APPROVING SELECTION/AUTHORIZATION TO CLOSE LOANS

WHEREAS, the Minnesota Housing Finance Agency (Agency) 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 for the following developments:

| Project # | Project Name | Funding Source | \$ Awarded |
|-----------------------|---|-------------------------------------|-------------------------------------|
| 16845 | VA Housing - St. Cloud (fka CommonBond VA Housing St Cloud) | Housing Infrastructure Bonds – HTF | \$ 1,930,641 |
| 16774 | Hiawatha Bluffs Living | Housing Infrastructure Bonds – HTF | \$ 2,631,701 |
| 16861 | Maplewood Apartments | HARP | \$ 1,093,810 |
| 16761 | Morningside Terrace | HARP | \$ 1,056,995 |
| 16837 | Nettleton Apartments | EDHC – Workforce | \$ 880,000 |
| 16797 | Northgate Apartments | EDHC – Workforce | \$ 216,870 |
| 16778 | Rochester Youth and Family Housing | Housing Infrastructure Bonds – HTF | \$ 7,890,254 |
| 16763 | Phoenix Apartments | Asset Management | \$ 396,975 |
| 16823 | Beacon Hill | Housing Infrastructure Bonds – EDHC | \$ 6,100,000 |
| 16749 | Leech Lake District One Rehab and Rebuild | EDHC – Indian Housing | \$ 750,000 |
| 16794 | BROWNstone | EDHC – Workforce EDHC – MF | \$ 500,000 \$ 802,000 |
| 16844 | McDonough Public Housing Six Plexes | EDHC – MF | \$ 1,080,000 |
| 16790 | Prior Crossing | Housing Infrastructure Bonds – HTF | \$ 5,067,401 |
| 16791 | Skyline Tower | Housing Infrastructure Bonds – EDHC | \$ 10,243,242 |
| 16747 | Higher Ground St. Paul | Housing Infrastructure Bonds – HTF | \$ 19,000,000 |
| 16864 | Twin Lakes Apartments | EDHC – MF | \$ 1,175,000 |
| 16793 | Sunwood Village | Housing Infrastructure Bonds – EDHC | \$ 4,120,000 \$4,220,000 |
| 16757 | Broadway Flats | EDHC – Workforce | \$ 1,200,000 |
| 16807 | Corcoran Triangle | EDHC – MF | \$ 1,850,000 |
| 16817 | Hawthorne EcoVillage Apartments | Housing Infrastructure Bonds – EDHC | \$ 3,134,528 |
| 16820 | Little Earth of United Tribes | Housing Infrastructure Bonds – EDHC | \$ 4,062,192 |
| 16758 | Mill City Quarter | EDHC – Workforce EDHC – MF | \$ 1,854,015 \$ 1,091,985 |
| 16846 | Veteran East | Housing Infrastructure Bonds – HTF | \$ 7,436,000 |
| 16773 | Seward Towers East and West | HARP | \$ 3,649,195 |
| Total Awarded: | | | \$ 89,212,804 |

WHEREAS, Agency staff has reviewed the applications and determined that the applications are in compliance under Agency'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 Agency staff to enter into loan/grant agreements, and to close said loans/grants from Agency resources and funds for the applications and in the amounts set forth in the attached chart upon the following conditions:

1. Agency staff shall review and approve the Mortgagor or Grantee; and
2. The issuance of a mortgage loan commitment for all Housing Infrastructure Bonds, Asset Management, EDHC and HOME HARP loans in form and substance acceptable to Agency staff and the closing of the loans shall occur no later than 20 months from the adoption date of this Resolution; but if a development elects the End Loan Commitment, , the End Loan Commitment shall occur no later than 20 months from the adoption date of this Resolution and construction of the development shall be completed within 18 months from the date of End Loan Commitment; 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 Agency, in its sole discretion, deems necessary.

NOW THEREFORE, BE IT FURTHER RESOLVED:

THAT, the board hereby waives Minnesota Rules 4900.3632 and 4900.3720 if staff deems it necessary to provide the Housing Infrastructure Bonds-EDHC or Housing Infrastructure Bonds-HTF proceeds as forgivable loans.

Adopted this 23rd day of October, 2014

CHAIRMAN

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

RESOLUTION NO. MHFA 14-

RESOLUTION ALLOCATING FEDERAL LOW INCOME HOUSING CREDITS
FOR CALENDAR YEAR 2015
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 2015; 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

6 Projects

| Project # | Project Name | \$ Awarded |
|-----------------------|-------------------------------------|---------------------|
| 16865 | Jamestown Homes | \$ 93,396 |
| 16838 | Opportunity Housing Partnership | \$ 679,550 |
| 16745 | Hickory Ridge | \$ 554,813 |
| 16851 | Villages at Frost English - Family* | \$ 439,032 |
| 16822 | Cornerstone Creek | \$ 877,674 |
| 16798 | Carver Crossing | \$ 1,057,872 |
| Total Awarded: | | \$ 3,702,337 |

Greater Minnesota Selections

7 Projects

| Project # | Project Name | \$ Awarded |
|-----------|----------------------|------------|
| 16746 | Cloverdale Townhomes | \$ 282,851 |
| 16761 | Morningside Terrace | \$ 453,863 |

| | | |
|-----------------------|-----------------------|---------------------|
| 16797 | Northgate Apartments | \$ 647,350 |
| 16801 | Pine Ridge Apartments | \$ 728,937 |
| 16755 | Cambridge Town Square | \$ 440,150 |
| 16811 | Ashland Village | \$ 808,842 |
| 16809 | The Meadows | \$ 884,529 |
| Total Awarded: | | \$ 4,246,522 |

Rural Development/Small Project Selections

2 Projects

| Project # | Project Name | \$ Awarded |
|-----------------------|----------------------|-------------------|
| 16861 | Maplewood Apartments | \$ 215,852 |
| 16854 | Park Terrace | \$ 84,148 |
| Total Awarded: | | \$ 300,000 |

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, Agency staff is hereby authorized to make the Low Income Housing Tax Credits reservations for the above developments in the amounts shown for calendar year 2015 of the Low Income Housing Credit, upon compliance with all of the requirements contained in the QAP and Manual,
2. THAT, Agency staff is authorized to allocate the portions of the state ceiling of Low Income Housing Tax Credits to the developments identified above in the amounts shown, subject to adjustments in accordance with the QAP and Manual, including a waiver to the \$1,000,000 per development cap for Carver Crossing and a waiver to allow the allocation of tax credits in an amount in excess of 10 percent of the State's per capita volume to one developer/general partner for the Ashland Village and The Meadows developments,
3. THAT, notification letters concerning the above be forwarded to the approved applicants.

Adopted this 23rd day of October, 2014

 CHAIRMAN

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

RESOLUTION NO. MHFA 14-

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

WHEREAS, the Minnesota Housing Finance Agency (Agency) has received applications to provide construction financing and permanent financing for multifamily rental housing developments serving persons and families of low and moderate income for the following developments:

| Project # | Project Name | Funding Source | \$ Awarded |
|-----------------------|---|----------------|---------------------|
| 16804 | Winhaven Court Apartments | PARIF | \$ 2,286,339 |
| 16749 | Leech Lake District One Rehab and Rebuild | PARIF | \$ 2,761,038 |
| 16838 | Opportunity Housing Partnership | PARIF | \$ 1,200,000 |
| Total Awarded: | | | \$ 6,247,377 |

WHEREAS, Agency staff has reviewed the applications and determined that the applications are in compliance under Agency's rules, regulations and policies; that such loans 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 Agency staff to enter into loan agreements, and to close said loans from Agency resources and funds for the applications and in the amounts set forth in the above chart upon the following conditions:

1. Agency staff shall review and approve the Mortgage ; and
2. The issuance of a mortgage loan commitment for each PARIF loan in form and substance acceptable to Agency staff and the closing of the loans shall occur no later than 20 months from the adoption date of this Resolution; and if a development elects the End Loan Commitment the End Loan Commitment shall occur no later than 20 months from the adoption date of this Resolution and construction of the development shall be completed within 18 months from the date of End Loan Commitment;
3. The sponsor, the builder, the architect, the mortgage, 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 Agency, in its sole discretion, deems necessary; and
4. Each Mortgage will enter into an agreement with the Agency that complies with subd. 8b of Minn. Stat. § 462A.21, and the rider to the appropriation providing funds to the program (Minnesota Laws 2013, Regular Session, Chapter 85, article 1, section 4, subdivision 7), agreeing to participate in the applicable project based federally assisted housing program and to extend any existing low-income

restrictions on the housing for the term of the loan and giving local units of government, housing and redevelopment authorities and nonprofit housing organizations the right of first refusal if the rental property is offered for sale during the term of the loan; and

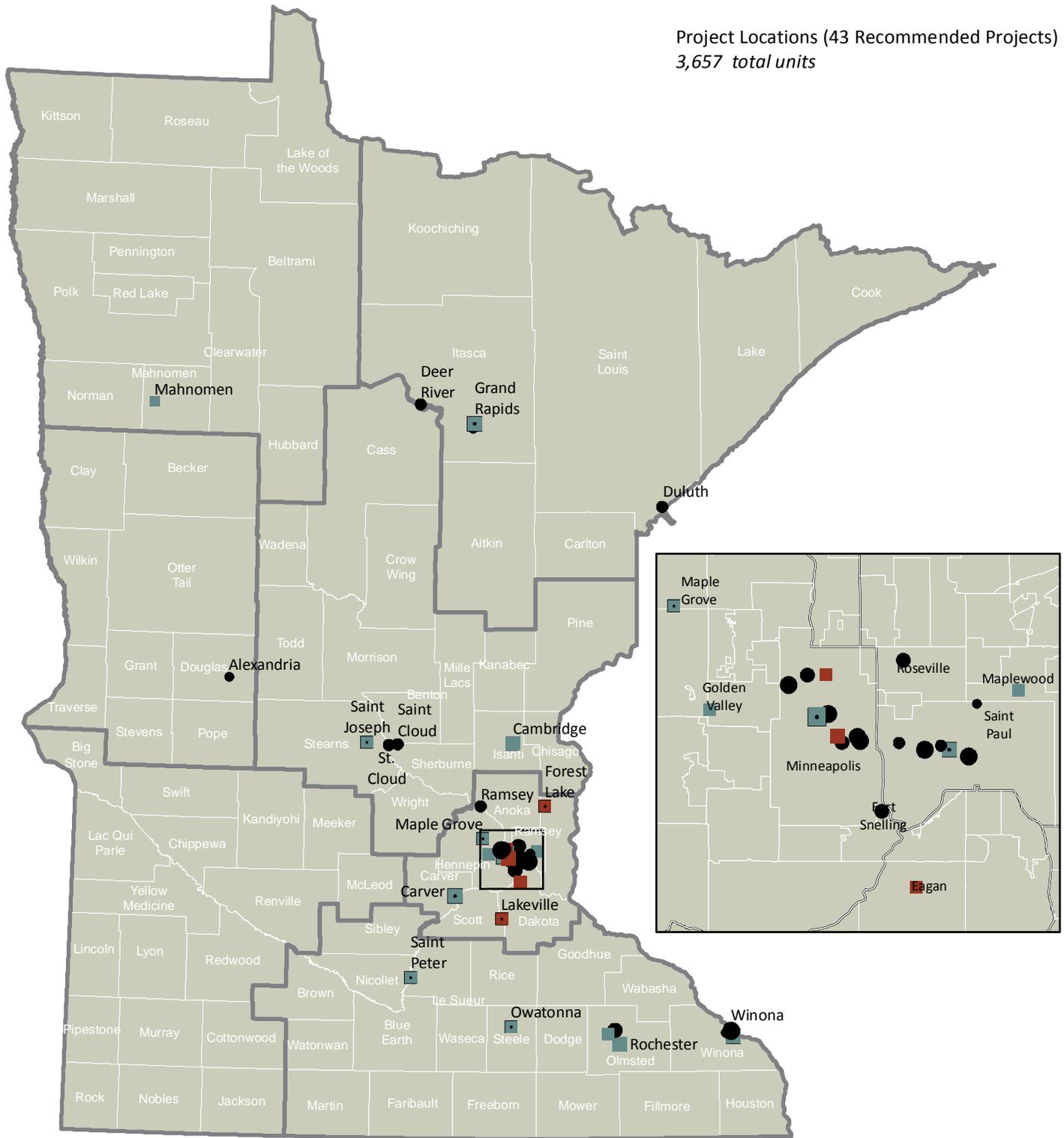
RESOLVED, FURTHER, that it is hereby determined to finance the Developments with funds from the Preservation Affordable Rental Investment Fund state appropriations.

Adopted this 23rd day of October, 2014.

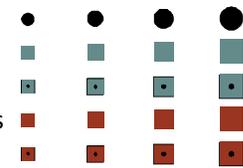
CHAIRMAN

Minnesota Housing Multifamily RFP Funding Recommendations - October 2014

Project Locations (43 Recommended Projects)
3,657 total units



- RFP 2014 Project (no HTC 9%) | 23 Properties
- HTC 9% Credits Only | 6 Properties
- MHFA HTC + RFP | 9 Properties
- HTC 9% Suballocator Credits Only | 3 Properties
- Suballocator HTC Only + RFP | 2 Properties



Note: 2 properties have both MHFA and suballocator HTC



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2014 Minnesota Housing Multifamily RFP: Consolidated Funding

| Project Name | Total Units | Developer Name | City | Permanent Amortizing Mortgages | Minnesota Housing Deferred | Funding Partner Deferred | Estimated Syndication | Other Sources | Total Development Cost |
|-------------------------------------|-------------|--|--------------------------------|--------------------------------|----------------------------|--------------------------|-----------------------|----------------------|------------------------|
| METRO Minneapolis | | | | | | | | | |
| Anishinabe Bii Gii Wiin | 77 | Project for Pride in Living | Minneapolis | | | | \$5,950,163 | \$4,561,968 | \$10,512,131 |
| Broadway Flats | 103 | Rose Development, LLC and Lupe Development Partners, LLC | Minneapolis | | \$1,200,000 | \$200,000 | \$7,993,497 | \$13,390,806 | \$22,784,303 |
| Corcoran Triangle | 135 | Corridor Plaza LLC | Minneapolis | | \$1,850,000 | \$500,000 | \$6,372,966 | \$15,251,142 | \$23,974,108 |
| Hawthorne EcoVillage Apartments | 75 | Project for Pride in Living | Minneapolis | \$1,927,000 | \$3,134,528 | \$200,000 | \$5,648,632 | \$5,436,736 | \$16,346,896 |
| Little Earth of United Tribes | 78 | Little Earth of United Tribes Housing Corporation | Minneapolis | | \$4,062,192 | | | \$811,473 | \$4,873,665 |
| Marshall Flats | 36 | Clare Housing | Minneapolis | | | | \$6,596,542 | \$2,382,351 | \$8,978,893 |
| Mill City Quarter | 150 | Eagle Iron Partners | Minneapolis | | \$2,946,000 | \$214,000 | \$9,502,849 | \$23,159,995 | \$35,822,844 |
| Opportunity Housing Partnership | 117 | Aeon | Minneapolis | | \$1,200,000 | | \$9,296,313 | \$7,269,913 | \$17,766,226 |
| Seward Towers East and West | 640 | Seward Towers Preservation LP | Minneapolis | | \$3,649,195 | | \$28,883,491 | \$58,645,182 | \$91,177,868 |
| Saint Paul | | | | | | | | | |
| BROWNstone | 35 | Model Cities of St Paul, Inc | Saint Paul | | \$1,302,000 | | \$2,782,893 | \$4,602,576 | \$8,687,469 |
| Higher Ground St. Paul | 193 | Catholic Charities of St. Paul and Minneapolis | Saint Paul | | \$19,000,000 | | | \$2,264,600 | \$21,264,600 |
| Jamestown Homes | 73 | Twin Cities Housing Development Corporation | Saint Paul | \$3,185,000 | \$344,000 | | \$10,579,770 | \$1,972,090 | \$16,080,860 |
| McDonough Public Housing Six Plexes | 12 | The Public Housing Agency of the City of St. Paul | Saint Paul | | \$1,080,000 | | | \$1,614,350 | \$2,694,350 |
| Prior Crossing | 44 | Beacon Interfaith Housing Collaoborative | Saint Paul | | \$5,067,401 | | \$2,894,692 | \$2,187,015 | \$10,149,108 |
| Skyline Tower | 504 | CommonBond Communities | Saint Paul | | \$10,243,242 | | | \$2,564,480 | \$12,807,722 |
| Suburbs | | | | | | | | | |
| Carver Crossing | 68 | Connelly Development, LLC | Carver | \$3,184,270 | | | \$9,784,337 | \$842,197 | \$13,810,804 |
| Cornerstone Creek | 45 | Community Housing Development Corporation | Golden Valley | | | | \$8,000,000 | \$1,788,131 | \$9,788,131 |
| Forest Oak Apartments | 36 | Forest Group Development II, LLC | Forest Lake | \$1,113,000 | | | \$5,058,252 | \$1,940,058 | \$8,111,310 |
| Hickory Ridge | 32 | Twin Cities Housing Development Corporation | Maple Grove | \$1,542,000 | | | \$5,103,769 | \$1,671,526 | \$8,317,295 |
| Lakeshore Townhomes | 50 | Dakota County Community Development Agency | Eagan | | | | \$9,558,895 | \$2,725,804 | \$12,284,699 |
| Morgan Square Townhomes | 36 | Dakota County Community Development Agency | Lakeville | | | \$145,000 | \$7,287,035 | \$1,884,601 | \$9,316,636 |
| Sunwood Village | 47 | CommonBond Communities | Ramsey | \$1,433,000 | \$4,220,000 | \$200,000 | \$2,219,268 | \$1,295,751 | \$9,368,019 |
| Twin Lakes Apartments | 80 | Sherman Associates LLC | Roseville | | \$1,175,000 | \$400,000 | \$3,076,600 | \$9,883,410 | \$14,535,010 |
| Veterans East | 100 | Community Housing Development Corporation | Unincorporated Hennepin County | | \$7,436,000 | | \$4,575,951 | \$1,355,000 | \$13,366,951 |
| Villages at Frost English - Family | 50 | Sherman Associates LLC | Maplewood | | | | \$7,550,120 | \$4,768,353 | \$12,318,473 |
| Total METRO | 2816 | | | \$12,384,270 | \$67,909,558 | \$1,859,000 | \$158,716,035 | \$169,707,540 | \$415,138,371 |

2014 Multifamily Consolidated RFP: Consolidated Funding

| Project Name | Total Units | Developer Name | City | Permanent Amortizing Mortgages | Minnesota Housing Deferred | Funding Partner Deferred | Estimated Syndication | Other Sources | Total Development Cost |
|---|-------------|---|--------------|--------------------------------|----------------------------|--------------------------|-----------------------|----------------------|------------------------|
| GREATER MINNESOTA | | | | | | | | | |
| Central | | | | | | | | | |
| Cambridge Town Square | 76 | LWO Development LLC | Cambridge | | | | \$3,857,611 | \$3,440,000 | \$7,297,611 |
| Cloverdale Townhomes | 36 | Central Minnesota Housing Partnership, Inc. | Saint Joseph | \$1,110,000 | \$625,000 | | \$2,361,806 | \$155,069 | \$4,251,875 |
| VA Housing - St. Cloud (fka CommonBond VA Housing St Cloud) | 35 | SCI Associates, LLC | Saint Cloud | | \$1,930,641 | \$300,000 | | \$4,170,380 | \$6,401,021 |
| Woodland Village Townhomes | 32 | SCI Associates, LLC | Saint Cloud | \$1,050,000 | \$1,307,709 | | \$647,170 | | \$3,004,879 |
| Northeast | | | | | | | | | |
| Beacon Hill | 48 | D. W. Jones, Inc | Grand Rapids | | \$6,100,000 | | \$2,170,290 | \$345,880 | \$8,616,170 |
| Leech Lake District One Rehab and Rebuild | 22 | Leech Lake Reservation Housing Authority | Deer River | | \$3,511,038 | | | \$500,000 | \$4,011,038 |
| Nettleton Apartments | 50 | Sherman Associates LLC | Duluth | \$2,378,000 | \$1,745,729 | | \$1,176,222 | \$1,997,625 | \$7,297,576 |
| Pine Ridge Apartments- 9% LIHTC Structure | 100 | The Schuett Companies, Inc. | Grand Rapids | \$2,576,000 | \$940,000 | | \$6,559,777 | | \$10,195,923 |
| Northwest | | | | | | | | | |
| Park Terrace | 18 | D.W. Jones Development, Inc. | Mahnomen | | | | \$706,773 | \$1,261,428 | \$1,968,201 |
| Southeast | | | | | | | | | |
| Ashland Village | 49 | Ashland Village Development, LLC | Rochester | | | | \$7,440,600 | \$2,060,471 | \$9,501,071 |
| Hiawatha Bluffs Living | 20 | Hiawatha Valley Mental Health Center | Winona | | \$2,631,701 | | | \$1,367,062 | \$3,998,763 |
| Maplewood Apartments | 30 | Southwest Minnesota Housing Partnership | Saint Peter | | \$1,093,810 | \$350,000 | \$1,834,559 | \$524,520 | \$3,802,889 |
| The Meadows | 54 | Rochester Meadows Development, LLC | Rochester | | | | \$8,136,853 | \$2,198,694 | \$10,335,547 |
| Morningside Terrace | 54 | Community Capital | Winona | | \$1,056,995 | \$225,000 | \$3,721,304 | \$1,575,528 | \$6,578,827 |
| Northgate Apartments | 36 | LWO Development, LLC | Owatonna | \$738,000 | \$216,870 | | \$5,696,110 | \$160,006 | \$6,810,986 |
| Rochester Youth and Family Housing | 55 | CCHC Developer Rochester, LLC | Rochester | | \$7,890,254 | | \$2,713,546 | \$700,000 | \$11,303,800 |
| Winhaven Court Apartments | 118 | Madrona TC Developer III LLC | Winona | | \$2,286,339 | | \$3,761,234 | \$7,668,268 | \$13,715,841 |
| Southwest | | | | | | | | | |
| West Central | | | | | | | | | |
| Phoenix Apartments (FKA Wings) | 8 | West Central Minnesota Communities Action | Alexandria | | \$396,975 | | | \$2,525 | \$399,500 |
| Total GREATER MINNESOTA | 841 | | | \$7,852,000 | \$31,733,061 | \$875,000 | \$50,783,855 | \$28,127,456 | \$119,491,518 |
| Total STATEWIDE | 3657 | | | \$20,236,270 | \$99,642,619 | \$2,734,000 | \$209,499,890 | \$197,834,996 | \$534,629,889 |

2014 Minnesota Housing Multifamily RFP: Detailed Funding

| Project Name | Total Units | Developer Name | City | Minnesota Housing Amortizing | | | Minnesota Housing Deferred | | | | | | | | | Tax Credit Allocations | | | Funding Partners | | | |
|---|-------------|---|--------------|------------------------------|--------------------|--------------------|----------------------------|-------------------------------|------------------------------|--------------------|--------------------|--------------------|--------------------|------------------------|------------------|------------------------|-------------------------------|------------------------------------|------------------|------------------|------------------|--------------------|
| | | | | LMIR 1st Mortgage | MAP | LMIR Bridge | FFCC | Hsg Infrastructure Bonds EDHC | Hsg Infrastructure Bonds HTF | PARIF | HOME HARP | EDHC Workforce MF | EDHC MF | EDHC Indian Housing MF | Asset Mgmt Loan | 9% MN Hsg HTC | 9% Suballocator Recommended** | TE Bond Deals - 4% HTC Recommended | GMHF | FHF | MN DEED | Met Council LHIA |
| GREATER MINNESOTA | | | | | | | | | | | | | | | | | | | | | | |
| Central | | | | | | | | | | | | | | | | | | | | | | |
| Cambridge Town Square | 76 | LWO Development LLC | Cambridge | | | | | | | | | | | | | | \$440,150 | | | | | |
| Cloverdale Townhomes | 36 | Central Minnesota Housing Partnership, Inc. | Saint Joseph | \$1,110,000 | | | \$625,000 | | | | | | | | | | \$282,851 | | | | | |
| VA Housing - St. Cloud (fka CommonBond VA Housing St Cloud) | 35 | SCI Associates, LLC | Saint Cloud | | | | | \$1,930,641 | | | | | | | | | | | | \$300,000 | | |
| Woodland Village Townhomes | 32 | SCI Associates, LLC | Saint Cloud | \$1,050,000 | | \$1,600,000 | \$1,307,709 | | | | | | | | | | | | | | \$73,542 | |
| Northeast | | | | | | | | | | | | | | | | | | | | | | |
| Beacon Hill* | 48 | D. W. Jones, Inc | Grand Rapids | | | | | \$6,100,000 | | | | | | | | | | | | | \$264,696 | |
| Leech Lake District One Rehab and Rebuild | 22 | Leech Lake Reservation Housing Authority | Deer River | | | | | | \$2,761,038 | | | | | | \$750,000 | | | | | | | |
| Nettleton Apartments | 50 | Sherman Associates LLC | Duluth | \$2,378,000 | | \$4,250,000 | \$865,729 | | | | | \$880,000 | | | | | | | | | \$122,499 | |
| Pine Ridge Apartments- 9% LIHTC Structure | 100 | The Schuett Companies, Inc. | Grand Rapids | \$2,576,000 | | | \$940,000 | | | | | | | | | | \$728,937 | | | | | |
| Northwest | | | | | | | | | | | | | | | | | | | | | | |
| Park Terrace | 18 | D.W. Jones Development, Inc. | Mahnomen | | | | | | | | | | | | | | \$84,148 | | | | | |
| Southeast | | | | | | | | | | | | | | | | | | | | | | |
| Ashland Village | 49 | Ashland Village Development, LLC | Rochester | | | | | | | | | | | | | | \$808,842 | | | | | |
| Hiawatha Bluffs Living | 20 | Hiawatha Valley Mental Health Center | Winona | | | | | \$2,631,701 | | | | | | | | | | | | | | |
| Maplewood Apartments | 30 | Southwest Minnesota Housing Partnership | Saint Peter | | | | | | | \$1,093,810 | | | | | | | \$215,852 | | | \$350,000 | | |
| The Meadows | 54 | Rochester Meadows Development, LLC | Rochester | | | | | | | | | | | | | | \$884,529 | | | | | |
| Morningside Terrace | 54 | Community Capital | Winona | | | | | | | \$1,056,995 | | | | | | | \$453,863 | | | | \$225,000 | |
| Northgate Apartments | 36 | LWO Development, LLC | Owatonna | \$738,000 | | | | | | | | \$216,870 | | | | | \$647,350 | | | | | |
| Rochester Youth and Family Housing* | 55 | CCHC Developer Rochester, LLC | Rochester | | | | | \$7,890,254 | | | | | | | | | | | | \$311,933 | | |
| Winhaven Court Apartments | 118 | Madrona TC Developer III LLC | Winona | | | | | | \$2,286,339 | | | | | | | | | | | | \$432,369 | |
| Southwest | | | | | | | | | | | | | | | | | | | | | | |
| West Central | | | | | | | | | | | | | | | | | | | | | | |
| Phoenix Apartments (FKA Wings) | 8 | West Central Minnesota Communities Action | Alexandria | | | | | | | | | | | | \$396,975 | | | | | | | |
| Total GREATER MINNESOTA | 841 | | | \$7,852,000 | | \$5,850,000 | \$3,738,438 | \$6,100,000 | \$12,452,596 | \$5,047,377 | \$2,150,805 | \$1,096,870 | \$0 | \$750,000 | \$396,975 | \$4,546,522 | \$0 | \$1,205,039 | \$300,000 | \$0 | \$575,000 | \$0 |
| Total STATEWIDE | 3657 | | | \$18,309,270 | \$1,927,000 | \$9,050,000 | \$4,082,438 | \$27,759,962 | \$43,955,997 | \$6,247,377 | \$5,800,000 | \$4,650,885 | \$5,998,985 | \$750,000 | \$396,975 | \$8,248,859 | \$3,838,993 | \$8,438,608 | \$300,000 | \$700,000 | \$575,000 | \$1,159,000 |

Note: Gateway Tower (Duluth) is being recommended for \$500,000 in deferred funding from Greater Minnesota Housing Fund out of a total deferred request of \$11,302,665.

*Issuance of Housing Infrastructure Bonds is expected to qualify this development for 4% tax credits without requiring additional tax exempt bonds

**Subject to city/county board approvals

KEY:

LMIR 1st Mortgage - Low- and Moderate-Income Rental Program

MAP - HUD Multifamily Accelerated Processing programs Section 221(d) and 223(f)

FFCC - Flexible Financing for Capital Costs deferred loans in conjunction with LMIR loans

Housing Infrastructure Bonds EDHC - Bond proceeds administered through Economic Development and Housing/Challenge Fund for a variety of housing needs

Housing Infrastructure Bonds HTF - Bond proceeds administered through Housing Trust Fund for supportive housing

PARIF - Affordable Rental Investment Fund - Preservation deferred loans for preserving existing affordable rental housing

HOME HARP - HOME Affordable Rental Preservation Program deferred loans for preserving existing affordable rental housing

EDHC Workforce MF - Economic Development and Housing/Challenge Fund for Housing and Job Growth Initiative

EDHC MF - Economic Development and Housing/Challenge Fund

EDHC Indian Housing - Economic Development and Housing/Challenge Fund for Indian housing set-aside

9% MN Hsg HTC - 9% Housing Tax Credits awarded competitively by Minnesota Housing

9% Suballocator Recommended - 9% Housing Tax Credits awarded competitively by a suballocator

TE Bond Deals 4% HTC Recommended - 4% Housing Tax Credits awarded non-competitively

GMHF - Greater Minnesota Housing Fund

FHF - Family Housing Fund

MN DEED - Minnesota Department of Employment and Economic Development

Met Council LHIA - Metropolitan Council Local Housing Incentives Account

2014 Minnesota Housing Multifamily RFP: Strategic Priorities

| Project Name | Total Units | Pres Fed | Pres HTC | Pres/Rehab | New Aff | End LTH | Fore-closure | TOD | Senior | Market Rate | Developer Name | City | |
|-------------------------------------|-------------|-------------------------------|----------|------------|-------------|------------|--------------|-------------|----------|-------------|--|--|-------------|
| METRO | | | | | | | | | | | | | |
| Minneapolis | | | | | | | | | | | | | |
| Anishinabe Bii Gii Wiin | 77 | Suballocator Tax Credits Only | | | | | | | | | | Project for Pride in Living | Minneapolis |
| Broadway Flats | 103 | | | | 103 | | 103 | | | | Rose Development, LLC and Lupe Development Partners, LLC | Minneapolis | |
| Corcoran Triangle | 135 | | | | 135 | 9 | | 135 | | | Corridor Plaza LLC | Minneapolis | |
| Hawthorne EcoVillage Apartments | 75 | | | | 74 | 4 | 75 | | | 1 | Project for Pride in Living | Minneapolis | |
| Little Earth of United Tribes | 78 | 78 | | | | | | 78 | | | Little Earth of United Tribes Housing Corporation | Minneapolis | |
| Marshall Flats | 36 | Suballocator Tax Credits Only | | | | | | | | | | Clare Housing | Minneapolis |
| Mill City Quarter | 150 | | | | 150 | | | 150 | | | Eagle Iron Partners | Minneapolis | |
| Opportunity Housing Partnership | 117 | 51 | | 66 | | 66 | | | | | Aeon | Minneapolis | |
| Seward Towers East and West | 640 | 623 | | | | | | | | 17 | Seward Towers Preservation LP | Minneapolis | |
| Saint Paul | | | | | | | | | | | | | |
| BROWNstone | 35 | | | | 35 | | | 35 | | | Model Cities of St Paul, Inc | Saint Paul | |
| Higher Ground St. Paul | 193 | | | | 193 | 135 | | 193 | | | Catholic Charities of St. Paul and Minneapolis | Saint Paul | |
| Jamestown Homes | 73 | 73 | | | | 4 | | 73 | | | Twin Cities Housing Development Corporation | Saint Paul | |
| McDonough Public Housing Six Plexes | 12 | | | | 12 | | | | | | The Public Housing Agency of the City of St. Paul | Saint Paul | |
| Prior Crossing | 44 | | | | 44 | 23 | | 44 | | | Beacon Interfaith Housing Collaborative | Saint Paul | |
| Skyline Tower | 504 | 448 | | 56 | | | | 504 | | | CommonBond Communities | Saint Paul | |
| Suburbs | | | | | | | | | | | | | |
| Carver Crossing | 68 | | | | 68 | 4 | 68 | | | | Connelly Development, LLC | Carver | |
| Cornerstone Creek | 45 | | | | 45 | 4 | | | | | Community Housing Development Corporation | Golden Valley | |
| Forest Oak Apartments | 36 | | | | 36 | | | | | | Forest Group Development II, LLC | Forest Lake | |
| Hickory Ridge | 32 | 32 | | | | 4 | | | | | Twin Cities Housing Development Corporation | Maple Grove | |
| Lakeshore Townhomes | 50 | Suballocator Tax Credits Only | | | | | | | | | | Dakota County Community Development Agency | Eagan |
| Morgan Square Townhomes | 36 | | | | 36 | | | | | | Dakota County Community Development Agency | Lakeville | |
| Sunwood Village | 47 | | | | 47 | 4 | 47 | 47 | | | CommonBond Communities | Ramsey | |
| Twin Lakes Apartments | 80 | | | | 64 | | | | | 16 | Sherman Associates LLC | Roseville | |
| Veterans East | 100 | | | | 100 | | | 100 | | | Community Housing Development Corporation | Unincorporated Hennepin County | |
| Villages at Frost English - Family | 50 | | | | 40 | 7 | | | | 10 | Sherman Associates Development LLC | Maplewood | |
| Total METRO | 2816 | 1305 | 0 | 122 | 1182 | 264 | 293 | 1359 | 0 | 44 | | | |

2014 Minnesota Housing Multifamily RFP: Strategic Priorities

| Project Name | Total Units | Pres Fed | Pres HTC | Pres/ Rehab | New Aff | End LTH | Fore-closure | TOD | Senior | Market Rate | Developer Name | City |
|---|-------------|-------------|-----------|-------------|-------------|------------|--------------|-------------|------------|-------------|---|--------------|
| GREATER MINNESOTA | | | | | | | | | | | | |
| Central | | | | | | | | | | | | |
| Cambridge Town Square | 76 | 41 | | 35 | | | 76 | | | | LWO Development LLC | Cambridge |
| Cloverdale Townhomes | 36 | 36 | | | | 4 | | | | | Central Minnesota Housing Partnership, Inc. | Saint Joseph |
| VA Housing - St. Cloud (fka CommonBond VA Housing St Cloud) | 35 | | | | 35 | 4 | | | | | SCI Associates, LLC | Saint Cloud |
| Woodland Village Townhomes | 32 | | 32 | | | | | | | | SCI Associates, LLC | St. Cloud |
| Northeast | | | | | | | | | | | | |
| Beacon Hill | 48 | | | | 48 | 4 | 48 | | | | D. W. Jones, Inc | Grand Rapids |
| Leech Lake District One Rehab and Rebuild | 22 | 22 | | | | | | | | | Leech Lake Reservation Housing Authority | Deer River |
| Nettleton Apartments | 50 | | | | 24 | | | | | 26 | Sherman Associates LLC | Duluth |
| Pine Ridge Apartments- 9% LIHTC Structure | 100 | 60 | | 40 | | 5 | | | 41 | | The Schuett Companies, Inc. | Grand Rapids |
| Northwest | | | | | | | | | | | | |
| Park Terrace | 18 | 15 | | 3 | | | | | | | D.W. Jones Development, Inc. | Mahnomen |
| Southeast | | | | | | | | | | | | |
| Ashland Village | 49 | | | | 49 | 4 | 49 | | | | Ashland Village Development, LLC | Rochester |
| Hiawatha Bluffs Living | 20 | | | | 20 | 4 | | | | | Hiawatha Valley Mental Health Center | Winona |
| Maplewood Apartments | 30 | 9 | | 20 | | | | | | 1 | Southwest Minnesota Housing Partnership | Saint Peter |
| The Meadows | 54 | | | | 54 | 4 | | | | | Rochester Meadows Development, LLC | Rochester |
| Morningside Terrace | 54 | 44 | | 10 | | | | | | | Community Capital | Winona |
| Northgate Apartments | 36 | | | | 36 | 4 | | | | | LWO Development, LLC | Owatonna |
| Rochester Youth and Family Housing | 55 | | | | 55 | 28 | | | | | CCHC Developer Rochester, LLC | Rochester |
| Winhaven Court Apartments | 118 | 118 | | | | | | | 118 | | Madrona TC Developer III LLC | Winona |
| Southwest | | | | | | | | | | | | |
| West Central | | | | | | | | | | | | |
| Phoenix Apartments (FKA Wings) | 8 | | | 8 | | | | | | | West Central Minnesota Communities Action | Alexandria |
| Total GREATER MINNESOTA | 841 | 345 | 32 | 116 | 321 | 61 | 173 | 0 | 159 | 27 | | |
| Total STATEWIDE | 3657 | 1650 | 32 | 238 | 1503 | 325 | 466 | 1359 | 159 | 71 | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|-----------------------|----------------------|-------------|
| Developer Name: | Rose Development, LLC | Project City: | Minneapolis |
| Project Name: | Broadway Flats | Dev #: | D7663 |
| | | App #: | M16757 |

Purpose of Project

Broadway Flats is a new construction development of one four-story building with one level of underground parking on a urban infill parcel. The proposed development site is located at the corner of West Broadway and Penn in North Minneapolis. This site was at the epicenter of the 2011 tornado that devastated the neighborhood damaging or destroying more than 3,000 properties. The Rose family, a partner in the development team, owned and operated Broadway Liquor Outlet and the adjacent laundromat which had to be demolished due to the tornado. The proposed new construction will create first floor commercial space that will return two long-standing businesses back to the community. The residential portion will create 103-units of workforce housing consisting of 10 studios, 78 one-bedroom units and 15 two-bedroom units. All units will be affordable at or below 60% of the Area Median Income (AMI). The development team is a partnership between Rose Development and Lupe Development Partners.

Targeted Population

The targeted population includes households of color, single heads of households with children, disabled individuals, and 100% of the units (103 units) will be reserved for tenants at or below 60% of Area Median Income (AMI).

Per Unit Costs

As proposed in the application, the total development cost for Broadway Flats is \$227,542 per unit. This includes per unit costs of \$7,476 for acquisition, \$166,122 in hard construction costs, and \$47,182 in soft costs and \$6,761 in reserves.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 103 | |

Total Capital Funding Sources

| Sources | Amount |
|------------------------|---------------------|
| LMIR 1st Mortgage | \$8,583,000 |
| Syndication Proceeds* | \$7,993,497 |
| Met Council LHIA | \$200,000 |
| EDHC Workforce MF | \$1,200,000 |
| Met Council LCDA 2012 | \$2,000,000 |
| Minneapolis AHTF 2012 | \$750,000 |
| Minneapolis AHTF 2013 | \$300,000 |
| HCHRA TOD 2013 | \$150,000 |
| HCHRA AHIF/TOD 2014 | \$600,000 |
| LCDA 2014 | \$500,000 |
| Deferred Developer Fee | \$507,606 |
| General Partner Cash | \$200 |
| Total Sources: | \$22,784,303 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------------|--------------------|
| EDHC Workforce MF | 1,200,000 |
| Met Council LHIA | 200,000 |
| Subsidy Funds | Amount |
| <null> | <null> |
| Total Recommended: | \$1,400,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|---------------|------------|------------|------------------|
| 1BR | 46 | \$931 | 60% AMI |
| 1BR | 15 | \$776 | 50% AMI |
| 1BR | 17 | \$776 | 50% AMI |
| 2BR | 9 | \$1,117 | 60% AMI |
| 2BR | 6 | \$930 | 50% AMI |
| Beds | 6 | \$869 | 60% AMI |
| Beds | 4 | \$724 | 50% AMI |
| Total: | 103 | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|--------------------|----------------------|-------------|
| Developer Name: | Corridor Plaza LLC | Project City: | Minneapolis |
| Project Name: | Corcoran Triangle | Dev #: | D6349 |
| | | App #: | M16807 |

Purpose of Project

Corridor Plaza, LLC, a subsidiary of Wellington Management, Inc., anticipates developing a new 135-unit mixed-income affordable workforce housing development at the intersection of 32nd and Hiawatha in Corcoran neighborhood of Minneapolis. In 2008, Wellington Management purchased the site from the Met Council. The housing will be 100 percent affordable and consist of 59 one-bedroom units, 56 two-bedroom units and 20 three-bedroom units atop ground floor retail. The location is within one block of the Hiawatha LRT Lake Street Station area and multiple bus lines, making Corcoran Triangle Apartments an ideal TOD site. This development will provide new transit-oriented affordable housing in one of Minnesota Housing's priority areas for workforce housing.

Targeted Population

The targeted population includes households of color, single heads of households with children and all units will be reserved for tenants at or below 60% of Area Median Income (AMI), with nine of the units for those at or below 30% AMI, 37 units for 50% and 89 units for 60% AMI. The nine units at 30% AMI will be supportive housing units for long-term homeless households living with HIV/AIDS. Clare Housing's involvement with this project helps the organization fulfill its vision of seeing all persons living with HIV/AIDS have affordable, safe and stable housing with access to the supportive services they need.

Per Unit Costs

As proposed in the application, the total development cost for Corcoran Triangle is \$177,586 per unit. This includes per unit costs of \$8,148 for acquisition, \$130,239 in hard construction costs, and \$37,698 in soft costs and \$1,500 in reserves.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Single | 9 | |
| New Affordable Housing | 135 | |

Total Capital Funding Sources

| Sources | Amount |
|---------------------------|-------------|
| 1st Mortgage | \$9,510,000 |
| Syndication Proceeds* | \$6,372,966 |
| EDHC MF | \$1,850,000 |
| Metropolitan Council LCDA | \$505,000 |
| Minneapolis Affordable | \$735,000 |
| Hennepin County TOD | \$300,000 |
| Hennepin County AHIF | \$500,000 |
| Minneapolis Affordable | \$415,000 |
| Deferred Developer Fee | \$881,142 |
| FHF | \$500,000 |
| TIF | \$2,405,000 |

Total Sources: **\$23,974,108**

Super RFP Funding

| Capital Funds | Amount |
|----------------------|-----------|
| EDHC MF | 1,850,000 |
| FHF | 500,000 |
| Subsidy Funds | |
| <null> | <null> |

Total Recommended: **\$2,350,000**

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 37 | \$886 | 60% AMI |
| 1BR | 13 | \$739 | 50% AMI |
| 1BR | 9 | \$670 | 50% AMI |
| 2BR | 36 | \$1,064 | 60% AMI |
| 2BR | 20 | \$886 | 50% AMI |
| 3BR | 16 | \$1,228 | 60% AMI |
| 3BR | 4 | \$1,024 | 50% AMI |

Total: **135**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---------------------------------|----------------------|-------------|
| Developer Name: | Project for Pride in Living Inc | Project City: | Minneapolis |
| Project Name: | Hawthorne EcoVillage | Dev #: | D7732 |
| | | App #: | M16817 |

Purpose of Project

The Hawthorne EcoVillage Apartments is a proposed new construction of 75 units of housing in the four-block Hawthorne EcoVillage master plan at the intersection of Lyndale and Lowry Avenues. The development will consist of 71 apartment units in a four story building and two smaller townhome buildings, each containing 2 three-bedroom units with tuck-under parking. As the cornerstone of the Hawthorne EcoVillage, the project is envisioned to be a hallmark of sustainability and energy efficiency. The building will be one of PPL's first multi-family projects to be certified through the Green Communities program.

Targeted Population

Unit types include 10 zero-bedroom units, 40 one-bedroom units, 21 two-bedroom units and 4 three-bedroom units. Seventy-four units will be restricted to households at incomes of 50% or less of AMI. The development will target individuals and households of color as well as single heads of households with minor children. Four of the units will be set aside for long term homeless (LTH) households with GRH rent assistance.

Per Unit Costs

Acquisition: \$999; Construction \$174,080 (including abatement); Soft Costs (excluding Reserves) \$36,382; Non-Mortgageable Costs (excluding Reserves) \$0; Reserves \$6,538; TDC \$217,959

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Foreclosure | 75 | |
| Long Term Homeless Single | 4 | |
| New Affordable Housing | 75 | |

Total Capital Funding Sources

| Sources | Amount |
|----------------------------|-------------|
| MAP | \$1,927,000 |
| Syndication Proceeds* | \$5,648,632 |
| Hsg Infrastructure Bonds | \$3,134,528 |
| Minneapolis Affordable | \$1,875,000 |
| Met Council LCDA | \$1,000,000 |
| Home Depot Foundation | \$150,000 |
| Federal Home Loan Bank | \$450,000 |
| Hennepin County AHIF | \$450,000 |
| Hennepin County TOD | \$450,000 |
| TBRA Contamination | \$240,000 |
| Mississippi Watershed | \$250,000 |
| Deferred Developer Fee | \$265,376 |
| Minnesota Brownfields | \$13,060 |
| Sales Tax / Energy Rebates | \$293,300 |
| Met Council LHIA | \$200,000 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------------|-----------|
| Hsg Infrastructure Bds EDHC | 3,134,528 |
| MAP | 1,927,000 |
| Met Council LHIA | 200,000 |
| | |
| Subsidy Funds | Amount |
| <null> | <null> |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 4 | \$663 | 50% AMI |
| 0BR/SRO | 6 | \$663 | 50% AMI |
| 1BR | 39 | \$739 | 50% AMI |
| 1BR | 1 | \$739 | Market Rate |
| 2BR | 21 | \$886 | 50% AMI |
| 3BR | 4 | \$1,024 | 50% AMI |

Total Sources: \$16,346,896

Total Recommended: \$5,261,528

Total: 75

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|---------------------------------------|----------------------|-------------|
| Developer Name: | Little Earth of United Tribes Housing | Project City: | Minneapolis |
| Project Name: | Little Earth of United Tribes | Dev #: | D0871 |
| | | App #: | M16820 |

Purpose of Project

Little Earth of United Tribes has submitted an application for the rehabilitation of 78 units with project based Section 8 assistance. While there are a total of 212 units at Little Earth, this application addresses three walk-up apartment buildings. Little Earth is a critical housing resource for the urban Indian population in Minneapolis. The renovation includes exterior work to improve water management (e.g. roof overhangs, attic ventilation), roof replacement, replacement of aging windows, repair of water damaged ceilings and walls, as well as other interior and mechanical system improvements. The development meets the strategic priority of preserving federally assisted housing and met the preservation criteria for High Risk, based upon a lack of replacement reserves to adequately meet the critical physical needs of the development.

Targeted Population

The target population is low-income Indian households. Little Earth's 212 units have over 700 residents. Since beginning self-management, the vacancy rate has been less than 1%. There is a waiting list of over 400 households. Over 30 tribes are represented at the development. Over 90% of the Little Earth residents have annual incomes of less than \$10,000.

Per Unit Costs

Per unit Costs, with the added construction costs: Acquisition: \$0; Construction:\$55,142 \$; Environmental: \$0; Soft: \$4,341; Developer Fee: \$2,821; Financing: \$179; Reserves: \$0. The per unit cost for the development is \$ 62,483.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation / Federally | 78 | 78 |

Total Capital Funding Sources

| <u>Sources</u> | <u>Amount</u> |
|--------------------------|---------------|
| General Partner Cash | \$25,000 |
| Hsg Infrastructure Bonds | \$4,062,192 |
| City of Minneapolis CPED | \$500,000 |
| City of Minneapolis CPED | \$190,000 |
| Sales Tax Rebate | \$96,473 |

Super RFP Funding

| <u>Capital Funds</u> | <u>Amount</u> |
|-----------------------------|---------------|
| Hsg Infrastructure Bds EDHC | 4,062,192 |

Rent Information

| <u>Unit Type</u> | <u>Unit Count</u> | <u>Gross Rent</u> | <u>Rent Restriction</u> |
|------------------|-------------------|-------------------|-------------------------|
| 0BR/SRO | 20 | \$813 | 50% AMI |
| 1BR | 28 | \$987 | 50% AMI |
| 2BR | 30 | \$1,176 | 50% AMI |

Total Sources: **\$4,873,665**

Total Recommended: **\$4,062,192**

Total: **78**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---------------------|----------------------|-------------|
| Developer Name: | Eagle Iron Partners | Project City: | Minneapolis |
| Project Name: | Mill City Quarter | Dev #: | D7708 |
| | | App #: | M16758 |

Purpose of Project

Eagle Iron Partners is requesting funding for the construction of Mill City Quarter located in downtown Minneapolis. The project will create 150 new units of affordable workforce housing in a TOD priority area near both the Green Line and Blue Line LRT. The six-story elevator apartment building will have 115-one bedroom and 35-two bedroom units, as well as 14,495 square feet of retail space, 207 underground parking stalls and 20 surface parking stalls. A "woonerf," which is a pedestrian friendly street will be added to the site, providing a direct connection to the Minneapolis Parks trails along the Mississippi River. 60 units will have rents affordable to households with incomes at or below 50% of AMI. 90 units will have rents affordable to households with incomes at or below 60% of AMI. Adding 150 units of workforce housing at an infill site in the growing downtown core, this project is a high priority for the City of Minneapolis. The developer competed in a City-issued request for proposals (RFP) process to gain development rights to the site.

Targeted Population

Target households include families, single head of households with minor children, and individuals and households of color with incomes at or below 50% and 60% of area median income (AMI).

Per Unit Costs

Acquisition or Refinance: \$10,000. Construction or Rehabilitation (including Environmental): \$180,236. Soft Costs (excluding Reserves): \$41,329. Non-Mortgageable Costs (excluding Reserves): \$0 Reserves: \$7,255. Total Development Cost: \$238,819.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 150 | |

Total Capital Funding Sources

| Sources | Amount |
|------------------------|---------------------|
| 1st Mortgage | \$17,750,000 |
| Syndication Proceeds* | \$9,502,849 |
| EDHC Workforce MF | \$1,854,015 |
| Minneapolis AHTF 2013 | \$1,200,000 |
| Met Council TBRA/TOD | \$2,000,000 |
| AHIF/TOD 2015 | \$400,000 |
| LCDA 2014 | \$500,000 |
| Deferred Developer Fee | \$1,009,995 |
| Minneapolis AHTF 2014 | \$300,000 |
| EDHC MF | \$1,091,985 |
| Met Council LHIA | \$214,000 |
| Total Sources: | \$35,822,844 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------------|--------------------|
| EDHC Workforce MF | 1,854,015 |
| EDHC MF | 1,091,985 |
| Met Council LHIA | 214,000 |
| Total Recommended: | \$3,160,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|---------------|------------|------------|------------------|
| 1BR | 75 | \$933 | 60% AMI |
| 1BR | 20 | \$778 | 50% AMI |
| 1BR | 20 | \$756 | 50% AMI |
| 2BR | 15 | \$1,120 | 60% AMI |
| 2BR | 20 | \$933 | 50% AMI |
| Total: | 150 | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---------------------------------|----------------------|-------------|
| Developer Name: | AEON | Project City: | Minneapolis |
| Project Name: | Opportunity Housing Partnership | Dev #: | D0959 |
| | | App #: | M16838 |

Purpose of Project

Aeon proposes to preserve and rehabilitate OHP, a three scattered-site property in downtown Minneapolis - Lamoreaux, Coyle and Continental. It is an existing three-building 130 unit supportive housing development with critical physical needs. It was acquired and rehabbed in 1991 by Aeon. OHP offers permanent rental with on-site support services to formerly homeless adults. The rehab activity includes rehabilitating and converting the currently 130 unit development into 117 total units when rehab is completed. Sixty-six (66) units will be designated for LTH and served with GRH. Fifty-one (51) units will have PBV HAP through MPHA. The developer is requesting tax credit and a deferred loan to preserve the Section 8 contract and to make updates to mechanical and building operating systems with energy efficient components; envelope upgrades including extensive tuckpointing and new windows; and, community space improvements. It also plans to convert some units (SROs) and for privacy purposes, add bathrooms and kitchenettes. The current HAP contract for rental assistance expires February 2015, and Aeon has committed to renewing it. The physical improvements are critical to continuing the extensions.

Targeted Population

OHP's target population is single individuals currently homeless or at risk of becoming homeless, though four one-bedroom apartments at the Continental will now be able to accommodate couples with a quality living environment and the support services needed to help them regain and maintain stability in their lives. More than 80% of tenants earn less than 20% of the Area Median Income and nearly 90% earn less than 40% AMI. In addition, 77% of the residents are males, 23% females, 58% are African Americans, 40% Caucasian, and 2% Native American. Nearly one-third of tenants have serious mental illness.

Per Unit Costs

Acquisition: \$27,457; Construction (including Environmental): \$78,412; Soft Costs: \$36,123; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$9,855; Total Development Cost: \$151,848

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|---------------------|----------------|
| Long Term Homeless Single | | 66 |
| Preservation | | 117 |
| Preservation / Federally | | 51 |

Total Capital Funding Sources

| Sources | Amount |
|------------------------|-------------|
| General Partner Cash | \$100 |
| Syndication Proceeds* | \$9,296,313 |
| Historic Proceeds | \$2,136,402 |
| PARIF | \$1,200,000 |
| Sales Tax Rebate | \$245,000 |
| City of Minneapolis | \$650,000 |
| Hennepin County | \$475,000 |
| Assumed Loans - CPED | \$2,970,361 |
| Assumed Loans - MHFA | \$425,000 |
| Assumed Loan - Aeon | \$15,844 |
| Deferred Developer Fee | \$828 |
| Assumed Loan - Family | \$351,378 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| PARIF | 1,200,000 |
| Housing Tax Credits | 679,550 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 4 | \$696 | 30% AMI |
| 0BR/SRO | 21 | \$696 | 30% AMI |
| 0BR/SRO | 8 | \$670 | 30% AMI |
| 0BR/SRO | 29 | \$670 | 50% AMI |
| 0BR/SRO | 25 | \$670 | 50% AMI |
| 0BR/SRO | 25 | \$662 | 30% AMI |
| 1BR | 4 | \$670 | 50% AMI |
| 1BR | 1 | \$662 | 30% AMI |

Total Sources: **\$17,766,226**

Total Recommended: **\$1,879,550**

Total: **117**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|-------------------------------|----------------------|-------------|
| Developer Name: | Seward Towers Preservation LP | Project City: | Minneapolis |
| Project Name: | Seward Towers East and West | Dev #: | D7713 |
| | | App #: | M16773 |

Purpose of Project

Seward Towers Corporation, with developer Seward Redesign and general partner CommonBond, is requesting funding for the related party acquisition and rehabilitation of Seward Towers East and West located in the Seward neighborhood of Minneapolis in Hennepin County. The development is an existing 640 unit property with 623 units of project-based Section 8. The project is comprised of two 21-story high-rises with a total of 112 efficiencies, 416 one bedrooms, and 112 two bedrooms. There are 442 covered parking stalls. Each tower houses a CommonBond Advantage Services Center that provides services to residents, especially new immigrants, residing in the towers. Preservation Priority Summary: Application proposed High Risk of loss due to physical needs. Sufficient documentation has been provided to support the claim of High Risk due to Critical Physical Needs and insufficient reserves to address critical needs cited. Preservation of the 623 Section 8 units results in leveraging a present value of \$62,763,515 in federal rent subsidies over the next 30 years. Seward Towers has a unique non-profit board structure comprised of: Seward Redesign, Commonbond, residents of each tower, and the Seward Neighborhood Group.

Targeted Population

The targeted population includes households of color, single heads of household with minor children and disabled individuals all with incomes at or below 60% of AMI.

The Franklin Avenue corridor has one of the largest East African immigrant communities in the Twin Cities. Over 80% of current occupants of Seward Towers East and West identify as East African immigrants. Seward Towers is serving Minneapolis' lowest income persons. 97% of the units are assisted by Section 8, ensuring that tenants do not pay more than 30% of their income towards rent. The development will continue to target the same population with no permanent displacement. The 590 units will have rents affordable to households with incomes at or below 60% of AMI; the remaining 50 units will be unrestricted to accommodate for existing Section 8 units that may be over income.

Per Unit Costs

Acquisition or Refinance: \$57,453. Construction or Rehabilitation (including Environmental): \$58,711. Soft Costs (excluding Reserves): \$22,903. Non-Mortgageable Costs (excluding Reserves): \$0 Reserves: \$3,398. Total Development Cost: \$142,465.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation / Federally | | 623 |

Total Capital Funding Sources

| Sources | Amount |
|-------------------------|---------------------|
| GAP | \$2,789,459 |
| 1st Mortgage | \$24,214,000 |
| Syndication Proceeds* | \$28,883,491 |
| HOME Affordable Rental | \$3,649,195 |
| Sellers Note | \$21,512,451 |
| Extension of CPED | \$2,719,272 |
| Existing Reserves | \$2,300,000 |
| Extension of MHFA | \$150,000 |
| Property Cash Flow from | \$750,000 |
| Deferred Developer Fee | \$3,800,000 |
| Residual Receipts | \$410,000 |
| Total Sources: | \$91,177,868 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------------|--------------------|
| HOME Affordable Rental Pres | 3,649,195 |
| Subsidy Funds | Amount |
| <null> | <null> |
| Total Recommended: | \$3,649,195 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|---------------|------------|------------|------------------|
| 0BR/SRO | 54 | \$659 | 60% AMI |
| 0BR/SRO | 56 | \$644 | 60% AMI |
| 0BR/SRO | 2 | \$531 | Market Rate |
| 1BR | 195 | \$816 | 60% AMI |
| 1BR | 2 | \$816 | 60% AMI |
| 1BR | 183 | \$812 | 60% AMI |
| 1BR | 10 | \$812 | Market Rate |
| 1BR | 15 | \$742 | Market Rate |
| 1BR | 11 | \$664 | Market Rate |
| 2BR | 54 | \$1,045 | 60% AMI |
| 2BR | 46 | \$979 | 60% AMI |
| 2BR | 2 | \$946 | Market Rate |
| 2BR | 10 | \$785 | Market Rate |
| Total: | 640 | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|----------------------------|----------------------|------------|
| Developer Name: | Model Cities of Saint Paul | Project City: | Saint Paul |
| Project Name: | BROWNstone | Dev #: | D7722 |
| | | App #: | M16794 |

Purpose of Project

Model Cities Inc. (MCI) proposes to construct a new four-story building consisting of 35 units of affordable workforce housing and 21,600 square feet of commercial space on University Avenue in St. Paul, adjacent/near the new Victoria Street LRT station. This mixed-use building will contain 32 one-bedroom and 3 two-bedroom units atop an enclosed secure ground level parking at the back of the site. The first floor will include 8,850 square feet of commercial space and it is 100% pre-leased. The remaining commercial space of about 12,700 square feet on the 2nd floor will house Model Cities offices, a community room, and a reading room. The community room will be available to local groups and organizations for meetings or events as well as a pocket park. This park will incorporate public art that will focus on the history of African American railroad workers, who made up the fabric of the Frogtown and Rondo communities for many decades. The focal point of the public art component will be a Reading Room, and it will feature artifacts and information for display related to this history. The area immediately surrounding and within one mile to the east and west of the site contains a variety of commercial operations, some supplied at the existing BROWNstone development.

Targeted Population

The development will provide housing for individuals and families, targeting households of color and single-headed households. These households will have incomes at or less than 60% AMI. The residents will work for area employers including State and local Government, Regions Hospital, St. Paul School District, and local retailers such as Target, Rainbow Foods and many of the other businesses in the City of St. Paul and the Twin Cities Metro area.

Per Unit Costs

Acquisition: \$16,479; Construction or Rehabilitation (including environmental & Contingency): \$179,688; Soft Costs (excluding Reserves): \$44,018; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$8,029; Total Development Cost: \$248,213 per unit.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|---------------------|----------------|
| New Affordable Housing | 35 | |

Total Capital Funding Sources

| Sources | Amount |
|-----------------------------|-------------|
| 1st Mortgage | \$1,122,000 |
| Syndication Proceeds* | \$2,782,893 |
| Met Council LCDA/TOD/ | \$787,546 |
| City of St. Paul CDBG | \$1,000,000 |
| Central Corridor Brownfield | \$31,342 |
| Ramsey County | \$49,390 |
| LISC | \$21,401 |
| Capital Region Watershed | \$34,374 |
| St Paul and Bigelow | \$238,983 |
| Deferred Developer Fee | \$581,034 |
| EDHC MF | \$802,000 |
| EDHC Workforce MF | \$500,000 |
| Model Cities Seller's Note | \$322,215 |
| City of St. Paul | \$300,000 |
| Energy Rebate and Sales | \$114,291 |

Super RFP Funding

| Capital Funds | Amount |
|-------------------|---------|
| EDHC MF | 802,000 |
| EDHC Workforce MF | 500,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 25 | \$886 | 60% AMI |
| 1BR | 7 | \$718 | 60% AMI |
| 2BR | 3 | \$1,064 | 60% AMI |

Total Sources: \$8,687,469

Total Recommended: \$1,302,000

Total: 35

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|------------|
| Developer Name: | Twin Cities Housing Development Corp TCHDC | Project City: | Saint Paul |
| Project Name: | Jamestown Homes | Dev #: | D3470 |
| | | App #: | M16865 |

Purpose of Project

The proposed development involves the acquisition and rehabilitation of Jamestown Homes in the City of St. Paul. Jamestown is an existing 73-unit development that has project-based Section 8 rental assistance for 100% of the units. The property was recently acquired by Twin Cities Housing Development Corporation (TCHDC), which has proposed a substantial rehab of the property. The apartments were built in 1972 and include ten one-bedroom units, 57 two-bedroom units and six three-bedroom units. The apartments are located in four, four-story buildings that are connected to each other via a third-floor hallway. This project is a high priority for preservation due to the immense physical needs of the property. Under the proposed rehabilitation and refinance by TCHDC, the HAP contract would be extended and units will be restricted under tax credit guidelines. Four units will also be set aside for households experiencing long-term homelessness (LTH).

Targeted Population

The targeted population is general occupancy, including singles, families with children, households of color, single-head of households, and households experiencing long-term homelessness (LTH). Except for the LTH units where rents are restricted to 30% of Area Median Income (AMI) - all of the units will be income- and rent-restricted at 60% AMI although the actual households served will likely have incomes far below 30% AMI thanks to the Section 8 HAP contract.

Per Unit Costs

The estimated total development cost for Jamestown is \$220,286 per unit. This includes per unit costs of \$58,359 for acquisition, \$106,854 in hard construction costs, \$49,731 in soft costs, and \$5,342 in reserves. Hard costs are high due to the required scope of the rehab, but soft costs are also high and all costs will need to be further.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|---------------------|----------------|
| Long Term Homeless Family | 4 | 4 |
| Preservation / Federally | 73 | 73 |

Total Capital Funding Sources

| Sources | Amount |
|-----------------------------|---------------------|
| LMIR 1st Mortgage | \$3,185,000 |
| General Partner Cash | \$715,000 |
| Syndication Proceeds* | \$10,579,770 |
| Purchased Reserved | \$97,072 |
| Flexible Financing Cap Cost | \$344,000 |
| St Paul HRA | \$1,000,000 |
| Sales Tax Rebate | \$100,000 |
| Deferred Developer Fee | \$60,018 |
| Total Sources: | \$16,080,860 |

Super RFP Funding

| Capital Funds | Amount |
|------------------------------|--------------------|
| Flexible Financing Cap Costs | 344,000 |
| LMIR 1st Mortgage | 3,185,000 |
| Housing Tax Credits | 93,396 |
| Total Recommended: | \$3,622,396 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|---------------|------------|------------|------------------|
| 1BR | 10 | \$849 | 60% AMI |
| 2BR | 4 | \$1,043 | 30% AMI |
| 2BR | 1 | \$1,043 | 60% AMI |
| 2BR | 52 | \$1,043 | 60% AMI |
| 3BR | 6 | \$1,228 | 60% AMI |
| Total: | 73 | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|------------|
| Developer Name: | The Public Housing Agency of the City of St. | Project City: | Saint Paul |
| Project Name: | McDonough Public Housing Six | Dev #: | D7740 |
| | | App #: | M16844 |

Purpose of Project

Saint Paul Public Housing Authority (PHA) is requesting funding for the construction of McDonough Public Housing Six-plex located in the city of Saint Paul. This development involves the new construction of a 12 unit townhome development which will replace a former row house that was previously demolished. The proposed development will consist of two townhouse buildings with 12 two-bedrooms, which include five handicapped accessible units, and surface parking. All of the units are assisted by public housing assuring the tenants do not pay more than 30% of the income towards rent. The HUD public housing subsidies are in danger of eventually being reclaimed if the PHA cannot produce public housing units to use them. Construction of the units will preserve affordable housing by replacing affordable units that were lost to demolition and prevent recapture by utilizing operating subsidies that have not been expended in years. The development aligns with the Agency's priorities to address specific and critical needs in the rental housing market and preserves federally subsidized rental housing.

Targeted Population

This development serves very low income families, disabled households, and will target households of color and single heads of households with children. The PHA's average family household size is 4.3 people and the average annual income is \$22,336 or 27% of the area median income of \$82,900.

Per Unit Costs

Acquisition: \$0; Construction: \$211,375; Soft Costs: \$13,154; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$0; Total Development Cost: \$224,529.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| New Affordable Housing | 12 | |
| Preservation / Federally | 12 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| EDHC MF | \$1,080,000 |
| HUD Capital Fund Program | \$1,614,350 |

Super RFP Funding

| Capital Funds | Amount |
|---------------|-----------|
| EDHC MF | 1,080,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 2BR | 7 | \$375 | 30% AMI |
| 2BR | 5 | \$375 | 30% AMI |

Total Sources: **\$2,694,350**

Total Recommended: **\$1,080,000**

Total: **12**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---|----------------------|------------|
| Developer Name: | Beacon Interfaith Housing Collaborative | Project City: | Saint Paul |
| Project Name: | Prior Crossing | Dev #: | D7595 |
| | | App #: | M16789 |

Purpose of Project

The Prior Crossing application submitted by Beacon Interfaith Housing Collaborative ("Beacon") proposes the new construction of a 44 unit development on University Avenue in Saint Paul near the Fairview Avenue Green Line light rail stop. The property consists of one elevator building with efficiency units. The development is 100% supportive housing targeted at youth and furthers Minnesota Housing's long-term homeless and critical needs strategic priorities.

Targeted Population

The proposal targets formerly homeless youth. The residents are also expected to be immigrants, households of color and disabled. The development will reserve 23 units for households who have experienced long-term homelessness ("LTH"). All of the households will have incomes equal to or less than 30% of the area median income ("AMI").

Per Unit Costs

Acquisition or Refinance: \$31,000. Construction or Rehabilitation (including Environmental): \$155,000. Soft Costs (excluding Reserves): \$39,000. Reserves: \$6,000. Total Development Cost: \$231,000.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Long Term Homeless Youth | 23 | |
| New Affordable Housing | 44 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| Syndication Proceeds* | \$2,894,692 |
| Hsg Infrastructure Bonds | \$5,067,401 |
| Saint Paul HRA | \$1,100,000 |
| Metropolitan Council | \$927,015 |
| Sales Tax Refund | \$160,000 |

Super RFP Funding

| <u>Capital Funds</u> | <u>Amount</u> |
|------------------------------|---------------|
| Hsg Infrastructure Bonds HTF | 5,067,401 |
| <u>Subsidy Funds</u> | |
| <null> | <null> |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 3 | \$640 | 30% AMI |
| 0BR/SRO | 4 | \$640 | 30% AMI |
| 0BR/SRO | 2 | \$640 | 30% AMI |
| 0BR/SRO | 2 | \$640 | 30% AMI |
| 0BR/SRO | 15 | \$640 | 30% AMI |
| 0BR/SRO | 13 | \$640 | 30% AMI |
| 0BR/SRO | 2 | \$640 | 30% AMI |
| 0BR/SRO | 3 | \$640 | 30% AMI |

Total Sources: **\$10,149,108**

Total Recommended: **\$5,067,401**

Total: **44**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|------------------------|----------------------|------------|
| Developer Name: | CommonBond Communities | Project City: | Saint Paul |
| Project Name: | Skyline Tower | Dev #: | D2968 |
| | | App #: | M16791 |

Purpose of Project

Skyline Towers is a rehabilitation of an existing, 24 story high-rise tower located on the North side of Interstate 94 in the Midway area of Saint Paul. This 504-unit (efficiency, one-bedroom and two-bedroom units) high-rise elevator property was acquired and partially rehabbed by CommonBond in 1999 utilizing tax exempt bonds and 4% LIHTC and refinanced later in 2010. Of the 504 units, 448 (89%) have the benefit of a Project-based Section 8 contract and the remaining 56 units affordable to households at 60% AMI. As a condition of the refinancing in 2010 with HUD, CommonBond agreed to complete the identified critical repairs in 36 months. It is now ready to complete the remaining critical repairs in order to preserve the federal assistance and to avoid a potential HUD declaration of a technical default. The failing major building systems to be replaced include window and plumbing line replacements. Both potable water supply lines and internal sanitary waste have rusted out and need replacement. The scope of work also includes minor items incidental to the plumbing line replacement such as new base cabinets in the kitchen, drywall, painting, etc. This development has met the Agency's criteria as a high risk preservation proposal.

Targeted Population

The development will provide housing for individuals and families, targeting households of color and single-headed households. These households will have incomes at or less than 60% AMI and the average household income at Skyline is \$11,340 per year. There are 246 children living in the property, and 118 seniors. The resident population at Skyline is very diverse and multi-cultural, including a number of new immigrants from a variety of countries. The racial composition includes African Americans, Asian, Latino, American Indian and white families. CommonBond's on-site staff reflect this diversity. Site staff collaborate closely with all of the local stakeholders and service organizations within these communities.

Per Unit Costs

Acquisition: \$0; Construction (including Environmental): \$21,725; Soft Costs: \$3,554; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$0; Total Development Cost: \$25,412

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation | | 504 |
| Preservation / Federally | | 448 |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|--------------|
| City of St. Paul PED | \$800,000 |
| HUD Rental Assistance | \$264,480 |
| Hsg Infrastructure Bonds | \$10,243,242 |
| General Partner Cash | \$1,500,000 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------------|------------|
| Hsg Infrastructure Bds EDHC | 10,243,242 |
| Subsidy Funds | |
| <null> | <null> |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 21 | \$631 | 60% AMI |
| 0BR/SRO | 25 | \$390 | 60% AMI |
| 1BR | 292 | \$803 | 60% AMI |
| 1BR | 29 | \$494 | 60% AMI |
| 2BR | 135 | \$1,010 | 60% AMI |
| 2BR | 2 | \$879 | 60% AMI |

Total Sources: **\$12,807,722**

Total Recommended: **\$10,243,242**

Total: **504**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|------------|
| Developer Name: | Catholic Charities of St. Paul and Minneapolis | Project City: | Saint Paul |
| Project Name: | Higher Ground St. Paul | Dev #: | D7702 |
| | | App #: | M16747 |

Purpose of Project

Higher Ground St. Paul is the first phase of the Dorothy Day ReVision. The new five-story elevator building will serve 471 individuals and provide a continuum of housing options designed to ease the transition from homelessness to home. The building will be divided into two separate sections, permanent supportive housing and shelter housing. Catholic Charities is requesting funding for 193 permanent supportive housing units of which 135 are designated for individuals experiencing long-term homelessness. Twenty-two units will be set aside for special target populations - medical respite and late stage alcoholic women. These units will be located on the first and second floors. There are 171 SRO units and Pod SRO units (slightly smaller) will be located on the top three floors in addition each floor has a common kitchen, lounge space, bathrooms and offices for onsite staff and service partners. St. Paul will own the shelter housing and lease it to Catholic Charities who will operate the shelter. The shelter portion of the building will consist of 230 free overnight emergency shelter beds, 48 pay for stay beds, community space and program offices and will be located on the first and second floors. Building on the success of Higher Ground in Minneapolis, combining shelter with permanent supportive housing reduces the overall construction cost for each, decreases operating costs for items such as security, staffing and utilities and facilitates the housing process for individuals who are long-term homeless and who have difficulty leaving the emergency shelter. The Dorothy Day ReVision includes the replacement of the Dorothy Day Shelter/day drop in center and Mary Hall due to the overcrowded and deteriorating conditions of the buildings. The 250 shelter beds at Dorothy Day and 85 housing units at Mary Hall will relocate to the new building.

Targeted Population

Higher Ground will serve single individuals, individuals of color, individuals experiencing long-term homeless or are at risk of homelessness, physical disabilities, chemical dependency issues and/or serious mental illness and at least 10% of the population served are veterans. Tenant incomes will be at or below 30% AMI.

Per Unit Costs

Acquisition or Refinance: \$12,738 - Construction or Rehabilitation (including Construction Contingency Environmental): \$84,814 - Soft Costs (excluding Reserves): \$12,627 - Non-Mortgageable Costs (excluding Reserves): 0 - Reserves: 0
Total Development Cost: \$110,179

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Single | 135 | |
| New Affordable Housing | 193 | |

Total Capital Funding Sources

| Sources | Amount |
|---------------------------|--------------|
| Schulze Family Foundation | \$1,000,000 |
| Deed/St. Paul/Ramsey/Met | \$264,600 |
| Hsg Infrastructure Bonds | \$19,000,000 |
| GAP | \$1,000,000 |

Super RFP Funding

| Capital Funds | Amount |
|------------------------------|------------|
| Hsg Infrastructure Bonds HTF | 19,000,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 38 | \$670 | 30% AMI |
| 0BR/SRO | 10 | \$670 | 30% AMI |
| 0BR/SRO | 12 | \$670 | 30% AMI |
| 0BR/SRO | 30 | \$670 | 30% AMI |
| 0BR/SRO | 15 | \$375 | 30% AMI |
| 0BR/SRO | 24 | \$275 | 30% AMI |
| 0BR/SRO | 64 | \$100 | 30% AMI |

Total Sources: \$21,264,600

Total Recommended: \$19,000,000

Total: 193

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---|----------------------|-------------|
| Developer Name: | Community Housing Development Corporation | Project City: | Minneapolis |
| Project Name: | Veterans East | Dev #: | D7659 |
| | | App #: | M16846 |

Purpose of Project

Veteran East is a proposed new construction of 100 unit permanent service-enriched supportive housing located in Hennepin County, just southeast of the city boundary of Minneapolis. The site is east of the VA Medical Center and will be part of the existing Veterans and Community Housing (VCH) complex. The Blue Line (Hiawatha) Light Rail stops just to the west of the site in front of the VA Medical Center. The new East building, which is an expansion of the existing development will be five stories with an elevator. Besides the 100 efficiency units the building will include a small amount of office and community space. It will be a brick structure matching the existing architecture. There will be a parking lot adjacent.

Targeted Population

Veterans East, like VCH, will be service-enriched permanent housing, serving low-income veterans and single adults who are of homeless and near homeless individuals, with a preference for veterans. [Currently, veterans make up 70% of the resident population.] In the existing VCH project, 33% of tenants are individuals of color. They expect a similar population in the new building. Almost all of the residents will have a disability, be it physical, developmental, mental/ cognitive, or a history of chemical dependency. All rents are below the 30 percent AMI limits but tenants making less than 50 percent AMI will be eligible.

Per Unit Costs

Acquisition: \$0; Construction (including Environmental): \$103,518; Soft Costs: \$23,500; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$6,651; Total Development Cost: \$133,670

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 100 | |

Total Capital Funding Sources

| Sources | Amount |
|---------------------------|-------------|
| Syndication Proceeds* | \$4,575,951 |
| Hsg Infrastructure Bonds | \$7,436,000 |
| FHLB | \$500,000 |
| Hennepin County | \$575,000 |
| Sales Tax & Energy Rebate | \$280,000 |

Super RFP Funding

| Capital Funds | Amount |
|------------------------------|-----------|
| Hsg Infrastructure Bonds HTF | 7,436,000 |

| Subsidy Funds | Amount |
|---------------|--------|
| <null> | <null> |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 5 | \$443 | 30% AMI |
| 0BR/SRO | 70 | \$443 | 30% AMI |
| 0BR/SRO | 25 | \$443 | 50% AMI |

Total Sources: **\$13,366,951**

Total Recommended: **\$7,436,000**

Total: **100**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|-----------|
| Developer Name: | Dakota County Community Development Agency | Project City: | Lakeville |
| Project Name: | Morgan Square Townhomes | Dev #: | D7700 |
| | | App #: | M16743 |

Purpose of Project

The Morgan Square Townhomes ("Morgan Square") application submitted by the Dakota County Community Development Agency ("Dakota County") proposes the new construction of a 36 unit development in the City of Lakeville. The property consists of seven townhome buildings with a mix of two- and three-bedroom units. The plan advances Minnesota Housing's economic integration and workforce selection priorities.

Targeted Population

The property will mostly target families with children. The residents are also expected to be immigrants and single heads of households with children. The development will target two units for people who have physical disabilities. Seventeen of the 36 households will have incomes equal or less than 50% of the area median income ("AMI"), and the remaining 19 households will have incomes equal or less than 60% AMI.

Per Unit Costs

Acquisition or Refinance: \$20,000. Construction or Rehabilitation (including Environmental): \$177,000. Soft Costs (excluding Reserves): \$57,000. Reserves: \$5,000. Total Development Cost: \$259,000.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 36 | |

Total Capital Funding Sources

| <u>Sources</u> | <u>Amount</u> |
|-----------------------|--------------------|
| 1st Mortgage | \$504,601 |
| General Partner Cash | \$720,000 |
| Syndication Proceeds* | \$7,287,035 |
| CDA HOPE Loan | \$510,000 |
| Met Council LHIA | \$145,000 |
| Sales Tax Rebate | \$150,000 |
| Total Sources: | \$9,316,636 |

Super RFP Funding

| <u>Capital Funds</u> | <u>Amount</u> |
|---------------------------|------------------|
| Met Council LHIA | 145,000 |
| Total Recommended: | \$145,000 |

Rent Information

| <u>Unit Type</u> | <u>Unit Count</u> | <u>Gross Rent</u> | <u>Rent Restriction</u> |
|------------------|-------------------|-------------------|-------------------------|
| 2BR | 11 | \$768 | 50% AMI |
| 2BR | 10 | \$768 | 50% AMI |
| 2BR | 2 | \$768 | 50% AMI |
| 3BR | 7 | \$848 | 50% AMI |
| 3BR | 6 | \$848 | 50% AMI |
| Total: | 36 | | |

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|------------------------------------|----------------------|-----------|
| Developer Name: | Sherman Associates Development LLC | Project City: | Roseville |
| Project Name: | Twin Lakes Apartments | Dev #: | D7741 |
| | | App #: | M16864 |

Purpose of Project

Twin Lakes Apartments is a three phase mixed-income, mixed-use development in Roseville. The three phase project will create a total of 190 mixed-income housing units along with 6,000 square foot office/retail space. The project will redevelop a blighted parcel of land. This is a high priority for the City of Roseville because it is the city's first market rate apartment development in over 35 years. Each phase will be independently financed through a combination of bonds, TIF and other sources. The developer is requesting funds from Minnesota Housing for the first phase, which will create 80 mixed-income units. Phase I is the development of a four-story building with 80 units of 1-, 2-, and 3-bedroom layout options. Of the 80 units, 64 will be affordable and serve households at or below 50% and 60% of the Area Median Income (AMI); 16 units will be available at market rate rents. The building will provide a community room with a TV lounge area, free common area Wi-Fi, a fitness center, and an on-site leasing office. An underground parking garage will serve the residents with 1 space per unit, and additional surface parking will be available to guest or second vehicles. Sherman Associates has worked closely with the City of Roseville staff to formulate a development concept that will meet the city's goals and objectives, and the city fully supports the development.

Targeted Population

The targeted population for the Twin Lakes Apartments includes households of color, single heads of households with children, and disabled individuals. Of the 80 units, 80% of the units (64 units) will be reserved for tenants at or below 50% and 60% of Area Median Income (AMI); the remaining 16 units will be market rate. This first phase will provide affordable housing units to the Twin Lakes Apartments redevelopment project, which, in subsequent phases, will create some of the first market rate apartment developments in Roseville for over 35 years.

Per Unit Costs

As proposed in the application, the total development cost for Twin Lakes Apartments is \$181,688 per unit. This includes per unit costs of \$8,125 for acquisition, \$134,893 in hard construction costs, \$34,414 in soft costs, and \$4,255 in reserves. The subsidy per affordable units is \$24,609.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 64 | |

Total Capital Funding Sources

| Sources | Amount |
|---------------------------|---------------------|
| 1st Mortgage | \$6,525,560 |
| Syndication Proceeds* | \$3,076,600 |
| EDHC MF | \$1,175,000 |
| DEED/Met Council/Ramsey | \$125,000 |
| Met Council LCDA | \$566,449 |
| Deferred Developer Fee | \$661,201 |
| Roseville CDBG | \$270,000 |
| Roseville TIF (Oak Grove) | \$1,086,400 |
| Ramsey CDBG/HOME | \$450,000 |
| City SAC Credit | \$198,800 |
| FHF | \$200,000 |
| Met Council LHIA | \$200,000 |
| Total Sources: | \$14,535,010 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------------|--------------------|
| EDHC MF | 1,175,000 |
| FHF | 200,000 |
| Met Council LHIA | 200,000 |
| Subsidy Funds | Amount |
| <null> | <null> |
| Total Recommended: | \$1,575,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|---------------|------------|------------|------------------|
| 1BR | 6 | \$1,091 | Market Rate |
| 1BR | 11 | \$866 | 60% AMI |
| 1BR | 17 | \$741 | 50% AMI |
| 2BR | 6 | \$1,363 | Market Rate |
| 2BR | 9 | \$1,038 | 60% AMI |
| 2BR | 15 | \$888 | 50% AMI |
| 3BR | 4 | \$1,455 | Market Rate |
| 3BR | 4 | \$1,205 | 60% AMI |
| 3BR | 8 | \$1,030 | 50% AMI |
| Total: | 80 | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|------------------------|----------------------|--------|
| Developer Name: | CommonBond Communities | Project City: | Ramsey |
| Project Name: | Sunwood Village | Dev #: | D7721 |
| | | App #: | M16792 |

Purpose of Project

Sunwood Village will be a new construction, 47 unit housing community built in the heart of downtown Ramsey. The development will promote walking and biking to amenities, use of non-motorized transportation and environmentally sustainable construction. The Ramsey Northstar Station will be a five minute walk from the building. Bicycle parking on-site will encourage biking to nearby retail amenities and the Mississippi River Trail. The property meets the foreclosure priority because the Ramsey Town Center master planned community fell into foreclosure in 2007. Subsequently the city acquired over 150 acres, assumed over \$7 million of assessments and rebranded the master plan community into The COR. Since that time, development in the area has included a Northstar Commuter Rail Station, a 230 unit market-rate apartment, VA Clinic, Allina Medical Center, a church, additional highway access and dozens of single-family home developments. The site will be acquired from the city upon closing of the construction financing.

Targeted Population

Unit types include one-bedroom units, 25 two-bedroom units, and 13 three-bedroom units. The development will target individuals and households of color, as well as single heads of households with minor children. Four of the units will be set aside for long term homeless (LTH) households. CommonBond's Advantage Services program will be available to all residents, with special programming being made available for those in the LTH units.

Per Unit Costs

Acquisition: \$9,255; Construction \$140,000; Soft Costs (excluding Reserves) \$45,174 : Non-Mortgageable Costs (excluding Reserves) \$0 ; Reserves \$4,890 : TDC \$199,320

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Foreclosure | 47 | |
| Long Term Homeless Single | 4 | |
| New Affordable Housing | 47 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| LMIR 1st Mortgage | \$1,433,000 |
| Syndication Proceeds* | \$2,219,268 |
| Hsg Infrastructure Bonds | \$4,220,000 |
| Anoka County Funds | \$250,000 |
| Anoka County HOME Funds | \$330,000 |
| Sales Tax Rebate | \$135,751 |
| Met Council TOD | \$580,000 |
| LMIR Bridge Loan | \$3,200,000 |
| Met Council LHIA | \$200,000 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------------|-----------|
| Hsg Infrastructure Bds EDHC | 4,220,000 |
| LMIR 1st Mortgage | 1,433,000 |
| Met Council LHIA | 200,000 |
| LMIR BL | 3,200,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 5 | \$765 | 50% AMI |
| 1BR | 4 | \$130 | 30% AMI |
| 2BR | 25 | \$896 | 50% AMI |
| 3BR | 13 | \$1,031 | 50% AMI |

Total Sources: **\$12,568,019**

Total Recommended: **\$9,053,000**

Total: **47**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|-------------|
| Developer Name: | Twin Cities Housing Development Corp TCHDC | Project City: | Maple Grove |
| Project Name: | Hickory Ridge Townhomes | Dev #: | D0753 |
| | | App #: | M16745 |

Purpose of Project

The proposed development involves the acquisition and rehabilitation of Hickory Ridge Townhomes in the City of Maple Grove. Hickory Ridge is an existing 32-unit development that has project-based Section 8 rental assistance for 100% of the units. The property was recently acquired by Twin Cities Housing Development Corporation (TCHDC), which has proposed a substantial rehab of the property. The apartments were built in 1982 and include 21 two-bedroom units, and 11 three-bedroom units. This project is a high priority for preservation due to the immense physical needs of the property. Under the proposed rehabilitation and refinance by TCHDC, the HAP contract would be extended and units will be restricted under tax credit guidelines. Four units will also be set aside for households experiencing long-term homelessness (LTH).

Targeted Population

The targeted population is general occupancy, including singles, families with children, households of color, single-head of households, and households experiencing long-term homelessness (LTH). Except for the LTH units where rents are restricted to 30% of Area Median Income (AMI) - all of the units will be income- and rent-restricted at 60% AMI although the actual households served will likely have incomes far below 30% AMI thanks to the Section 8 HAP contract.

Per Unit Costs

The estimated total development cost for Hickory Ridge is \$259,915 per unit. This includes per unit costs of \$65,313 for acquisition, \$112,969 in hard construction costs, \$69,727 in soft costs, and \$11,906 in reserves. Hard costs are high due to the required scope of the rehab, but soft costs are also high and all costs will need to be further reviewed during underwriting.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Family | 4 | 4 |
| Preservation | 32 | 32 |

Total Capital Funding Sources

| Sources | Amount |
|----------------------------|-------------|
| General Partner Cash | \$100,000 |
| Syndication Proceeds* | \$5,103,769 |
| LMIR 1st Mortgage | \$1,542,000 |
| Hennepin County HOME | \$675,000 |
| City of Maple Grove - CDBG | \$60,000 |
| FAF/FA | \$746,520 |
| Deferred Developer Fee | \$40,006 |
| Construction Sales Tax | \$50,000 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| LMIR 1st Mortgage | 1,542,000 |
| Housing Tax Credits | 554,813 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 2BR | 1 | \$1,109 | 60% AMI |
| 2BR | 16 | \$1,068 | 60% AMI |
| 2BR | 4 | \$1,068 | 60% AMI |
| 3BR | 11 | \$1,338 | 60% AMI |

Total Sources: **\$8,317,295**

Total Recommended: **\$2,096,813**

Total: **32**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|------------------------------------|----------------------|-----------|
| Developer Name: | Sherman Associates Development LLC | Project City: | Maplewood |
| Project Name: | The Villages at Frost-English | Dev #: | D7690 |
| | | App #: | M16851 |

Purpose of Project

The Villages at Frost-English is the first phase of a proposed three-phase new construction development. In this first phase Sherman Associates anticipates developing a four-story building with 50-units of housing in the Gladstone neighborhood of Maplewood. Forty units will be affordable and serve households at or below 60% of the Area Median Income (AMI) and ten units will be available at Market Rate. Of the 40 affordable units, 10 units will have Project Based Assistance (PBA), and of those ten seven will serve long-term homeless populations including individuals and families. The project unit mix will consist of 17 three-bedroom units, 22 two-bedroom units and 11 one-bedroom units. The building will provide a community room with a TV lounge area, free common area Wi-Fi, a fitness center with a large variety of equipment for cardio, flexibility and strength training, and on-site leasing office. An underground parking garage will serve the residents with an approximately 1 space per unit, and additional surface parking available behind the building for guests or second vehicles.

Targeted Population

The targeted population includes households of color, single heads of households with children, disabled individuals and 40 of the 50 units (80% of the units) will be reserved for tenants at or below 60% of Area Median Income (AMI); the remaining 10 units will be available at market rate. Of the 40 affordable housing units, seven units of supportive housing will be available for families or individuals who have experienced long-term homelessness and aims to serve veteran heads of household.

Per Unit Costs

As proposed in the application, the total per unit costs for The Villages of Frost-English includes:
 Acquisition or Refinance: \$20,000
 Construction or Rehabilitation (including Environmental): \$163,330
 Soft Cost (excluding Reserves): \$62,126
 Non-Mortgageable Costs (excluding Reserves): \$0
 Reserves: \$4,914
 Total Development Costs: \$246,369 per unit.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|---------------------|----------------|
| Long Term Homeless Family | 5 | |
| Long Term Homeless Single | 2 | |
| New Affordable Housing | 50 | |

Total Capital Funding Sources

| Sources | Amount |
|------------------------|-------------|
| Syndication Proceeds* | \$7,550,120 |
| 1st Mortgage | \$3,574,740 |
| TIF | \$716,545 |
| Met Council LCDA | \$200,000 |
| Deferred Developer Fee | \$277,068 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| Housing Tax Credits | \$439,032 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 2 | \$991 | Market Rate |
| 1BR | 3 | \$866 | 60% AMI |
| 1BR | 2 | \$778 | 60% AMI |
| 1BR | 4 | \$726 | 50% AMI |
| 2BR | 4 | \$1,163 | Market Rate |
| 2BR | 5 | \$1,038 | 60% AMI |
| 2BR | 4 | \$970 | 60% AMI |
| 2BR | 9 | \$888 | 50% AMI |
| 3BR | 4 | \$1,380 | Market Rate |
| 3BR | 4 | \$1,293 | 60% AMI |
| 3BR | 2 | \$1,205 | 60% AMI |
| 3BR | 7 | \$1,030 | 50% AMI |

Total Sources: **\$12,318,473**

Total Recommended: **\$439,032**

Total: **50**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---|----------------------|---------------|
| Developer Name: | Community Housing Development Corporation | Project City: | Golden Valley |
| Project Name: | Cornerstone Creek | Dev #: | D7645 |
| | | App #: | M16822 |

Purpose of Project

Community Housing Development Corporation (CHDC) in conjunction with Jewish Housing and Programming (J-HAP) proposes to construct a new permanent supportive housing development on the north side of Golden Valley Road, west of Decatur Avenue in a mixed use area of residential, commercial and industrial in the City of Golden Valley. It is part of the city's Highway 55 West Redevelopment Project Area plan. Cornerstone Creek will be comprised of 40 one-bedroom and 5 two-bedroom units contained in one three-story building. The building will have an elevator, natural exterior material, likely brick and stone as well as 36 underground parking stalls and 34 surface stalls. Additionally, the building will have administrative offices, a kitchen and dining area, and ample communal space for residents including a fitness/wellness center, kosher community kitchen, community meeting space for private, family and community wide events, library and media lab with the latest technology to be funded outside of the TDC through a capital campaign.

Targeted Population

CHDC/J-HAP expects to market most of the apartment to adults with developmental disabilities ages 22-54. Although J-HAP will not discriminate against potential tenants of any religion, J-HAP intends to provide a culturally-specific Jewish environment. As such J-HAP will target adults with developmental disabilities identifying as Jewish.

Four (4) of the units will be set aside for people experiencing long term homelessness. It's assumed that most of the 45 units will have waived funding and their own individual service provider. It's anticipated that a portion of the units will have access to GRH funding. Fourteen (14) units will be for households earning 30% or less of the area median income, the balance of the unit or thirty-one (31) units will be affordable to person earning 50% or less of the area median income. There are five (5) two-bedroom units planned for Cornerstone Creek. One unit will be a staff unit. The other 4 will be individuals that may have a caretaker living with them or for shared living arrangement for two individuals that would like to be roommates. J-HAP will provide resident coordination services to anyone living in the building (with waived service funding or no waived service funding) that elects to receive such services.

Per Unit Costs

Acquisition: \$11,050; Construction (including Environmental): \$166,934; Soft Costs: \$35,744; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$3,786; Total Development Cost: \$217,514

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Single | 4 | |
| New Affordable Housing | 45 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| Syndication Proceeds* | \$8,000,000 |
| Hennepin County Env Fund | \$2,100 |
| Hennepin County CDBG | \$197,828 |
| Hennepin County HOME | \$325,000 |
| Hennepin County CBDG | \$290,229 |
| Federal Home Loan Bank | \$300,000 |
| TIF Note | \$514,804 |
| J-HAP Imagine Campaign | \$158,170 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| Housing Tax Credits | \$877,674 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 4 | \$690 | 50% AMI |
| 1BR | 22 | \$690 | 50% AMI |
| 1BR | 4 | \$465 | 30% AMI |
| 1BR | 10 | \$465 | 30% AMI |
| 2BR | 4 | \$830 | 50% AMI |
| 2BR | 1 | \$0 | 50% AMI |

Total Sources: \$9,788,131

Total Recommended: \$877,674

Total: 45

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|--------------------------|----------------------|--------|
| Developer Name: | Connelly Development LLC | Project City: | Carver |
| Project Name: | Carver County 9% | Dev #: | D7725 |
| | | App #: | M16798 |

Purpose of Project

The Carver Crossing application submitted by Connelly Development (aka Ron Clark Construction and Design) is requesting funding for the acquisition and new construction of a 68 unit development in the City of Carver. This development consists of one three-story elevator building with 14 one-bedroom, 36 two-bedroom, and 18 three-bedroom units with underground parking and surface parking for guests. The project will contain 68 Housing Tax Credit (HTC) units with rents affordable to households at 50% AMI, four of which will be deemed for households experiencing long-term homelessness. The development furthers Minnesota Housing's foreclosure rehabilitation priority and is an excellent opportunity to meet the City's housing goals to meet locally identified housing needs close to transit.

Targeted Population

The targeted population includes general occupancy and families with children with incomes at or below 60% AMI. Four of the 68 households will be restricted to families experience long-term homelessness and tenants will not pay more than 30% of the income towards rent and the remaining 64 households will have incomes equal or less than 60% AMI.

Per Unit Costs

Acquisition or Refinance: \$11,360. Construction or Rehabilitation (including Environmental): \$134,252. Soft Costs (excluding Reserves): \$52,446. Non-Mortgageable Costs (excluding Reserves): \$0. Reserves: \$5,042. Total Development Cost: \$203,100.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Foreclosure | 68 | |
| Long Term Homeless Single | 4 | |
| New Affordable Housing | 68 | |

Total Capital Funding Sources

| <u>Sources</u> | <u>Amount</u> |
|------------------------|---------------|
| LMIR 1st Mortgage | \$3,184,270 |
| Syndication Proceeds* | \$9,784,337 |
| Deferred Developer Fee | \$363,710 |
| GAP | \$478,487 |

Super RFP Funding

| <u>Capital Funds</u> | <u>Amount</u> |
|----------------------|---------------|
| LMIR 1st Mortgage | 3,184,270 |
| Housing Tax Credits | 1,057,872 |

Rent Information

| <u>Unit Type</u> | <u>Unit Count</u> | <u>Gross Rent</u> | <u>Rent Restriction</u> |
|------------------|-------------------|-------------------|-------------------------|
| 1BR | 10 | \$756 | 50% AMI |
| 1BR | 4 | \$600 | 30% AMI |
| 2BR | 36 | \$909 | 50% AMI |
| 3BR | 18 | \$1,052 | 50% AMI |

Total Sources: **\$13,810,804**

Total Recommended: **\$4,242,142**

Total: **68**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|----------------------------------|----------------------|-------------|
| Developer Name: | Forest Group Development II, LLC | Project City: | Forest Lake |
| Project Name: | Forest Oak Apartments II | Dev #: | D7756 |
| | | App #: | M16830 |

Purpose of Project

MWF Properties LLC proposes to increase and provide additional workforce housing opportunities in Forest Lake. This 36-unit new construction will be a three-story elevator building with underground parking. The unit mix will include two and three-bedroom apartments. Forest Oak Apartments II will be phase two of a two-phase development within the Headwaters PUD and will occupy approximately 2.32 acres of land located on Forest Road North, west of Highway 61. The housing will have access to existing and proposed transit services, government services and commercial services in a compact, pedestrian friendly environment. The Forest Lake Airport is approximately 1/2 mile to the north of this site.

Targeted Population

The anticipated demographic served by Forest Oak Apartments will consist of low to moderate-income families with one to three children with incomes of up to 60%AMI. These households will earn approximately \$18,000 - \$37,000 per year. The residents will work for area employers including Fairview Lakes Regional Health Care, Washington County School District ISD#831, Birchwood Health Care Center and local retailers such as Walmart, Polaris and many of the other businesses in the City of Forest Lake and the Twin Cities Metro area.

Per Unit Costs

Acquisition: \$15,000; Construction (including Environmental): \$159,990; Soft Costs: \$45,964; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$4,360; Total Development Cost: \$225,314

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 36 | |

Total Capital Funding Sources

| Sources | Amount |
|-------------------------|-------------|
| LMIR 1st Mortgage | \$1,113,000 |
| General Partner Cash | \$700 |
| Syndication Proceeds* | \$5,058,252 |
| Met Council LCDA (City) | \$500,000 |
| Deferred Developer Fee | \$289,358 |
| Remaining GAP | \$1,150,000 |

Super RFP Funding

| Capital Funds | Amount |
|-------------------|-----------|
| LMIR 1st Mortgage | 1,113,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 2BR | 16 | \$805 | 50% AMI |
| 2BR | 2 | \$465 | 30% AMI |
| 3BR | 18 | \$937 | 50% AMI |

Total Sources: **\$8,111,310**

Total Recommended: **\$1,113,000**

Total: **36**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|------------------------|----------------------|-------------|
| Developer Name: | SCI Associates, LLC | Project City: | Saint Cloud |
| Project Name: | VA Housing - St. Cloud | Dev #: | D7602 |
| | | App #: | M16845 |

Purpose of Project

The VA St. Cloud application submitted by Sand Companies ("Sand") proposes the new construction of a 35 unit development on the Veterans Administration ("VA") medical center campus in the City of Saint Cloud. At its October 2012 meeting, the Minnesota Housing Finance Agency Board approved this development for a commitment of approximately \$4 million under the Housing Infrastructure Bond Housing Trust Fund (HIB-HTF) program. The development team and proposal have since been restructured. In particular, the developer switched from CommonBond to Sand Companies. The property consists of one three-story elevator building with a mix of studio, one-, and two-bedroom units. The plan furthers Minnesota Housing's homeless and new affordable housing priorities.

Targeted Population

The property will target homeless and at-risk-of-homelessness veterans. Most of the residents are expected to come from the medical center's mental health treatment program, which currently serves 1,300 veterans a year, 40% of whom are homeless or at-risk-of-homelessness according to program staff. The residents are expected to predominantly be single men but a portion may be families. The development will target all the units for people who have disabilities. The development will reserve four units for households who have experienced long-term homelessness ("LTH") and have incomes equal to or less than 30% of the area median income ("AMI"). The remaining 31 households will have incomes equal to or less than 60% AMI.

| Per Unit Costs | Strategic Goals | | | | | | | | | |
|---|---|----------------|------------------|-------------|---------------------------|---|--|------------------------|----|--|
| Acquisition or Refinance: \$0. Construction or Rehabilitation (including Environmental): \$130,000. Soft Costs (excluding Reserves): \$35,000. Reserves: \$18,000. Total Development Cost: \$183,000. | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Strategic Goal</th> <th style="text-align: center;">New Const. Units</th> <th style="text-align: center;">Rehab Units</th> </tr> </thead> <tbody> <tr> <td>Long Term Homeless Single</td> <td style="text-align: center;">4</td> <td></td> </tr> <tr> <td>New Affordable Housing</td> <td style="text-align: center;">35</td> <td></td> </tr> </tbody> </table> | Strategic Goal | New Const. Units | Rehab Units | Long Term Homeless Single | 4 | | New Affordable Housing | 35 | |
| Strategic Goal | New Const. Units | Rehab Units | | | | | | | | |
| Long Term Homeless Single | 4 | | | | | | | | | |
| New Affordable Housing | 35 | | | | | | | | | |

| Total Capital Funding Sources | | Super RFP Funding | | Rent Information | | | |
|-------------------------------|--------------------|------------------------------|--------------------|------------------|------------|------------|------------------|
| Sources | Amount | Capital Funds | Amount | Unit Type | Unit Count | Gross Rent | Rent Restriction |
| MN Hsg Infrastructure | \$3,920,380 | GMHF | 300,000 | 0BR/SRO | 4 | \$420 | 30% AMI |
| GMHF | \$300,000 | Hsg Infrastructure Bonds HTF | 1,930,641 | 0BR/SRO | 7 | \$420 | 50% AMI |
| VA Infrastructure Bonds | \$250,000 | | | 0BR/SRO | 7 | \$420 | 50% AMI |
| Hsg Infrastructure Bonds | \$1,930,641 | | | 1BR | 8 | \$460 | 50% AMI |
| | | | | 1BR | 7 | \$460 | 50% AMI |
| | | | | 2BR | 2 | \$523 | 50% AMI |
| <hr/> | | <hr/> | | <hr/> | | | |
| Total Sources: | \$6,401,021 | Total Recommended: | \$2,230,641 | Total: | 35 | | |

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|--------------------------------------|----------------------|--------|
| Developer Name: | Hiawatha Valley Mental Health Center | Project City: | Winona |
| Project Name: | Hiawatha Bluffs Living | Dev #: | D7714 |
| | | App #: | M16774 |

Purpose of Project

Hiawatha Valley Mental Health Center is requesting funding for the construction of Hiawatha Bluffs Living, located in the City of Winona. The development is new construction of 20 units of permanent supportive housing. The project will consist of one two-story walk-up apartment building with 20 stalls of surface parking; it will house and assist individuals with serious and persistent mental illness, with or without chemical dependency, who exhibit unsuccessful community living stability. All 20 units are one-bedroom with rents affordable to households with incomes at or below 60% of AMI. The project is a high priority for the Continuum of Care with strong support from multiple counties, CREST Mental Health Initiative and DHS Adult Mental Health Division.

Targeted Population

Hiawatha Bluffs Living will target individuals with serious and persistent mental illness that have been unable to retain stable housing due to mental health symptoms or behaviors. Priority will be given to individuals who have experienced homelessness in the last two years or who are currently homeless. The project serves a unique population of individuals that have been committed as Mental Illness (MI) or MI/CD (Chemical Dependency) twice or had a commitment extended, have been treated in an IRTS (Intensive Residential Treatment Service) twice, had repeated involvement with law enforcement due to mental health symptoms or behaviors, and/or been admitted to an inpatient psychiatric unit at least twice. Hiawatha Bluffs Living will serve Winona's lowest income persons. 100% of the units are assisted by GRH. 4 units are designated for long-term homeless (LTH). All units are restricted to households with incomes at or below 60% of AMI.

Per Unit Costs

Acquisition or Refinance: \$11,437
 Construction or Rehabilitation (including Environmental): \$117,405
 Soft Costs (excluding Reserves): \$39,453
 Non-Mortgageable Costs (excluding Reserves): \$0
 Reserves: \$31,644
 Total Development Cost: \$199,938

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Single | 4 | |
| New Affordable Housing | 20 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| FHLB Affordable housing | \$500,000 |
| Local Contributions/ | \$300,000 |
| Winona HRA | \$25,000 |
| Sales Tax Rebate | \$54,187 |
| Hsg Infrastructure Bonds | \$2,631,701 |
| GAP | \$487,875 |

Super RFP Funding

| Capital Funds | Amount |
|------------------------------|-----------|
| Hsg Infrastructure Bonds HTF | 2,631,701 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 15 | \$670 | 50% AMI |
| 1BR | 5 | \$670 | 50% AMI |

Total Sources: **\$3,998,763**

Total Recommended: **\$2,631,701**

Total: **20**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|---|----------------------|-------------|
| Developer Name: | Southwest Minnesota Housing Partnership | Project City: | Saint Peter |
| Project Name: | Maplewood Apartments | Dev #: | D7718 |
| | | App #: | M16861 |

Purpose of Project

Southwest Minnesota Housing Partnership (SWMHP) is requesting funding for the acquisition and renovation of Maplewood Apartments, a 30 unit Rural Development (RD) assisted development located in Saint Peter. The site consists of one three -story walkup with 6 one-bedroom, 18 two-bedroom, and 6 three-bedroom apartments. Nine of the units have the benefit of RD rental assistance, ensuring that tenants do not pay more than 30% of their income towards rent. Constructed in 1985, the development is in need of some capital improvements. The current request will increase energy efficiency and rehabilitate existing federally assisted units. The request for transfer has not been submitted to the RD office as it is dependent upon Minnesota Housing's award.

Targeted Population

The project's current tenants are families with children, individuals and households of color, and single-headed households with children. The development will continue to target the same population with minimal displacement. Nine of the 30 households will have RD rental assistance assuring that tenants do not pay more than 30% of the income towards rent. The remaining 17 units will have income equal or less than 60% of area median income ("AMI"), three at 80% AMI and one market rate unit.

Per Unit Costs

Acquisition or Refinance: \$40,000; Construction or Rehabilitation (including Environmental): \$48,914; Soft Costs (excluding Reserves): \$25,544; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$12,303; Total Development Cost: \$126,763

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation / Federally | 0 | 30 |

Total Capital Funding Sources

| <u>Sources</u> | <u>Amount</u> |
|------------------------|---------------|
| Deferred Developer Fee | \$24,000 |
| Syndication Proceeds* | \$1,834,559 |
| DEED | \$350,000 |
| Section 515 Transfer | \$441,203 |
| RD Replacement and | \$24,099 |
| Sales Tax rebate | \$35,218 |
| HOME Affordable Rental | \$1,093,810 |

Super RFP Funding

| <u>Capital Funds</u> | <u>Amount</u> |
|-----------------------------|---------------|
| HOME Affordable Rental Pres | 1,093,810 |
| MN DEED | 350,000 |
| Housing Tax Credits | 215,852 |

Rent Information

| <u>Unit Type</u> | <u>Unit Count</u> | <u>Gross Rent</u> | <u>Rent Restriction</u> |
|------------------|-------------------|-------------------|-------------------------|
| 1BR | 5 | \$559 | 60% AMI |
| 1BR | 1 | \$559 | 60% AMI |
| 2BR | 17 | \$621 | 60% AMI |
| 2BR | 1 | \$621 | 80% AMI |
| 3BR | 4 | \$649 | 60% AMI |
| 3BR | 1 | \$649 | 80% AMI |
| 3BR | 1 | \$649 | Market Rate |

Total Sources: **\$3,802,889**

Total Recommended: **\$1,659,662**

Total: **30**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|--------|
| Developer Name: | Community Capital Financial Advisory Services* | Project City: | Winona |
| Project Name: | Morningside Terrace | Dev #: | D3524 |
| | | App #: | M16761 |

Purpose of Project

Community Capital Financial Advisory Services is requesting funding for the acquisition and rehabilitation of Morningside Terrace located in the City of Winona. The development is an existing 54 unit building with 44 project-based Section 8 units. The building is a three-story walk-up with 39 one bedroom and 15 two bedroom units; there are 63 stalls of surface parking. 44 units will have rents affordable to households with incomes at or below 60% of AMI and 10 units will have rents affordable to households with incomes at or below 50% of AMI. The development meets Minnesota Housings Preservation priority because, the property was determined to be at high risk of loss due to critical physical needs. Preservation of the 44 Section 8 units will leverage a present value of \$2,060,747 in federal rent subsidies over the next 30 years.

Targeted Population

The targeted population includes families with children, households of color, and disabled individuals and families all with incomes at or below 60% of AMI. Morningside Terrace is serving Winona's lowest income persons. 44 units are assisted by Section 8 ensuring the tenants do not pay more than 30% of their income towards rent. By improving accessibility with the rehab, the property will be able to begin targeting disabled households.

Per Unit Costs

Acquisition or Refinance: \$36,111
 Construction or Rehabilitation (including Environmental): \$65,000
 Soft Costs (excluding Reserves): \$19,006
 Non-Mortgageable Costs (excluding Reserves): \$0
 Reserves: \$1,712
 Total Development Cost: \$121,830

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|---------------------|----------------|
| Preservation | | 54 |
| Preservation / Federally | | 44 |

Total Capital Funding Sources

| Sources | Amount |
|------------------------|-------------|
| GAP | \$288,528 |
| MN Deed | \$225,000 |
| First Mortgage | \$1,029,000 |
| General Partner Cash | \$72,000 |
| Syndication Proceeds* | \$3,721,304 |
| HOME Affordable Rental | \$1,056,995 |
| Existing HUD Reserves | \$70,000 |
| Deferred Developer Fee | \$116,000 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------------|-----------|
| HOME Affordable Rental Pres | 1,056,995 |
| MN DEED | 225,000 |
| Housing Tax Credits | 453,863 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 5 | \$565 | 60% AMI |
| 1BR | 26 | \$511 | 50% AMI |
| 1BR | 8 | \$508 | 50% AMI |
| 2BR | 5 | \$660 | 60% AMI |
| 2BR | 9 | \$597 | 50% AMI |
| 2BR | 1 | \$589 | 50% AMI |

Total Sources: **\$6,578,827**

Total Recommended: **\$1,735,858**

Total: **54**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|------------------------------------|----------------------|--------|
| Developer Name: | Sherman Associates Development LLC | Project City: | Duluth |
| Project Name: | Nettleton Apartments | Dev #: | D7652 |
| | | App #: | M16837 |

Purpose of Project

The Nettleton application submitted by Sherman Associates ("Sherman") proposes the conversion of a historic school building into a 50 unit mixed-income development in the City of Duluth. The property will consist of one three-story elevator building with a mix of studio, one-, two-, and three-bedroom units. The plan furthers Minnesota Housing's new affordable housing and critical need strategic priorities. This development meets the priorities of the Governor's Housing Jobs Initiative.

Targeted Population

The property will target single adults and families with children. The residents are also expected to be households of color and single heads of households with children. Twenty-four of the 50 households will have incomes equal to or less than 60% of area median income ("AMI"). The remaining 26 households will have incomes equal to or less than 80% AMI.

Per Unit Costs

Acquisition or Refinance: \$8,000. Construction or Rehabilitation (including Environmental): \$103,000. Soft Costs (excluding Reserves): \$31,000. Reserves: \$4,000. Total Development Cost: \$146,000.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|------------------------|------------------|-------------|
| New Affordable Housing | 50 | |

Total Capital Funding Sources

| Sources | Amount |
|-----------------------------|---------------------|
| LMIR 1st Mortgage | \$1,980,000 |
| Syndication Proceeds* | \$1,176,222 |
| Historic Proceeds | \$1,270,176 |
| Flexible Financing Cap Cost | \$865,729 |
| DEED Redevelopment | \$265,000 |
| Employer Contribution | \$10,000 |
| LMIR TIF Mortgage | \$398,000 |
| Deferred Developer Fee | \$452,449 |
| EDHC Workforce MF | \$880,000 |
| LMIR BL | \$4,250,000 |
| Total Sources: | \$11,547,576 |

Super RFP Funding

| Capital Funds | Amount |
|------------------------------|--------------------|
| EDHC Workforce MF | 880,000 |
| Flexible Financing Cap Costs | 865,729 |
| LMIR 1st Mortgage | 2,378,000 |
| LMIR BL | 4,250,000 |
| Total Recommended: | \$8,373,729 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|---------------|------------|------------|------------------|
| 0BR/SRO | 1 | \$607 | 60% AMI |
| 1BR | 18 | \$818 | Market Rate |
| 1BR | 8 | \$678 | 60% AMI |
| 1BR | 7 | \$527 | 50% AMI |
| 2BR | 8 | \$984 | Market Rate |
| 2BR | 4 | \$809 | 60% AMI |
| 2BR | 3 | \$692 | 50% AMI |
| 3BR | 1 | \$909 | 60% AMI |
| Total: | 50 | | |

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|----------------------|----------------------|----------|
| Developer Name: | LWO Development LLC | Project City: | Owatonna |
| Project Name: | Northgate Apartments | Dev #: | D7724 |
| | | App #: | M16797 |

Purpose of Project

LWO Development (LWO) is requesting funding for the construction of Northgate Apartments located in the city of Owatonna. This development involves the new construction of a 36 unit development and consists of a three story elevator building with 9 one-bedroom, and 27 two-bedrooms with underground parking. The project will contain 36 Housing Tax Credit (HTC) units with rents affordable to households at 50% area median income (AMI) and 60% AMI, four of which will be deemed for households experiencing long-term homelessness. It is an excellent opportunity to meet the city's housing goals to meet locally identified housing needs close to transit.

Targeted Population

The targeted population includes general occupancy, families, and disabled individuals with incomes. Four of the 36 households will be restricted to families experiencing long-term homelessness and tenants will not pay more than 30% of the income towards rent. The remaining 32 households will have incomes equal or less than 60% AMI.

| Per Unit Costs | Strategic Goals | | | | | | | | | | | | |
|---|---|----------------|------------------|-------------|---------------------------|---|--|---------------------------|---|--|------------------------|----|--|
| Acquisition: \$0 Construction (including Environmental): \$154,460 Soft Costs (excluding reserves): \$29,956 Non-Mortgageable Costs (excluding Reserves): \$0 Reserves: \$4,778 Total Development Cost: \$189,194 | <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Strategic Goal</th> <th style="text-align: center;">New Const. Units</th> <th style="text-align: center;">Rehab Units</th> </tr> </thead> <tbody> <tr> <td>Long Term Homeless Family</td> <td style="text-align: center;">2</td> <td></td> </tr> <tr> <td>Long Term Homeless Single</td> <td style="text-align: center;">2</td> <td></td> </tr> <tr> <td>New Affordable Housing</td> <td style="text-align: center;">36</td> <td></td> </tr> </tbody> </table> | Strategic Goal | New Const. Units | Rehab Units | Long Term Homeless Family | 2 | | Long Term Homeless Single | 2 | | New Affordable Housing | 36 | |
| Strategic Goal | New Const. Units | Rehab Units | | | | | | | | | | | |
| Long Term Homeless Family | 2 | | | | | | | | | | | | |
| Long Term Homeless Single | 2 | | | | | | | | | | | | |
| New Affordable Housing | 36 | | | | | | | | | | | | |

| Total Capital Funding Sources | | Super RFP Funding | | Rent Information | | | |
|-------------------------------|--------------------|---------------------------|--------------------|------------------|------------|------------|------------------|
| Sources | Amount | Capital Funds | Amount | Unit Type | Unit Count | Gross Rent | Rent Restriction |
| LMIR 1st Mortgage | \$738,000 | EDHC MF | 216,870 | 1BR | 9 | \$692 | 60% AMI |
| Syndication Proceeds* | \$5,696,110 | LMIR 1st Mortgage | 738,000 | 2BR | 7 | \$931 | 60% AMI |
| EDHC Workforce MF | \$216,870 | Housing Tax Credits | 647,350 | 2BR | 16 | \$831 | 50% AMI |
| GP Capital Contribution | \$10,006 | | | 2BR | 4 | \$180 | 30% AMI |
| Deferred Developer Fee | \$150,000 | | | | | | |
| <hr/> | | <hr/> | | <hr/> | | | |
| Total Sources: | \$6,810,986 | Total Recommended: | \$1,602,220 | Total: | 36 | | |

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|-------------------------------|----------------------|-----------|
| Developer Name: | CCHC Developer Rochester, LLC | Project City: | Rochester |
| Project Name: | Rochester Youth and Family | Dev #: | D7716 |
| | | App #: | M16778 |

Purpose of Project

Center City Housing Corp., proposes to develop 55 units of permanent supportive housing in a two wing building. One wing of the building will have 25 efficiency apartments serving homeless youth age 17-21. The other will house 30 two- and three-bedroom apartments serving homeless families with children. Twenty-eight units will serve individuals or families meeting the State of Minnesota's definition of Long Term Homeless. The common space will be typical of an apartment building with additional space for the front desk and case workers. The proposed development has minimized the amount of common/support space by working to develop a community service facility adjacent to the apartment building.

Targeted Population

Rochester Youth and Family will serve 25 homeless youth and 30 homeless families with children. Twenty-eight households will meet the Agency's definition of Long Term Homelessness. Center City Housing, Essence Property Management and Olmsted County Adult and Family Services are all dedicated to going well beyond the Affirmative Fair Housing Marketing Plan to reach people least likely to apply for this housing. Tenants will be located through extensive street outreach and networking with social service providers who interact daily with homeless youth and families, many of whom are also disabled. Minorities are also disproportionately represented among the homeless and will therefore be sought out to live in the building.

Per Unit Costs

Acquisition: \$14,545; Construction \$133,091; Soft Costs (excluding Reserves) \$47,887 : Non-Mortgageable Costs (excluding Reserves) \$0 ; Reserves \$10,000 : TDC \$205,523

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Family | 15 | |
| Long Term Homeless Youth | 13 | |
| New Affordable Housing | 55 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| GAP | \$200,000 |
| Syndication Proceeds* | \$2,713,546 |
| Hsg Infrastructure Bonds | \$7,890,254 |
| FHLB of Des Moines | \$500,000 |

Super RFP Funding

| Capital Funds | Amount |
|------------------------------|-----------|
| Hsg Infrastructure Bonds HTF | 7,890,254 |

| Subsidy Funds | Amount |
|---------------|--------|
| <null> | <null> |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 13 | \$670 | 50% AMI |
| 0BR/SRO | 5 | \$670 | 50% AMI |
| 0BR/SRO | 7 | \$670 | 60% AMI |
| 2BR | 10 | \$810 | 50% AMI |
| 2BR | 10 | \$810 | 60% AMI |
| 3BR | 5 | \$1,041 | 60% AMI |
| 3BR | 5 | \$1,041 | 60% AMI |

Total Sources: **\$11,303,800**

Total Recommended: **\$7,890,254**

Total: **55**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|------------------------------|----------------------|--------|
| Developer Name: | Madrona TC Developer III LLC | Project City: | Winona |
| Project Name: | Winhaven Court Apartments | Dev #: | D2963 |
| | | App #: | M16804 |

Purpose of Project

Winhaven Court Apartments is a 118 unit 100% project-based Section 8 development in downtown Winona. It serves elderly and disabled residents. The property will be resyndicated (to a related party) and undergo a moderate renovation. While in overall fair condition, the development needs to address key safety issues such as elevator modernization, trip hazards, roof repair/replacement, and window replacement. The development meets the strategic priority of preserving federally assisted housing and met the preservation criteria for High Risk, based upon a lack of replacement reserves to adequately meet the critical physical needs of the development.

Targeted Population

Winhaven serves elderly and disabled persons eligible for Section 8 assistance. Per the rent grid and self-scoring worksheet, 59 units would have income and rent limits at 30% of area median income and 59 units would have rent and income limits at 30% of area median income.

Per Unit Costs

Per unit Costs: Acquisition: \$52,119; Construction: \$34,540; Environmental: \$TBD; Soft: \$3,647; Developer Fee: \$10,423; Financing: \$10,952; Reserves: \$4,556. The per unit cost for the development is \$116,236.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation | | 118 |
| Preservation / Federally | | 118 |

Total Capital Funding Sources

| Sources | Amount |
|----------------------------|-------------|
| GAP | \$690,000 |
| 1st Mortgage | \$5,638,000 |
| Syndication Proceeds* | \$3,761,234 |
| PARIF | \$2,286,339 |
| Cash from interest, taxes, | \$557,942 |
| Deferred Developer Fee | \$782,326 |

Super RFP Funding

| Capital Funds | Amount |
|---------------|-----------|
| PARIF | 2,286,339 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 12 | \$734 | 50% AMI |
| 1BR | 106 | \$721 | 50% AMI |

Total Sources: **\$13,715,841**

Total Recommended: **\$2,286,339**

Total: **118**

RFP Development Summary

| | | | |
|------------------------|---|----------------------|------------|
| Developer Name: | West Central Minnesota Communities Action Inc | Project City: | Alexandria |
| Project Name: | Phoenix Apartments (FKA | Dev #: | D6391 |
| | | App #: | M16763 |

Purpose of Project

West Central Minnesota Communities Action, Inc. ("WCMCA") is proposing to acquire, rehabilitate and stabilize the housing project f/k/a Wings located in the city of Alexandria. The property, a single-story, wood frame building consists of 3 two-bedroom and 5 three-bedroom apartments. There is a surface parking lot and a play area for children on the site. Since 1999, the project has been providing safe and affordable housing to transitional housing clients. The small non-profit that was operating this project has experienced severe funding shortfalls and found it difficult to maintain staff, volunteers and board members. In late 2013, the small non-profit owner gave up the operations of the housing and turned to WCMCA for support. Since October 2013, WCMCA has been providing supportive services to the residents and has been working with the owner's board on a plan for saving this important housing in the community. Moving forward, WCMCA is developing a plan that will allow for the continuation of supportive housing and services at the site, and further stabilize the lives of the most vulnerable residents by transitioning the housing from transitional supportive housing to permanent supportive housing or housing for very-low income in the event that services funding is not available.

Targeted Population

Target households include homeless and at risk of homeless families, single head of households with minor children, and disabled individuals with incomes at or below 30% of metropolitan median income. HUD funds will make units affordable to homeless families ensuring that these tenants do not pay more than 30% of their income towards rent. The development will continue to target the same population with no displacement.

Per Unit Costs

Acquisition/Assumption: \$13,750 - Rehabilitation (including Construction Contingency): \$29,875 - Soft Costs (excluding Reserves): \$6,313 - Non-Mortgageable Costs (excluding Reserves): 0 - Reserves: 0 - Total Development Cost: \$49,938

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|----------------|------------------|-------------|
| Foreclosure | | 8 |
| Preservation | | 8 |

Total Capital Funding Sources

| Sources | Amount |
|-----------------------|-----------|
| Asset Management Fund | \$396,975 |
| General Partner Cash | \$2,525 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------|---------|
| Asset Management Fund | 396,975 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 2BR | 3 | \$500 | 50% AMI |
| 3BR | 5 | \$600 | 50% AMI |

Total Sources: \$399,500

Total Recommended: \$396,975

Total: 8

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|----------------|----------------------|--------------|
| Developer Name: | D.W. Jones Inc | Project City: | Grand Rapids |
| Project Name: | Beacon Hill | Dev #: | D7727 |
| | | App #: | M16823 |

Purpose of Project

Beacon Hill is a proposed development that includes the new construction of 48 affordable units in Grand Rapids. The project will be developed and managed by DW Jones, and owned by the Itasca County HRA. The project consists of a single-story 20-unit building that will include 10 units for formerly homeless persons and 10 units for persons with a disability (primarily those with a serious and persistent mental illness). The remaining 28 units will be two- and three-bedroom townhomes designed for families with children. The apartment building will include a front desk, office, kitchen, dining/multi-purpose room and laundry in the center of the building. Thirty-two of the units, including all of the supportive housing units, will have rental assistance: ten units serving formerly homeless persons will include Shelter+Care assistance; the ten units serving persons with a disability will include GRH assistance; and 12 of the 28 townhomes will have new project-based Section 8 rental assistance from the Itasca County HRA. At least four of the ten homeless units will serve the long-term homeless (LTH) as defined by Minnesota Housing, with the remaining six meeting the HUD Shelter+Care definition of homelessness. In addition to meeting the Agency's priority of providing housing for LTH households, this development meets the priority of developing foreclosed properties.

Targeted Population

The targeted population includes singles, persons with special needs, families with children, households of color, single-head of households, and households experiencing long-term homelessness (LTH). All of the units will be income-restricted at 60% of Area Median Income (AMI), and because of the multiple sources of rental assistance the majority of the units will be affordable to households below 30% AMI.

Per Unit Costs

The estimated total development cost for Beacon Hill is \$179,504 per unit. This includes per unit costs of \$4,478 for acquisition (after HRA write down), \$142,675 in hard construction costs, \$28,622 in soft costs, and \$3,729 in reserves.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|---------------------|----------------|
| Foreclosure | 48 | |
| Long Term Homeless Family | 1 | |
| Long Term Homeless Single | 3 | |
| New Affordable Housing | 48 | |

Total Capital Funding Sources

| Sources | Amount |
|--------------------------|-------------|
| Syndication Proceeds* | \$2,170,290 |
| Hsg Infrastructure Bonds | \$6,100,000 |
| Sales Tax Rebate | \$161,000 |
| Energy Rebate | \$25,000 |
| Deferred Developer Fee | \$159,880 |

Super RFP Funding

| Capital Funds | Amount |
|-----------------------------|-----------|
| Hsg Infrastructure Bds EDHC | 6,100,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 10 | \$683 | 60% AMI |
| 1BR | 3 | \$596 | 60% AMI |
| 1BR | 6 | \$596 | 60% AMI |
| 2BR | 1 | \$682 | 60% AMI |
| 2BR | 3 | \$722 | 60% AMI |
| 2BR | 3 | \$722 | 60% AMI |
| 2BR | 8 | \$722 | 60% AMI |
| 3BR | 8 | \$805 | 60% AMI |
| 3BR | 5 | \$805 | 60% AMI |
| 3BR | 1 | \$115 | 60% AMI |

Total Sources: **\$8,616,170**

Total Recommended: **\$6,100,000**

Total: **48**

RFP Development Summary

Selected Applications: October 2014

| | |
|---|-----------------------------------|
| Developer Name: The Schuett Companies, Inc | Project City: Grand Rapids |
| Project Name: Pine Ridge Apartments | Dev #: D0597 |
| | App #: M16801 |

Purpose of Project

The proposed development involves the acquisition and rehabilitation of Pine Ridge Apartments in the City of Grand Rapids. Pine Ridge is an existing 100-unit development that includes 60 Section 8 units and 40 market rate units owned by the Schuett Companies. The project is divided into three wings that are connected to common space on the ground floor. One wing includes 41 one-bedroom units designated for seniors, of which 40 are included under the existing HAP contract. The two other wings contain 59 units of general occupancy and family units that include 1 one-bedroom unit, 46 two-bedroom units and 12 three-bedroom units. Eight of the two bedrooms and all of the three bedrooms are under the HAP contract, with 38 two bedrooms and the single one-bedroom being market rate. Under the proposed rehabilitation and refinance by the Schuett Companies, the HAP contract would be extended on the 60 units and all 100 units would be newly restricted under tax credit guidelines. This development preserves federally subsidized housing, provides housing for seniors and large families and will provide housing for persons experiencing long-term homelessness (LTH).

Targeted Population

The targeted population includes seniors, singles and families with children, households of color, single-head of households, and households experiencing long-term homelessness (LTH). All of the units will be rent-restricted at 50% of Area Median Income (AMI) and income-restricted at 60% AMI.

Per Unit Costs

As proposed in the application, the total development cost for Pine Ridge is \$101,595 per unit. This includes per unit costs of \$33,000 for acquisition, \$51,107 in hard construction costs, \$15,702 in soft costs, and \$2,150 in reserves.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Family | 2 | 2 |
| Long Term Homeless Single | 3 | 3 |
| Preservation | 100 | 100 |
| Preservation / Federally | 60 | 60 |

Total Capital Funding Sources

| <u>Sources</u> | <u>Amount</u> |
|-----------------------------|---------------|
| LMIR 1st Mortgage | \$2,576,000 |
| Deferred Developer Fee | \$120,146 |
| Syndication Proceeds* | \$6,559,777 |
| Flexible Financing Cap Cost | \$940,000 |

Super RFP Funding

| <u>Capital Funds</u> | <u>Amount</u> |
|------------------------------|---------------|
| Flexible Financing Cap Costs | 940,000 |
| LMIR 1st Mortgage | 2,576,000 |
| Housing Tax Credits | 728,937 |

Rent Information

| <u>Unit Type</u> | <u>Unit Count</u> | <u>Gross Rent</u> | <u>Rent Restriction</u> |
|------------------|-------------------|-------------------|-------------------------|
| 1BR | 37 | \$588 | 50% AMI |
| 1BR | 3 | \$588 | 50% AMI |
| 1BR | 1 | \$632 | 50% AMI |
| 1BR | 1 | \$500 | 50% AMI |
| 2BR | 38 | \$728 | 50% AMI |
| 2BR | 7 | \$531 | 50% AMI |
| 2BR | 1 | \$531 | 50% AMI |
| 3BR | 11 | \$597 | 50% AMI |
| 3BR | 1 | \$597 | 50% AMI |

Total Sources: **\$10,195,923**

Total Recommended: **\$4,244,937**

Total: **100**

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|--|----------------------|------------|
| Developer Name: | Leech Lake Reservation Housing Authority | Project City: | Deer River |
| Project Name: | Leech Lake District One Rehab | Dev #: | D7704 |
| | | App #: | M16749 |

Purpose of Project

The Leech Lake Reservation Housing Authority (LLRHA) submitted an application for the rehabilitation of 41 units on the Leech Lake Reservation. Twenty-one (21) of the buildings will be substantially renovated, and 20 of the buildings will be rebuilt, with only the foundations remaining. As the LLRHA will receive half of the requested funding, it is anticipated that 22 units will now be completed. All units are covered by NAHASDA assistance (Native American Housing Assistance and Self-Determination Act). The proposed unit types in the application included 10 one-bedroom units, 14 two-bedroom units, 9 three-bedroom units and 8 four-bedroom units in a variety of building types-- 17 single family homes, 8 duplexes, and 2 four-plexes. The final unit mix will be agreed upon by the LLRHA and Minnesota Housing staff. The units are located in three communities: Ball Club, Squaw Lake, and Inger. The development meets the strategic priority of preserving federally assisted housing and met the preservation criteria for High Risk, based upon a lack of replacement reserves to adequately meet the critical physical needs of the development.

Targeted Population

The target population is low-income tribal members living on the Leech Lake Reservation. As the project is a tenant in-place renovation, all residents are expected to move back into their units following the renovation. In the original proposal, eleven (11) of the units were to be set aside for households at 30% of AMI, twenty-five (25) units would be targeted to households at 50% of AMI, and 5 units would be targeted to households at 60% of AMI. Given the reduced funding award, the final income set-asides will be determined as project is revised.

| Per Unit Costs | Strategic Goals | | | | | | |
|--|--|----------------|------------------|-------------|--------------------------|----|----|
| Per unit Costs, with the added construction costs: Acquisition: \$3,220 (for demo); Construction: \$145,005; Environmental: \$1,659; Soft: \$10,544; Developer Fee: \$20,330; Financing: \$2,707; Reserves: \$0. The per unit cost for the development is \$183,465. | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Strategic Goal</th> <th style="text-align: center;">New Const. Units</th> <th style="text-align: center;">Rehab Units</th> </tr> </thead> <tbody> <tr> <td>Preservation / Federally</td> <td style="text-align: center;">22</td> <td style="text-align: center;">22</td> </tr> </tbody> </table> | Strategic Goal | New Const. Units | Rehab Units | Preservation / Federally | 22 | 22 |
| Strategic Goal | New Const. Units | Rehab Units | | | | | |
| Preservation / Federally | 22 | 22 | | | | | |

| Total Capital Funding Sources | Super RFP Funding | Rent Information | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|--------------------------|-------------------------|------------------------|-----------|-------------------|-----------|-------|-------------|-----------------------|--------------------|--|---------------|--------|------------------------|---------|-------|-----------|---------------------------|--------------------|---|-----------|------------|------------|------------------|-----|---|-------|---------|-----|---|-------|---------|-----|---|-------|---------|-----|---|-------|---------|-----|---|-------|---------|-----|---|-------|---------|-----|---|-------|---------|---------------|-----------|--|--|
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Sources</th> <th style="text-align: right;">Amount</th> </tr> </thead> <tbody> <tr> <td>EDHC Indian Housing MF</td> <td style="text-align: right;">\$750,000</td> </tr> <tr> <td>AHP Deferred Loan</td> <td style="text-align: right;">\$500,000</td> </tr> <tr> <td>PARIF</td> <td style="text-align: right;">\$2,761,038</td> </tr> <tr> <td>Total Sources:</td> <td style="text-align: right;">\$4,011,038</td> </tr> </tbody> </table> | Sources | Amount | EDHC Indian Housing MF | \$750,000 | AHP Deferred Loan | \$500,000 | PARIF | \$2,761,038 | Total Sources: | \$4,011,038 | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Capital Funds</th> <th style="text-align: right;">Amount</th> </tr> </thead> <tbody> <tr> <td>EDHC Indian Housing MF</td> <td style="text-align: right;">750,000</td> </tr> <tr> <td>PARIF</td> <td style="text-align: right;">2,761,038</td> </tr> <tr> <td>Total Recommended:</td> <td style="text-align: right;">\$3,511,038</td> </tr> </tbody> </table> | Capital Funds | Amount | EDHC Indian Housing MF | 750,000 | PARIF | 2,761,038 | Total Recommended: | \$3,511,038 | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Unit Type</th> <th style="text-align: center;">Unit Count</th> <th style="text-align: center;">Gross Rent</th> <th style="text-align: center;">Rent Restriction</th> </tr> </thead> <tbody> <tr> <td>2BR</td> <td style="text-align: center;">1</td> <td style="text-align: center;">\$325</td> <td style="text-align: center;">30% AMI</td> </tr> <tr> <td>2BR</td> <td style="text-align: center;">6</td> <td style="text-align: center;">\$325</td> <td style="text-align: center;">50% AMI</td> </tr> <tr> <td>2BR</td> <td style="text-align: center;">1</td> <td style="text-align: center;">\$325</td> <td style="text-align: center;">60% AMI</td> </tr> <tr> <td>3BR</td> <td style="text-align: center;">2</td> <td style="text-align: center;">\$374</td> <td style="text-align: center;">30% AMI</td> </tr> <tr> <td>3BR</td> <td style="text-align: center;">5</td> <td style="text-align: center;">\$374</td> <td style="text-align: center;">50% AMI</td> </tr> <tr> <td>4BR</td> <td style="text-align: center;">6</td> <td style="text-align: center;">\$433</td> <td style="text-align: center;">50% AMI</td> </tr> <tr> <td>4BR</td> <td style="text-align: center;">1</td> <td style="text-align: center;">\$433</td> <td style="text-align: center;">60% AMI</td> </tr> <tr> <td>Total:</td> <td style="text-align: center;">22</td> <td></td> <td></td> </tr> </tbody> </table> | Unit Type | Unit Count | Gross Rent | Rent Restriction | 2BR | 1 | \$325 | 30% AMI | 2BR | 6 | \$325 | 50% AMI | 2BR | 1 | \$325 | 60% AMI | 3BR | 2 | \$374 | 30% AMI | 3BR | 5 | \$374 | 50% AMI | 4BR | 6 | \$433 | 50% AMI | 4BR | 1 | \$433 | 60% AMI | Total: | 22 | | |
| Sources | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EDHC Indian Housing MF | \$750,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| AHP Deferred Loan | \$500,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PARIF | \$2,761,038 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Sources: | \$4,011,038 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Capital Funds | Amount | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| EDHC Indian Housing MF | 750,000 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| PARIF | 2,761,038 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total Recommended: | \$3,511,038 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Unit Type | Unit Count | Gross Rent | Rent Restriction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2BR | 1 | \$325 | 30% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2BR | 6 | \$325 | 50% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 2BR | 1 | \$325 | 60% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3BR | 2 | \$374 | 30% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 3BR | 5 | \$374 | 50% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4BR | 6 | \$433 | 50% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| 4BR | 1 | \$433 | 60% AMI | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Total: | 22 | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|-------------------------|----------------------|--------|
| Developer Name: | Gateway Redeveloper LLC | Project City: | Duluth |
| Project Name: | Gateway Tower | Dev #: | D7715 |
| | | App #: | M16776 |

Purpose of Project

Center City Housing and One Roof propose to acquire, preserve and rehabilitation of Gateway Tower located in Duluth just outside of the central business district. Gateway Tower is an existing 14 story, 154 unit elevator building with critical physical needs and at risk of foreclosure. The rehab activity will include converting the currently 154 unit development into 150 units. The unit mix will consist of 11-SRO units and 139 one-bedroom units of which 80 units will be targeted to households at or below 30% AMI and 70 units at or below 60% AMI. The property will retain its Section 8 HAP contract for 30 units and have Public Housing assistance for an additional 50 units. Eight of the units will be set aside for long-term homeless persons. The property has significant deferred maintenance; most if not all major systems have outlived their useful life. The current non-profit owner does not have the financial resources to make the necessary repairs, payoff the Duluth HRA or pay substantial arrears to utility companies, the property management company and other vendors. On April 7, 2014 the Duluth HRA issued a notice of default on the first mortgage. Without the transfer, there is the possibility for this development to be converted to market rate housing. Nearly 100 residents could be displaced and 150 units of affordable housing lost. Gateway Tower is located in a workforce, jobs housing initiative and transportation priority area.

Targeted Population

The targeted population includes Individuals and households of color, individuals experiencing long-term homelessness, individuals at significant risk of homelessness, elderly and individuals with physical disabilities, development disabilities, brain injury, and/or serious mental illness.

Per Unit Costs

Acquisition or Refinance: \$4,667 - Rehabilitation (including Contractor's Fees, Construction Contingency Environmental): \$77,879 - Soft Costs (excluding Reserves): \$21,425 - Non-Mortgageable Costs (excluding Reserves): 0 - Reserves: 6,638
Total Development Cost: \$110,609

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Foreclosure | | 150 |
| Long Term Homeless Single | | 8 |
| Preservation | | 150 |

Total Capital Funding Sources

| Sources | Amount |
|-----------------------|--------------|
| Syndication Proceeds* | \$4,227,845 |
| FHLB - AHP | \$500,000 |
| GAP | \$10,802,665 |
| NeighborWorks | \$100,000 |
| GMHF | \$500,000 |
| General Partner Cash | \$350,000 |

Super RFP Funding

| Capital Funds | Amount |
|---------------|---------|
| GMHF | 500,000 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 0BR/SRO | 8 | \$429 | 30% AMI |
| 0BR/SRO | 3 | \$429 | 30% AMI |
| 1BR | 60 | \$600 | 60% AMI |
| 1BR | 10 | \$600 | 60% AMI |
| 1BR | 30 | \$579 | 30% AMI |
| 1BR | 39 | \$429 | 30% AMI |

Total Sources: **\$16,480,510**

Total Recommended: **\$500,000**

Total: **150**

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|-----------------------|----------------------|-----------|
| Developer Name: | LWO Development LLC | Project City: | Cambridge |
| Project Name: | Cambridge Town Square | Dev #: | D7640 |
| | | App #: | M16755 |

Purpose of Project

LWO Development, LLC (LWO) is requesting funding for the acquisition and renovation of Cambridge Town Square, a 76 unit Rural Development (RD) assisted development in Cambridge. The proposal is to merge two adjacent, similarly constructed properties into one development (Town Square West and Town Square East). The site consists of seven buildings, consisting of two-story walkups and townhomes, for a total of 6 one-bedroom apartments, 42 two-bedroom apartments, 12 two-bedroom townhomes and 16 three-bedroom townhomes. Forty-one of the units have the benefit of RD rental assistance, ensuring that tenants do not pay more than 30% of their income towards rent. Constructed in 1986 and 1989, respectively, the development is in need of some capital improvements. Current request will increase energy efficiency and rehabilitate existing federally assisted units. The RD mortgages mature in 2035 and 2038 and will be transferred to the new owner entity. Town Square East and West are currently prepayment eligible and have submitted the required documentation. The request for transfer has not been submitted to the RD office as it is dependent upon Minnesota Housing's award.

Targeted Population

The project's current tenants are families with children. The development will continue to target the same population with minimal displacement. 41 of the 76 households will have RD rental assistance assuring that tenants do not pay more than 30% of the income towards rent and the remaining 35 households will have income equal or less than 60% of area median income ("AMI").

Per Unit Costs

Acquisition or Refinance: \$39,342; Construction or Rehabilitation (including Environmental): \$38,584; Soft Costs (excluding Reserves): \$14,147; Non-Mortgageable Costs (excluding Reserves): \$0; Reserves: \$3,947; Total Development Cost: \$96,021

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation / Federally | 76 | 76 |

Total Capital Funding Sources

| Sources | Amount |
|-------------------------|-------------|
| 1st Mortgage | \$600,000 |
| Syndication Proceeds* | \$3,857,611 |
| USDA Rural Dev 515 loan | \$2,240,000 |
| Project Cash - RR | \$600,000 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| Housing Tax Credits | \$440,150 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 6 | \$723 | 60% AMI |
| 2BR | 12 | \$927 | 60% AMI |
| 2BR | 42 | \$767 | 60% AMI |
| 3BR | 16 | \$1,032 | 60% AMI |

Total Sources: \$7,297,611

Total Recommended: \$440,150

Total: 76

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|----------------------------------|----------------------|-----------|
| Developer Name: | Ashland Village Development, LLC | Project City: | Rochester |
| Project Name: | Ashland Village | Dev #: | D7730 |
| | | App #: | M16811 |

Purpose of Project

Ashland Village is a proposed new development of 49 units of multifamily workforce housing located in northwest Rochester. The unit mix will include one-, two- and three-bedroom apartments and residents will have incomes at or below 60% AMI. The property meets the foreclosure priority as it was foreclosed upon by Merchants bank in 2011 and will be acquired from Merchants Bank by the developer in November 2014 (if selected for funding in this RFP).

Targeted Population

The anticipated demographic will consist of low to middle income individuals and families with one to five children. Residents will have incomes at or below 60% of AMI. The development will target households of color, single heads of households and disabled households. Four of the one bedroom units will be set aside for individuals experiencing long term homelessness.

Per Unit Costs

Acquisition: \$5,939; Construction: \$152,434; Soft Costs (excluding Reserves) : \$31,438; Non-Mortgageable Costs (excluding Reserves): \$0 ; Reserves: \$4,088; TDC: \$193,899

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Single | 4 | |
| New Affordable Housing | 49 | |

Total Capital Funding Sources

| Sources | Amount |
|----------------------------|-------------|
| General Partner Cash | \$744 |
| Syndication Proceeds* | \$7,440,600 |
| Sterling Bank 1st Mortgage | \$1,550,000 |
| GP Deferred Loan | \$509,727 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| Housing Tax Credits | \$808,842 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 6 | \$713 | 50% AMI |
| 1BR | 4 | \$130 | 30% AMI |
| 2BR | 24 | \$856 | 50% AMI |
| 3BR | 15 | \$988 | 50% AMI |

Total Sources: \$9,501,071

Total Recommended: \$808,842

Total: 49

RFP Development Summary Selected Applications: October 2014

| | | | |
|------------------------|------------------------------------|----------------------|-----------|
| Developer Name: | Rochester Meadows Development, LLC | Project City: | Rochester |
| Project Name: | The Meadows | Dev #: | D7729 |
| | | App #: | M16809 |

Purpose of Project

The Meadows is a proposed new development of 54 units of multifamily workforce housing located in southeast Rochester. The unit mix will include one, two, and three-bedroom apartments and residents will have incomes at or below 60% AMI. This development responds to significant proposed economic expansion in the City of Rochester and meets the Agency's priority of ending homelessness.

Targeted Population

Residents will have incomes at or below 60% of AMI. The anticipated demographic will consist of low to middle income individuals and families with one to five children. Four of the one bedroom units will be set aside for individuals experiencing long term homelessness.

Per Unit Costs

Acquisition: \$5,900; Construction \$150,328; Soft Costs (excluding Reserves) \$31,122; Non-Mortgageable Costs (excluding Reserves) \$0; Reserves \$4,050; TDC \$191,399

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|---------------------------|------------------|-------------|
| Long Term Homeless Single | | 4 |
| Preservation | | 54 |

Total Capital Funding Sources

| Sources | Amount |
|-----------------------|-------------|
| 1st Mortgage | \$1,649,000 |
| General Partner Cash | \$814 |
| Syndication Proceeds* | \$8,136,853 |
| GP Deferred Loan | \$548,880 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|-----------|
| Housing Tax Credits | \$884,529 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 8 | \$713 | 50% AMI |
| 1BR | 4 | \$130 | 30% AMI |
| 2BR | 30 | \$856 | 50% AMI |
| 3BR | 12 | \$988 | 50% AMI |

Total Sources: \$10,335,547

Total Recommended: \$884,529

Total: 54

RFP Development Summary

Selected Applications: October 2014

| | | | |
|------------------------|----------------------------|----------------------|----------|
| Developer Name: | D.W. Jones Development Inc | Project City: | Mahnomen |
| Project Name: | Park Terrace Apartments | Dev #: | D0720 |
| | | App #: | M16854 |

Purpose of Project

The proposed development involves the acquisition and rehabilitation of Park Terrace Apartments in the City of Mahnomen. Park View is an existing 18-unit Rural Development (RD) project that has RD rental assistance for 15 of the 18 units. The property is owned by DW Jones Inc. and will continue to be owned and operated by the company through a new limited partnership. The development was built in 1992 and includes four one-bedroom units and ten two-bedroom units in the apartment building, and four three-bedroom townhouse units in another building. The rehabilitation of this project will help preserve the RD project-based rental assistance and the RD first mortgage with a 1% interest rate.

Targeted Population

The targeted population is general occupancy, including singles, families with children, households of color, and single-head of households. There is also one unit designed for the physically disabled. Aside from one employee unit, all of the apartments will be income- and rent-restricted at 60% AMI per tax credit guidelines, although the property will be affordable to households with much lower incomes due to the project-based rental assistance.

Per Unit Costs

The estimated total development cost for Park Terrace is \$109,345 per unit. This includes per unit costs of \$47,495 for acquisition, \$38,767 in hard construction costs, \$19,750 in soft costs, and \$3,333 in reserves.

Strategic Goals

| Strategic Goal | New Const. Units | Rehab Units |
|--------------------------|------------------|-------------|
| Preservation | | 18 |
| Preservation / Federally | | 15 |

Total Capital Funding Sources

| Sources | Amount |
|------------------------|-----------|
| 1st Mortgage | \$604,907 |
| Syndication Proceeds* | \$706,773 |
| MHFA Home Rental | \$164,999 |
| RD Project Reserves | \$20,000 |
| Deferred Developer Fee | \$215,474 |
| GAP | \$256,048 |

Super RFP Funding

| Capital Funds | Amount |
|---------------------|----------|
| Housing Tax Credits | \$84,148 |

Rent Information

| Unit Type | Unit Count | Gross Rent | Rent Restriction |
|-----------|------------|------------|------------------|
| 1BR | 4 | \$614 | 60% AMI |
| 2BR | 9 | \$665 | 60% AMI |
| 2BR | 1 | \$45 | 60% AMI |
| 3BR | 2 | \$716 | 60% AMI |
| 3BR | 2 | \$716 | 60% AMI |

Total Sources: \$1,968,201

Total Recommended: \$84,148

Total: 18

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Non-Selected Applications

Application Date: June 10, 2014

| DEV# | Development Name, Location | Applicant | Dollars Requested | |
|-------------------|---|---------------------------------------|----------------------------------|----------------|
| Greater MN | | | | |
| CMIF | | | | |
| D1492 | Woodland Village TH, Saint Cloud | SCI Associates, LLC | Housing Tax Credits | \$71,942.00 |
| | | | Minnesota Housing First Mortgage | \$735,000.00 |
| | | | Super RFP(Deferred Loans) | \$1,548,692.00 |
| D3312 | Birch Lake Apartments, Hackensack | D.W. Jones Development Inc | Housing Tax Credits | \$169,245.00 |
| | | | Minnesota Housing First Mortgage | \$116,318.00 |
| | | | Rent Assistance | \$44,253.00 |
| | | | Super RFP(Deferred Loans) | \$200,000.00 |
| D7640 | Cambridge Town Square, Cambridge | LWO Development LLC | Housing Tax Credits | \$190,386.00 |
| | | | Minnesota Housing First Mortgage | \$600,000.00 |
| D7703 | Lady Luck Estates, Hinckley | Mille Lacs Corporate Ventures | Housing Tax Credits | \$718,224.00 |
| | | | Operating Subsidy | \$1,260,000.00 |
| D7705 | Diamond Senior Apartments of Hanover, Hanover | 3 Diamond Development, LLC | Housing Tax Credits | \$255,211.00 |
| | | | Minnesota Housing First Mortgage | \$1,626,000.00 |
| | | | Rent Assistance | \$877.00 |
| | | | Super RFP(Deferred Loans) | \$5,000,000.00 |
| D7736 | Cornerstone Village II, Saint Michael | Saint Michael Housing Group LLC | Housing Tax Credits | \$785,606.00 |
| | | | Minnesota Housing First Mortgage | \$1,814,000.00 |
| NEMIF | | | | |
| D0597 | Pine Ridge Apartments, Grand Rapids | The Schuett Companies, Inc | Housing Tax Credits | \$311,094.00 |
| | | | Minnesota Housing First Mortgage | \$2,382,000.00 |
| | | | Super RFP(Deferred Loans) | \$5,342,492.00 |
| D1678 | Ivy Manor Apartments (fka Lasalle Apartments), Virginia | Arrowhead Economic Opportunity Agency | Housing Tax Credits | \$476,421.00 |
| | | | Rent Assistance | \$125,160.00 |
| | | | Super RFP(Deferred Loans) | \$980,681.00 |
| D7581 | Center for Changing Lives - Duluth, Duluth | Lutheran Social Service of Minnesota | Operating Subsidy | \$69,480.00 |

| DEV# | Development Name, Location | Applicant | Dollars Requested | |
|--------------|---|--|----------------------------------|----------------|
| | | | Rent Assistance | \$59,946.00 |
| | | | Super RFP(Deferred Loans) | \$3,500,000.00 |
| D7704 | Leech Lake District One Rehab and Rebuild, Deer River | Leech Lake Reservation Housing Authority | Housing Tax Credits | \$283,849.00 |
| | | | Operating Subsidy | \$111,986.00 |
| | | | Super RFP(Deferred Loans) | \$4,150,000.00 |
| D7715 | Gateway Tower, Duluth | Gateway Redeveloper LLC | Housing Tax Credits | \$1,000,000.00 |
| | | | Operating Subsidy | \$102,960.00 |
| | | | Rent Assistance | \$69,480.00 |
| | | | Super RFP(Deferred Loans) | \$2,984,897.00 |
| D7727 | Beacon Hill, Grand Rapids | D.W. Jones Development Inc | Housing Tax Credits | \$802,148.00 |
| | | | Minnesota Housing First Mortgage | \$34,000.00 |
| | | | Rent Assistance | \$61,956.00 |
| | | | Super RFP(Deferred Loans) | \$1,730,964.00 |
| D7728 | Forest Park Townhomes, Hibbing | D.W. Jones Inc | Housing Tax Credits | \$630,832.00 |
| | | | Housing Tax Credits | \$212,895.00 |
| | | | Minnesota Housing First Mortgage | \$691,000.00 |
| | | | Minnesota Housing First Mortgage | \$691,000.00 |
| | | | Super RFP(Deferred Loans) | \$497,000.00 |
| D7738 | Pastoret Terrace, Duluth | Pastoret, LLC | Housing Tax Credits | \$297,956.00 |
| | | | Housing Tax Credits | \$693,532.00 |
| | | | Super RFP(Deferred Loans) | \$3,860,928.00 |
| | | | Super RFP(Deferred Loans) | \$200,197.00 |
| D7742 | Bois Forte Homes III, Nett Lake | Bois Forte Band Housing Division | Housing Tax Credits | \$457,966.00 |
| | | | Super RFP(Deferred Loans) | \$376,768.00 |
| SEMIF | | | | |
| D2963 | Winhaven Apartments, Winona | Madrona TC Developer III LLC | Housing Tax Credits | \$768,484.00 |
| | | | Minnesota Housing First Mortgage | \$5,638,000.00 |
| D7644 | Rochester Family Housing, Rochester | CommonBond Communities | Housing Tax Credits | \$382,472.00 |
| | | | Housing Tax Credits | \$885,047.00 |
| | | | Minnesota Housing First Mortgage | \$2,150,000.00 |
| | | | Minnesota Housing First Mortgage | \$2,150,000.00 |
| | | | Super RFP(Deferred Loans) | \$5,136,302.00 |
| | | | Super RFP(Deferred Loans) | \$208,684.00 |

| DEV# | Development Name, Location | Applicant | Dollars Requested | |
|---------------------|--|---|----------------------------------|----------------|
| D7701 | Freeborn Historic Residences, Albert Lea | CEAP Freeborn, LLC | Housing Tax Credits | \$438,347.00 |
| D7709 | Two Waters Townhomes, Red Wing | CommonBond Communities | Housing Tax Credits | \$649,980.00 |
| | | | Minnesota Housing First Mortgage | \$1,200,000.00 |
| | | | Operating Subsidy | \$28,320.00 |
| | | | Super RFP(Deferred Loans) | \$639,912.00 |
| D7717 | Solace Townhomes, Saint Peter | Southwest Minnesota Housing Partnership | Housing Tax Credits | \$215,125.00 |
| | | | Housing Tax Credits | \$622,822.00 |
| | | | Minnesota Housing First Mortgage | \$350,000.00 |
| | | | Minnesota Housing First Mortgage | \$350,000.00 |
| | | | Rent Assistance | \$3,497,400.00 |
| | | | Rent Assistance | \$3,497,400.00 |
| | | | Super RFP(Deferred Loans) | \$4,834,699.00 |
| | | | Super RFP(Deferred Loans) | \$1,144,946.00 |
| D7730 | Ashland Village, Rochester | Ashland Village Development, LLC | Housing Tax Credits | \$293,511.00 |
| | | | Minnesota Housing First Mortgage | \$1,300,000.00 |
| | | | Super RFP(Deferred Loans) | \$6,018,848.00 |
| <i>SWMIF</i> | | | | |
| D7719 | Grand Terrace Apartments, Worthington | Southwest Minnesota Housing Partnership | Housing Tax Credits | \$985,052.00 |
| | | | Minnesota Housing First Mortgage | \$591,000.00 |
| | | | Super RFP(Deferred Loans) | \$1,805,049.00 |
| <i>WCMIF</i> | | | | |
| D1005 | Park View Terrace, Moorhead | The Schuett Companies, Inc | Housing Tax Credits | \$366,840.00 |
| | | | Housing Tax Credits | \$812,617.00 |
| | | | Minnesota Housing First Mortgage | \$2,800,000.00 |
| | | | Minnesota Housing First Mortgage | \$2,800,000.00 |
| D7647 | Lakewood Apartments, Alexandria | Southwest Minnesota Housing Partnership | Housing Tax Credits | \$388,408.00 |
| | | | Minnesota Housing First Mortgage | \$959,000.00 |
| | | | Super RFP(Deferred Loans) | \$2,029,361.00 |
| D7744 | Churches United for the Homeless PSH, Moorhead | Beyond Shelter Inc | Rent Assistance | \$434,928.00 |
| | | | Rent Assistance | \$434,928.00 |
| | | | Rent Assistance | \$434,928.00 |
| | | | Super RFP(Deferred Loans) | \$4,034,282.00 |
| | | | Super RFP(Deferred Loans) | \$5,496,693.00 |

| DEV# | Development Name, Location | Applicant | Dollars Requested |
|---------------------------------------|----------------------------|--------------|--|
| Total Greater MN | | | M]bbYgcHJ<ci gjb[First Mortgage \$28,977,318.00 |
| | | | Housing Tax Credits \$14,166,012.00 |
| | | | Super RFP(Deferred Loans) \$61,721,395.00 |
| | | | Operating Subsidy \$1,572,746.00 |
| | | | Rent Assistance \$8,661,256.00 |
| | | | GO Bonds \$.00 |
| | | | MN DEED \$.00 |
| Total Greater MN Developments: | 25 | TOTAL | \$115,098,727.00 |

Metro Area

MHIG

| | | | |
|-------|--|---|---|
| D0959 | Opportunity Housing Project, Minneapolis | AEON | Housing Tax Credits \$670,683.00 |
| | | | Operating Subsidy \$530,640.00 |
| | | | Rent Assistance \$415,344.00 |
| | | | Super RFP(Deferred Loans) \$8,234,381.00 |
| D1504 | Louisiana Court, Saint Louis Park | Project for Pride in Living Inc | Minnesota Housing First Mortgage \$1,770,000.00 |
| | | | Super RFP(Deferred Loans) \$350,000.00 |
| D1563 | Ramsey Hill Apartments, Saint Paul | Community Housing Development | Super RFP(Deferred Loans) \$1,631,130.00 |
| D3071 | Wilder Square Coop, Saint Paul | Real Estate Equities | Housing Tax Credits \$497,645.00 |
| | | | Minnesota Housing First Mortgage \$2,753,000.00 |
| | | | Super RFP(Deferred Loans) \$3,920,294.00 |
| D6255 | Battle Creek Apartments, Maplewood | Battle Creek Development LLC | Housing Tax Credits \$1,000,000.00 |
| | | | Housing Tax Credits \$367,528.00 |
| | | | Minnesota Housing First Mortgage \$1,745,000.00 |
| | | | Minnesota Housing First Mortgage \$1,745,000.00 |
| | | | Super RFP(Deferred Loans) \$1,184,556.00 |
| | | | Super RFP(Deferred Loans) \$7,313,924.00 |
| D7595 | Prior Crossing, Saint Paul | Beacon Interfaith Housing Collaborative | Housing Tax Credits \$810,827.00 |
| | | | Rent Assistance \$24,110.00 |
| | | | Super RFP(Deferred Loans) \$818,733.00 |
| D7643 | PRG Portfolio, Minneapolis | CommonBond Communities | Housing Tax Credits \$925,000.00 |
| | | | Rent Assistance \$58,500.00 |
| | | | Super RFP(Deferred Loans) \$2,883,277.00 |

| DEV# | Development Name, Location | Applicant | Dollars Requested | |
|-------|--|---------------------------------|----------------------------------|----------------|
| D7645 | Cornerstone Creek, Golden Valley | Community Housing Development | Housing Tax Credits | \$268,097.00 |
| | | | Rent Assistance | \$42,048.00 |
| D7651 | Piccadilly Square, Mahtomedi | Plymouth Housing Partners, LLC | Housing Tax Credits | \$424,326.00 |
| | | | Housing Tax Credits | \$1,000,000.00 |
| | | | Minnesota Housing First Mortgage | \$790,200.00 |
| | | | Minnesota Housing First Mortgage | \$105,000.00 |
| | | | Rent Assistance | \$19,200.00 |
| | | | Rent Assistance | \$19,200.00 |
| | | | Super RFP(Deferred Loans) | \$6,908,669.00 |
| D7656 | Anishinabe Bii Gii Wiin, Minneapolis | Project for Pride in Living Inc | Housing Tax Credits | \$692,572.00 |
| | | | Housing Tax Credits | \$312,079.00 |
| | | | Rent Assistance | \$67,529.00 |
| | | | Rent Assistance | \$67,529.00 |
| | | | Super RFP(Deferred Loans) | \$3,460,000.00 |
| D7657 | Jordan Apartments, Minneapolis | Alliance Housing Incorporated | Housing Tax Credits | \$366,935.00 |
| | | | Housing Tax Credits | \$871,799.00 |
| | | | Rent Assistance | \$103,680.00 |
| | | | Super RFP(Deferred Loans) | \$5,019,220.00 |
| | | | Super RFP(Deferred Loans) | \$781,964.00 |
| D7658 | Marshall Flats (FKA Clare Lowry), Minneapolis | Clare Housing | Housing Tax Credits | \$245,674.00 |
| | | | Housing Tax Credits | \$741,925.00 |
| | | | Rent Assistance | \$462,000.00 |
| | | | Rent Assistance | \$1,887,840.00 |
| | | | Super RFP(Deferred Loans) | \$5,291,864.00 |
| | | | Super RFP(Deferred Loans) | \$727,351.00 |
| D7659 | Veterans East, Minneapolis | Community Housing Development | Housing Tax Credits | \$508,439.00 |
| | | | Super RFP(Deferred Loans) | \$7,499,638.00 |
| D7661 | Oxford Village, Hopkins | Project for Pride in Living Inc | Housing Tax Credits | \$407,105.00 |
| | | | Housing Tax Credits | \$944,188.00 |
| | | | Minnesota Housing First Mortgage | \$850,000.00 |
| | | | Minnesota Housing First Mortgage | \$850,000.00 |
| | | | Super RFP(Deferred Loans) | \$2,500,000.00 |
| | | | Super RFP(Deferred Loans) | \$2,500,000.00 |
| D7662 | Urban Homeworks Rental Reclaim VI, Minneapolis | Urban Homeworks, Inc. | Minnesota Housing First Mortgage | \$411,000.00 |
| | | | Super RFP(Deferred Loans) | \$2,200,000.00 |

| DEV# | Development Name, Location | Applicant | Dollars Requested | |
|-------|---|---|----------------------------------|----------------|
| D7706 | Minnetonka Music Barn, Minnetonka | Shelter Holdings, LLC | Housing Tax Credits | \$687,714.00 |
| | | | Housing Tax Credits | \$232,066.00 |
| | | | Minnesota Housing First Mortgage | \$667,000.00 |
| | | | Minnesota Housing First Mortgage | \$667,000.00 |
| | | | Super RFP(Deferred Loans) | \$446,885.00 |
| | | | Super RFP(Deferred Loans) | \$4,547,717.00 |
| D7707 | Blaine University Avenue Townhomes, Blaine | Anoka County Community Action Program | Housing Tax Credits | \$453,337.00 |
| | | | Minnesota Housing First Mortgage | \$573,000.00 |
| D7710 | Flats on 46th, Minneapolis | Flats on 46th, LP | Housing Tax Credits | \$666,433.00 |
| | | | Minnesota Housing First Mortgage | \$1,853,000.00 |
| | | | Super RFP(Deferred Loans) | \$475,000.00 |
| D7712 | Columbia Heights Senior Development, Columbia Heights | Schuett Columbia Heights Development, | Housing Tax Credits | \$643,425.00 |
| | | | Housing Tax Credits | \$1,453,060.00 |
| | | | Minnesota Housing First Mortgage | \$847,000.00 |
| | | | Minnesota Housing First Mortgage | \$847,000.00 |
| D7720 | 66 West, Edina | Beacon Interfaith Housing Collaborative | Housing Tax Credits | \$730,337.00 |
| | | | Housing Tax Credits | \$347,191.00 |
| | | | Operating Subsidy | \$50,000.00 |
| | | | Operating Subsidy | \$50,000.00 |
| | | | Rent Assistance | \$374,400.00 |
| | | | Rent Assistance | \$374,400.00 |
| | | | Super RFP(Deferred Loans) | \$1,170,000.00 |
| | | | Super RFP(Deferred Loans) | \$4,735,000.00 |
| D7721 | Sunwood Village, Ramsey | CommonBond Communities | Housing Tax Credits | \$623,061.00 |
| | | | Minnesota Housing First Mortgage | \$1,190,000.00 |
| | | | Super RFP(Deferred Loans) | \$881,214.00 |
| D7723 | Central Exchange, Saint Paul | Model Cities of Saint Paul | Housing Tax Credits | \$880,669.00 |
| | | | Rent Assistance | \$486,840.00 |
| | | | Super RFP(Deferred Loans) | \$547,500.00 |
| D7725 | Carver County 9%, Carver | Connelly Development LLC | Housing Tax Credits | \$402,029.00 |
| | | | Minnesota Housing First Mortgage | \$3,266,000.00 |
| | | | Rent Assistance | \$27,072.00 |
| | | | Super RFP(Deferred Loans) | \$6,923,232.00 |
| D7726 | Plymouth Stevens House, Minneapolis | Affordable Homes for All | | |

| DEV# | Development Name, Location | Applicant | Dollars Requested | |
|-------|---|------------------------------------|----------------------------------|-----------------|
| | | | Housing Tax Credits | \$1,007,842.00 |
| | | | Minnesota Housing First Mortgage | \$6,020,000.00 |
| D7731 | Affirmation House, Minneapolis | Project for Pride in Living Inc | | |
| | | | Super RFP(Deferred Loans) | \$300,000.00 |
| D7733 | PPL YouthLink Supportive Housing, Minneapolis | Project for Pride in Living Inc | | |
| | | | Housing Tax Credits | \$285,647.00 |
| | | | Housing Tax Credits | \$863,082.00 |
| | | | Super RFP(Deferred Loans) | \$6,815,002.00 |
| | | | Super RFP(Deferred Loans) | \$1,625,000.00 |
| D7734 | Boeser Phase 1, Minneapolis | The Cornerstone Group, LLC | | |
| | | | Housing Tax Credits | \$294,489.00 |
| | | | Super RFP(Deferred Loans) | \$1,242,000.00 |
| D7739 | The Villages at Frost-English (SENIOR), Maplewood | Sherman Associates Development LLC | | |
| | | | Minnesota Housing First Mortgage | \$5,364,000.00 |
| | | | Super RFP(Deferred Loans) | \$2,200,000.00 |
| D7745 | West Side Flats Phase II, Saint Paul | Sherman Associates Development LLC | | |
| | | | Minnesota Housing First Mortgage | \$10,764,000.00 |
| | | | Super RFP(Deferred Loans) | \$1,250,000.00 |
| D7746 | Indian Neighborhood Club Expansion, Minneapolis | Indian Neighborhood Club | | |
| | | | Rent Assistance | \$54,000.00 |
| | | | Super RFP(Deferred Loans) | \$554,085.00 |

| | | | |
|---------------------------------------|-----------|----------------------------------|-------------------------|
| Total Metro Area | | M]bbYgcHJ<ci g]b[First Mortgage | \$43,077,200.00 |
| | | Housing Tax Credits | \$20,625,204.00 |
| | | Super RFP(Deferred Loans) | \$96,937,636.00 |
| | | Operating Subsidy | \$630,640.00 |
| | | Rent Assistance | \$4,483,692.00 |
| | | GO Bonds | \$.00 |
| | | MN DEED | \$.00 |
| Total Metro Area Developments: | 30 | TOTAL | \$165,754,372.00 |

Total Number of Developments: 55

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AGENDA ITEM: 7.B.
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: Single Family Selections, Community Homeownership Impact Fund

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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:

Staff hereby requests board approval of Minnesota Housing's Single Family Community Homeownership Impact Fund (Impact Fund) selection recommendations.

FISCAL IMPACT:

The Affordable Housing Plan 2015 (AHP) includes single family interim lending, Housing and Economic Development Challenge (EDHC) Program funds, Housing and Jobs Growth Initiative resources, and housing infrastructure bond proceeds under the Impact Fund. 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 Impact Fund program procedural guidelines.

MEETING AGENCY PRIORITIES:

Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets Prevent and end homelessness
 Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT(S):

- Background
- Map of Impact Fund Funded Projects
- Project Summaries
- 2014 Single Family Consolidated RFP Summary Spreadsheet
- 2014 Single Family RFP Non-Recommended Applications

BACKGROUND:

Under the Single Family Consolidated Request for Proposals (RFP), the Agency and its funding partners accepted funding proposals during a period ending on June 17, 2014. The application process used a common application form and procedure. The primary program offered through the Consolidated RFP is the Agency's Impact Fund.

Through the Impact Fund "umbrella," applicants may apply for single family resources under a number of programs. Currently, four funding resources are offered under the Impact Fund: 1) EDHC, including the Indian housing set aside; 2) Housing and Jobs Growth Initiative resources; 3) single family interim lending funds; and 4) housing infrastructure bond proceeds. The EDHC Fund, housing infrastructure bond proceeds, and Housing and Job Growth Initiative resources are shared with the Multifamily division.

A total of 45 single family proposals were received requesting \$19,182,280 in Impact Fund resources.

Selection Process

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

- Consistency with the mission and priorities of the Agency;
- Compliance with statutes and program rules;
- Consistency with Agency and program priorities;
- Demonstration of development readiness and community support (including the submittal of a cooperatively developed plan);
- Financial feasibility, market need and capacity for implementation;
- Fulfillment of the foreclosure remediation, community recovery, transit, economic integration, and workforce housing funding priorities; and
- Consistency with the Housing and Jobs Growth Initiative criteria.

Recommended Funding

Contributions from the Agency and its funding partners for single family activity in the consolidated RFP total \$9,408,560, consisting of:

- Minnesota Housing Impact Funds sources: \$8,809,060
- Greater Minnesota Housing Fund: \$258,500
- Metropolitan Council: \$341,000

Of the 45 Single Family applications received, staff recommends funding, in conjunction with the funding partners, for 35 applications totaling in excess of \$9.4 million for the following activities:

- EDHC funding in support of 35 applications for 333 units totaling \$6,005,440 including two Indian set-aside proposals – one involving a tribal government and another where \$42,250 in affordability gap assistance will be set aside for American Indian homebuyers;
- Housing infrastructure bond proceeds in support of six applications for land acquisition by community land trusts in the Twin Cities metropolitan area and Greater Minnesota totaling \$1,141,868 and including 39 acquisition/rehabilitation units and up to 8 new construction units;

- Housing and Jobs Growth Initiative resources supporting two applications to assist Greater Minnesota communities with 9 workforce housing units totaling \$349,115;¹ and
- Interim construction loans for three applications (in conjunction with EDHC-funded units) supporting 10 units and totaling \$1,082,635, as well as permitting one administrator to continue recycling \$230,000 in existing interim loan funds for the rehabilitation of 10 additional units.

Impact Fund Eligible Activities

The Impact Fund program is used throughout the state as demonstrated by 45 administrators currently implementing 89 open awards. The program offers significant versatility in the types of allowable programs, providing support for value gap (grant), affordability gap (deferred loan) and/or construction financing activities (interim loan). While program specifics vary by regional needs, the types of programs recommended for funding generally include one of four categories:

1. Acquisition-rehabilitation-resale of vacant units, often targeted in neighborhoods with the greatest need of community stabilization;
2. Down payment or affordability gap assistance programs that effectively serve underserved populations and target communities with other needs, or support priorities such as increasing homeownership rates or recovering from the impact of foreclosures;
3. Owner-occupied rehabilitation programs serving households in communities with a high need to address an aging housing stock. Such programs are directed toward borrowers unable to obtain financing through other single-family home improvement programs; and
4. New construction activity, particularly in markets with growing workforce populations, as evidenced by data, or targeted to a more specific niche of households via specialized programs with high-demand waiting lists (such as Habitat for Humanity).

In order to comply with the requirements of State-appropriated funds administered through the Impact Fund program, all proposals are reviewed and ranked according to selection standards and funding priorities. The most prominent considerations include: project feasibility and program administrator capacity; direct financial leverage commitments; demonstrated ability to serve underserved populations; proximity to jobs, transit and services; economic integration; and current funding priorities such as foreclosure remediation and community recovery.

Geographic Distribution of Proposals Requested Versus Recommended

Of the 45 applications requesting Impact Fund resources (including all four types of funds under the “umbrella” discussed above), 59% of the resources requested were from seven-county Twin Cities metropolitan area proposals (\$11.22 million), and nearly 41% of the resources requested were from Greater Minnesota proposals (\$7.86 million).

Of the 35 applications recommended for funding, 21 are for programs in the Twin Cities metro area totaling over \$4.68 million, or 53% of Impact Fund resources. Thirteen of the Twin Cities metro area projects are located in the cities of Minneapolis or Saint Paul, five are in suburban locations, and three serve multi-jurisdictional areas incorporating both central cities and suburbs.² Fourteen of the proposed projects or programs are located in Greater Minnesota with a funding recommendation of over \$4.12 million, or 47% of the Agency’s available Impact Fund resources.

¹ Four of these nine units are also counted under the community land trust unit totals.

² Proposals serving both central cities and suburbs included Build Wealth, Hennepin County HRA’s Home Accessibility Ramp Program, and PPL’s Impact Rehabilitation Program.

Community Recovery and Foreclosure Remediation

Proposals that meet the foreclosure remediation priority are located in high-need zip codes with high percentages of foreclosures, or applicant-defined target areas that met or exceeded a 7.5% sheriff sales rate. These are almost entirely areas in the Twin Cities metro where foreclosures are most concentrated, with 108 of the units recommended for funding directly supporting this Agency priority. This includes activities recommended for the two central cities. Examples include:

1. Minneapolis Community Planning and Economic Development Department's Rehab Support Program in Northeast, North and South areas of the city (16 units); and PRG's acquisition-rehabilitation and new construction activity in North and South Minneapolis (5 units);
2. Second phases of St. Paul HRA's Inspiring Communities program (8 new construction and 6 acquisition-rehabilitation units), and the Twin Cities Community Land Bank's strategic property acquisition program in the Frogtown and Rondo neighborhoods (5 units).

In Greater Minnesota, 20 units directly support the foreclosure remediation priority, which include phase three of Three Rivers Community Action, Inc.'s owner-occupied rehabilitation program for Northfield, and One Roof Community Housing's acquisition-rehabilitation program in Duluth, Proctor, and Two Harbors. Refer to the attachment entitled 2014 Single Family Consolidated RFP Summary Spreadsheet which indicates the proposals that meet this priority.

Proposals that address the Agency priority of supporting community recovery are those that address areas which meet at least two of the following three criteria: lower median household incomes, older housing stock, and higher than average declines in home sales prices since the peak of the market. These areas are concentrated both in the Twin Cities metro as well as in Greater Minnesota, and 181 units recommended for funding directly support this Agency priority.

Other Program Priorities

The Impact Fund supports applications that demonstrate an ability to serve underserved populations. Recommendations include: Twin Cities Habitat for Humanity's new construction townhome proposal serving four households earning up to 80% of area median income (AMI) in Cottage Grove; Three Rivers Community Action Inc.'s Bridge pilot project, consisting of value gap for the acquisition, rehabilitation and resale of units near downtown Rochester to modest-income homebuyers; and an award to Rebuilding Together that targets households earning up to 50% of the AMI for owner-occupied rehabilitation assistance in North and South Minneapolis, and two East St. Paul neighborhoods.

Economic integration is promoted through a few recommended proposals, including West Hennepin Affordable Housing Land Trust's proposal to provide homeownership opportunities in western Hennepin County, Hutchinson's proposal to demolish a blighted house and construct a new house through the school district construction class, and Carver County Community Development proposal for new townhome construction in the City of Waconia.

Workforce Housing

The Housing and Jobs Growth Initiative is a two-year, \$10 million EDHC set aside to fund housing proposals in communities where recent or ongoing business expansions have created jobs, and in turn, workforce housing demands. This year, the second half of the available funds will be allocated among both single family homeownership and multifamily rental RFP proposals. To access this set aside, applicants had to provide evidence of a cooperatively developed plan and a low ownership housing vacancy rate in the community, in addition to demonstrating at least one of the following three criteria: 1) The community has experienced job growth between 2006-2011 and has at least 2,000 jobs within the

commute shed; 2) The community has a significant portion of area employees who commute more than 30 miles between their residence and their employment; or 3) The proposal provides documented evidence of recent or anticipated job expansion. The two single family proposals recommended for funding via the Housing and Jobs Growth Initiative set aside are:

- The City of Thief River Falls will oversee the development of a new subdivision within the city limits, with Housing and Jobs Growth Initiative dollars to support value and affordability gap for the first five homes. Employers like DigiKey and Artic Cat have been eager to expand but have been unable to do so because of a lack of affordable housing; and
- The proposal of Southwest Minnesota Housing Partnership (SWMHP) for four new construction units in Worthington and Jackson, with units to be placed into a community land trust administered by SWMHP. This second award will address job growth (and resulting housing) pressures among employers such as JBS Swift, as well as provide options for the many long-distance commuters to Worthington and Jackson.

Family Housing provided by Community Land Trusts

Non-profit community land trust organizations (CLTs) own residential land and lease it for a nominal fee to a low- or moderate-income individual who owns the structure on the land.³ To support the purchase of properties by CLT organizations, housing infrastructure bond (HIB) proceeds are available this year. Six CLTs are recommended to receive over \$1.14 million in HIB proceeds, including four located in the Twin Cities metropolitan area and two in Greater Minnesota, for at least 35 units.⁴ The bond proceeds are structured as a 30-year forgivable loan to the CLT; the CLT enters into a 99-year ground lease with a low- and moderate-income homeowner, and the ground lease is subject to income qualified resale provisions.

The recommended CLT award recipients are:

- Carver County CDA, to support land acquisition costs in the form of affordability gap for four new construction units in a townhouse project in the City of Waconia, to be placed into the Carver County Community Land Trust;
- Southwest Minnesota Housing Partnership, to support land acquisition costs and other eligible costs in the form of value gap for four new construction units in Worthington or Jackson, if qualifying buyers utilize conventional financing under the Partnership Community Land Trust;⁵
- One Roof Community Housing, to support land acquisition costs in the form of value gap for four acquisition/rehabilitation units in the At Home in Duluth neighborhoods, and four acquisition/rehabilitation units in the cities of Proctor and Two Harbors;

³ This is typically accomplished via a subsidy with which the CLT is able to remove the land value from the transaction at the time of home purchase. By removing the land value, it makes the home purchase more affordable to a modest income household. In some cases, the subsidy that results from removing the cost of land ownership is sufficient to yield an affordable unit. In other cases, particularly in weaker markets with lower land values, additional subsidy is layered into the transaction resulting in an affordable purchase for the target buyer.

⁴ Housing infrastructure bond proceeds awarded in 2012 were limited to the acquisition of land that was documented as foreclosed or abandoned. However, no such restriction exists with the housing infrastructure bond proceeds to be awarded in 2014.

⁵ The recommendation includes a reservation of up to \$95,568 in HIBs for SWMHP, as well as up to \$161,480 in Housing and Job Growth Initiative funds. The award will permit SWMHP to sell units to eligible low-moderate income homebuyers that are able to access traditional financing without placing the unit into the community land trust. An award condition will limit SWMHP to accessing no more than \$161,480 in total funds (drawn from either or both sources).

- City of Lakes Community Land Trust, to support land acquisition costs for five or more units in the City of Minneapolis (of 17 units awarded);
- Greater Frogtown Community Development Corporation, to support land acquisition costs in the form of affordability gap for five acquisition/rehabilitation units in St. Paul neighborhoods along the Green Line light rail transit corridor, as well as in Como and the North End; and
- West Hennepin Affordable Housing Land Trust, to support land acquisition costs for nine acquisition/rehabilitation units in high value communities in West Hennepin County.

The use of housing infrastructure bonds requires loans to be administered as forgivable in order to permit the bonds to be tax-exempt. However, Economic Development Housing Challenge Program rule 4900.3634 requires that 30-year deferred loans be repaid. Like in 2012, staff again requests a waiver of this requirement of 4900.3634, which would allow housing infrastructure bond proceeds awards to be administered as forgivable 30-year loans.

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Applicant Name: City of Lakes Community Land Trust
City of Applicant: Minneapolis
Name of Proposal: CLCLT Homebuyer Initiated Program (HIP)
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$1,680,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

City of Lakes Community Land Trust (CLCLT) requests grant funds for affordability gap and value gap for its Homebuyer Initiated Program (HIP) in the City of Minneapolis. HIP is a buyer-driven homeownership model that allows the homebuyer to select and purchase the home on the community land trust model, and the CLCLT rehabilitates it post-purchase. For 12 of the 17 homes, the average affordability gap and value gap supported by the Impact Fund will be \$25,000 per unit, a total of \$50,000. For five homes purchased in higher-value Minneapolis neighborhoods, \$100,000 per unit in affordability gap assistance will be provided using housing infrastructure bond proceeds. The Metropolitan Council will fund three additional units a total of \$150,000.

Justification

The CLCLT aims to provide housing stability to low-and-moderate-income homebuyers. Their goal is to provide one-half of HIP to homebuyers of color. The average total development cost of CLCLT homes selected and purchased by HIP buyers has been \$179,000. Impact Fund subsidy that includes both affordability gap and value gap is particularly needed in markets like North Minneapolis due to low appraised values. In high value neighborhoods, the CLCLT will use housing infrastructure bond proceeds to assist buyers to purchase homes with higher assessed land values.

Selection Standards

Project Feasibility

Eleven homebuyers purchased a home using the CLCLT HIP in 2013. There are 25 potential homebuyers now on the HIP waiting list. Median sales prices in Minneapolis have been increasing and with the large variation in appraised values across the city, affordability gap is not related to land value, rather it is determined by the affordability of the purchase price to the specific homebuyer. Hennepin County and the City of Minneapolis have provided leverage as grant funds.

Organizational Capacity

The CLCLT has served 185 homebuyers since 2004. Eighty-five of these homebuyers purchased using the CLCLT HIP and 47% of HIP homebuyers have been purchasers of color. The CLCLT develops a scope of work to address deferred maintenance, code violations, environmental concerns, and energy efficiency, investing on average, \$31,000 per unit. Partners include homebuyer educators such as the African Development Center and Powderhorn Residents Group (PRG) and mortgage lenders such as Alerus and Bremer Banks. Greater Metropolitan Housing Corporation will be the rehabilitation manager and perform the inspections and Hennepin County will provide lead risk assessments and clearance inspections on homes built prior to 1978.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/22/2014

Applicant Name: City of Lakes Community Land Trust
Project Title: CLCLT Homebuyer Initiated Program (HIP)

Location: CLCLT HIP (addresses vary, buyer-initiated HIP program, scattered site; non-HIB properties)

Typical Unit Information

| | | |
|---|----------------------|---|
| Unit Style | 2+ Story | |
| Ownership Type | Community Land Trust | |
| Finished SF | 1340 | |
| Typical Unit Stories | 2 | |
| Bedrooms | 3 | |
| Bathrooms | 1.5 | |
| <input checked="" type="checkbox"/> Garage? | # of Stalls | 1 |

Typical Lot Size

| | |
|-----------|------|
| Lot Width | 41 |
| Lot Depth | 127 |
| Lot SF | 5207 |

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: City of Lakes Community Land Trust
Project Title: CLCLT Homebuyer Initiated Program (HIP)

| Typical Unit Hard Costs | | Sales Price Information | |
|---|-----------------------|--------------------------------|--------------|
| Land Acquisition | \$51,000.00 | Appraised Value of Similar | \$144,000.00 |
| Structure Acquisition | \$93,000.00 | Recent Sales Price of Similar | \$0.00 |
| Rehab Hard Costs | \$31,000.00 | Anticipated Appraised Value | \$144,000.00 |
| Total Hard Costs | \$175,000.00 | Anticipated Sale Price | \$144,000.00 |
| | | Anticipated Mortgage Amount | \$93,000.00 |
| Typical Unit Soft Costs | | Affordability Gap | |
| Holding Costs | \$0.00 | Anticipated Affordability Gap | \$51,000.00 |
| Architect Fee | \$0.00 | Impact Fund Aff. Gap Per Unit | \$25,000.00 |
| Legal Fees | \$300.00 | Number of Units | 12 |
| Developer Fees | \$3,500.00 | Impact Fund Total Aff. Gap | \$300,000.00 |
| Contingency | \$0.00 | Maximum Gap Amount | \$30,000.00 |
| Other Fees | \$400.00 | Average Gap Amount | \$23,000.00 |
| Total Soft Costs | \$4,200.00 | | |
| Typical Total Development Cost (TDC) | | Value Gap | |
| Typical Per-Unit TDC | \$179,200.00 | Anticipated Value Gap | \$35,200.00 |
| TDC per Sq. Foot | \$133.73 | Impact Fund Value Gap Per Unit | \$25,000.00 |
| RFP Funded Units | 12 | Number of Units | 12 |
| Estimated Project TDC | \$2,150,400.00 | Impact Fund Total Value Gap | \$300,000.00 |

Financial & Regulatory Leverage

Applicant Name City of Lakes Community Land Trust

Project Title CLCLT Homebuyer Initiated Program (HIP)

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|---------------------|-------------------|
| County Leverage | Hennepin County HRA | |
| Cash Committed | \$580,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-----------------------------------|-------------------|
| City Leverage | City of Minneapolis - HOME or NSP | |
| Cash Committed | \$820,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Cash Committed | \$1,400,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Applicant Name: City of Minneapolis Department of Community Planning and Economic Development
City of Applicant: Minneapolis
Name of Proposal: Homeownership Opportunity Minneapolis
Activity Type: Affordability Gap/Downpayment Program
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$25,000.00

Funding Recommendations

Amount:
 Number of Units:

Incomes Served

- Less than 50% of AMI
 50% to 80% of AMI
 80% to 115% of AMI

Co-Funder Info

Name:
 Amount Requested:
 Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Minimizing Transportation Costs & Promoting Access to Transit
 Economic Integration
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

The City of Minneapolis Community Planning and Economic Development Department (CPED) requests \$25,000 in deferred loan funds to provide closing cost and down payment assistance loans to borrowers purchasing homes in Neighborhood Stabilization Program (NSP2) areas. CPED will provide additional assistance of up to \$10,000 to borrowers earning less than 80% of the area median income (AMI), and up to \$7,500 to borrowers earning between 80%-115% AMI.

Justification

The need to reduce the racial disparity in homeownership in Minneapolis (and Minnesota) is well-documented, so there are many potential buyers that will benefit from this program. The additional CPED funds will be used to pay for closing costs and down payment assistance, to make it possible for borrowers to qualify for mortgages as well as to increase the monthly affordability of homes (mortgage principal reduction).

Selection Standards

Project Feasibility

In conjunction with these Impact Fund dollars, the City of Minneapolis has proposed up to \$87,500 of its own funds for downpayment and closing cost assistance, along with \$125,000 to fund homeownership outreach and assistance for five culturally-specific organizations that serve homebuyers of color and Hispanic ethnicity. CPED will provide assistance to borrowers based on their income level and need with two tiers of assistance (borrowers earning less than 80% of AMI and those earning between 80% and 115% of AMI).

Organizational Capacity

The collaborative of CPED and the Greater Metropolitan Housing Corporation (GMHC) has received previous Impact Fund awards supporting the Minneapolis Advantage (MA) down payment assistance program, which is similar to this initiative. In 2011 MA was funded to serve many City neighborhoods (not limited to North Minneapolis), and in 2012, it was funded to serve the North Minneapolis and Phillips neighborhoods (Green Homes North phase 2). GMHC will serve as program administrator, reviewing applications at its Housing Resource Centers, issuing approvals, and preparing the loan documents, while CPED would oversee the contract.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/7/2014

Applicant Name: City of Minneapolis Department of Community Planning and Economic Develop

Project Title: Homeownership Opportunity Minneapolis

Property Address

Typical Unit Information

Unit Style

Ownership Type

Entrance Type

Finished SF

Number of Units

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size

Lot Width

Lot Depth

Lot SF

General Information

Institutional Correctional Work Crew (IWCW) being used

Affordability Gap

Estimated Value per Unit \$150,000.00

Anticipated Mortgage Amount \$144,750.00

Estimated per Unit Gap \$2,500.00

Number of Units \$10.00

Total Estimated Amount \$25,000.00

Maximum Gap Amount \$2,500.00

Average Gap Amount \$2,500.00

Financial & Regulatory Leverage

Applicant Name City of Minneapolis Department of Community Planning and Economic Develop

Project Title Homeownership Opportunity Minneapolis

Financial Leverage

Activity Funded: Down Payment Assistance

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|-----------|--|
| Other | Homebuyer | |
|-------|-----------|--|

| | | |
|----------------|----------|-------------------|
| Cash Committed | \$250.00 | In Kind Committed |
|----------------|----------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|---------------|---------------------|--|
| City Leverage | City of Minneapolis | |
|---------------|---------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$87,500.00 | In Kind Pending |
|--------------|-------------|-----------------|

| | | |
|----------------|----------|-------------------|
| Cash Committed | \$250.00 | In Kind Committed |
|----------------|----------|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$87,500.00 | In Kind Pending |
|--------------|-------------|-----------------|

Applicant Name: City of Minneapolis Department of Community Planning and Economic Development
City of Applicant: Minneapolis
Name of Proposal: Rehab Support Program-North/Northeast/South
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$1,200,000.00

Funding Recommendations

Amount: \$200,000.00

Number of Units: 16

Incomes Served

- Less than 50% of AMI
 50% to 80% of AMI
 80% to 115% of AMI

Co-Funder Info

Name: N/A

Amount Requested:

Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

The City of Minneapolis, Department of Community Planning and Economic Development (CPED) is requesting deferred loan funds for its Rehab Support Program (RSP) to rehabilitate owner-occupied properties in multiple North, Northeast and South Minneapolis neighborhoods. The North Minneapolis neighborhoods include: Folwell, Cleveland, McKinley, Webber - Camden, Shingle Creek, Jordan, Lind-Bohanon, Willard-Hay, Victory, Harrison, and Hawthorne. Northeast and South Minneapolis neighborhoods include: Ventura Village, Central, Midtown Phillips, Bryant, Longfellow, Beltrami, Holland, Whittier, Northeast Park, and Phillips West. Eligible homeowners must match the Impact Fund contribution dollar-for-dollar through leverage sources of the homeowner's choosing. CPED's average loan amount will be \$11,100 with a maximum loan amount of \$20,000 per household.

Justification

The RSP is a part of a larger strategy to positively impact the housing market in many Minneapolis neighborhoods. The target areas have a strong need for community recovery and foreclosure remediation. This proposal will sustain funding for an existing program allowing more homeowners to complete repairs and improvements to their homes which will enhance area appraised values. The RSP is consistent with the housing goals of the 2014 Minneapolis Consolidated Plan.

Selection Standards

Project Feasibility

The homeowner's dollar-for-dollar match of the Impact Fund contribution provides a leverage source for this program. Approving this funding request will make financing available to homeowners who wish to repair their homes but lack the equity to do so.

Organizational Capacity

CPED is responsible for contract administration, program guideline development, ongoing business decisions on fund usage and managing set-asides created to ensure the even distribution of funds among neighborhoods. Greater Metropolitan Housing Corporation (GMHC) will serve as the lender that will provide ongoing review of borrower applications and ensure compliance with program requirements. GMHC has been under contract to provide lending services for City programs for over ten years.

Financial & Regulatory Leverage

Applicant Name City of Minneapolis Department of Community Planning and Economic Develop

Project Title Rehab Support Program-North/Northeast/South

Financial Leverage

Activity Funded: Deferred Loan

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|--------------------|--|
| Other | Homeowner's Choice | |
|-------|--------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$200,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$200,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: Greater Metropolitan Housing Corporation
City of Applicant: Minneapolis
Name of Proposal: Minneapolis Community Revitalization II
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$605,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Greater Metropolitan Housing Corporation (GMHC) is requesting value gap funds for six units that were previously acquired and rehabilitated and will be sold to owner occupants earning up to 115% of area median income (AMI). Five of the homes are located in North Minneapolis and one is located in South Minneapolis. The average total value gap is \$92,389 per unit, \$42,390 of which, on average, will be supported by the Impact Fund.

Justification

GMHC selected target areas align with the Minneapolis NSP1-3 geographies to maximize the impact on neighborhoods that have a high number of vacant and abandoned buildings and were hit hardest by the foreclosure crisis.

Selection Standards**Project Feasibility**

The homes in this project were originally constructed between 1909 and 1927. GMHC's approach to acquisition, rehabilitation and resale of properties is to address extreme deferred maintenance items in homes with a sound structure. This approach necessitates high average total development costs and higher than average value gaps. The post-rehabilitation sale price for the proposed homes in North Minneapolis is \$128,000. The home located in South Minneapolis has a post-rehabilitation sale price of \$185,000. GMHC has a long standing relationship with Counselor Realty, Inc., that markets the majority of the properties. Guaranty Title, Inc. provides contract rates to GMHC and its buyers for services.

Organizational Capacity

GMHC has a great deal of experience with past CRV/Impact Fund awards, and directly relevant experience working on foreclosure and vacant housing initiatives in both North and South Minneapolis. They have sufficient capacity in their program staff members to implement the project from beginning to end, including acquiring property, developing cost estimates and managing bids, construction and sales.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/6/2014

Applicant Name: Greater Metropolitan Housing Corporation

Project Title: Minneapolis Community Revitalization II

Location:

Typical Unit Information

Unit Style

Ownership Type

Finished SF

Typical Unit Stories

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size

Lot Width

Lot Depth

Lot SF

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Greater Metropolitan Housing Corporation**Project Title:** Minneapolis Community Revitalization II

| Typical Unit Hard Costs | | Sales Price Information | |
|---|-----------------------|--------------------------------|--------------|
| Land Acquisition | \$0.00 | Appraised Value of Similar | \$137,500.00 |
| Structure Acquisition | \$46,169.00 | Recent Sales Price of Similar | \$137,500.00 |
| Rehab Hard Costs | \$117,072.00 | Anticipated Appraised Value | \$137,500.00 |
| Total Hard Costs | \$163,241.00 | Anticipated Sale Price | \$137,500.00 |
| | | Anticipated Mortgage Amount | \$137,500.00 |
| Typical Unit Soft Costs | | Affordability Gap | |
| Holding Costs | \$27,136.00 | Anticipated Affordability Gap | \$0.00 |
| Architect Fee | \$1,000.00 | Impact Fund Aff. Gap Per Unit | |
| Legal Fees | \$0.00 | Number of Units | |
| Developer Fees | \$18,512.00 | Impact Fund Total Aff. Gap | |
| Contingency | \$10,000.00 | Maximum Gap Amount | |
| Other Fees | \$10,000.00 | Average Gap Amount | |
| Total Soft Costs | \$66,648.00 | Value Gap | |
| Typical Total Development Cost (TDC) | | Anticipated Value Gap | \$92,389.00 |
| Typical Per-Unit TDC | \$229,889.00 | Impact Fund Value Gap Per Unit | \$42,390.00 |
| TDC per Sq. Foot | \$176.84 | Number of Units | 6 |
| RFP Funded Units | 6 | Impact Fund Total Value Gap | \$254,340.00 |
| Estimated Project TDC | \$1,379,334.00 | | |

Financial & Regulatory Leverage

Applicant Name Greater Metropolitan Housing Corporation

Project Title Minneapolis Community Revitalization II

Financial Leverage

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|------------------------|--|
| Other | US Bank Line of Credit | |
|-------|------------------------|--|

| | | |
|----------------|----------------|-------------------|
| Cash Committed | \$7,000,000.00 | In Kind Committed |
|----------------|----------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|-------|---|--|
| Other | Strategic Acquisition Fund (Home Prosperity Fund & North Minneapolis Foreclosure Remediation Program) | |
|-------|---|--|

| | | |
|----------------|-----------------|-------------------|
| Cash Committed | \$12,000,000.00 | In Kind Committed |
|----------------|-----------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|------|--|
| City Leverage | NSP2 | |
|---------------|------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$261,810.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|---------------|-----|--|
| City Leverage | HOW | |
|---------------|-----|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$38,184.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|-----------------|-------------------|
| Cash Committed | \$19,299,994.00 | In Kind Committed |
|----------------|-----------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: PRG, Inc.
City of Applicant: Minneapolis
Name of Proposal: PRG Foreclosure Recovery Program IV
Activity Type: New Construction & Acquisition, Rehabilitation & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$430,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Powderhorn Residents Group, Inc. (PRG) requests value gap, affordability gap, and interim construction financing to acquire, rehabilitate and sell four homes, and construct and sell one new home in the North or South Minneapolis zip codes of 55404, 55407, 55411, 55405 or 55412. New construction will be limited to areas outside the Green Homes North target area, while acquisition-rehabilitation activity will occur anywhere within these zip codes. PRG projects an average subsidy per unit of \$103,500, \$35,000 of which will be supported by the Impact Fund. The expected subsidy for the new-construction home is \$134,500 with the Impact fund contributing \$50,000 of the total. In addition, the Impact Fund will provide \$120,000 in interim construction financing.

Justification

PRG aims to reduce the number of vacant and blighted homes and lots in the target area, and to increase the availability of homes that require few, if any repairs or systems replacement within the first 10 years of ownership. This proposal falls within Agency Foreclosure Priority Areas, coincides with Community Recovery Priority Areas, makes use of existing infrastructure, is located within areas with good access to transit, and leverages City of Minneapolis resources.

Selection Standards

Project Feasibility

This proposal targets an area with a low vacancy rate and a recent trend toward ownership-to-rental conversions. Much of the project cost, at least 30%, will be leveraged from the Home Ownership Works (HOW) program where PRG has a pipeline allocation for development subsidy.

Organizational Capacity

PRG is an active developer with the Agency and has been a key stakeholder in foreclosure remediation efforts. As a Neighborhood Stabilization Program (NSP) administrator, PRG has rehabilitated 42 homes in Brooklyn Park and Minneapolis. PRG has also successfully completed similar activities under at least three prior Impact Fund awards.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/22/2014

Applicant Name: PRG, Inc.**Project Title:** PRG Foreclosure Recovery Program IVLocation: **Typical Unit Information**Unit Style Ownership Type Finished SF Typical Unit Stories Bedrooms Bathrooms Garage? # of Stalls **Typical Lot Size**Lot Width Lot Depth Lot SF **General Information** Institutional Correctional Work Crew (IWCW) being used

Applicant Name: PRG, Inc.
Project Title: PRG Foreclosure Recovery Program IV

| Typical Unit Hard Costs | |
|--------------------------------|---------------------|
| Land Acquisition | \$3,000.00 |
| Structure Acquisition | \$47,000.00 |
| Rehab Hard Costs | \$105,000.00 |
| Total Hard Costs | \$155,000.00 |

| Typical Unit Soft Costs | |
|--------------------------------|--------------------|
| Holding Costs | \$7,726.00 |
| Architect Fee | \$1,600.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$15,185.00 |
| Contingency | \$10,000.00 |
| Other Fees | \$15,489.00 |
| Total Soft Costs | \$50,000.00 |

| Typical Total Development Cost (TDC) | |
|---|---------------------|
| Typical Per-Unit TDC | \$205,000.00 |
| TDC per Sq. Foot | \$146.43 |
| RFP Funded Units | 4 |
| Estimated Project TDC | \$820,000.00 |

| Sales Price Information | |
|--------------------------------|--------------|
| Appraised Value of Similar | \$60,000.00 |
| Recent Sales Price of Similar | \$50,000.00 |
| Anticipated Appraised Value | \$130,000.00 |
| Anticipated Sale Price | \$130,000.00 |
| Anticipated Mortgage Amount | \$101,501.00 |

| Affordability Gap | |
|-----------------------------------|--------------------|
| Anticipated Affordability Gap | \$28,499.00 |
| Impact Fund Aff. Gap Per Unit | \$10,000.00 |
| Number of Units | 4 |
| Impact Fund Total Aff. Gap | \$40,000.00 |
| Maximum Gap Amount | \$20,000.00 |
| Average Gap Amount | \$10,000.00 |

| Value Gap | |
|------------------------------------|---------------------|
| Anticipated Value Gap | \$75,000.00 |
| Impact Fund Value Gap Per Unit | \$25,000.00 |
| Number of Units | 4 |
| Impact Fund Total Value Gap | \$100,000.00 |

Financial & Regulatory Leverage

Applicant Name PRG, Inc.

Project Title PRG Foreclosure Recovery Program IV

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|----------------|-----------------------------------|--|
| State Leverage | MN Housing Step Up First Mortgage | |
|----------------|-----------------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$18,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

Activity Funded: Deferred Loan

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|---|--|
| City Leverage | HOW Buyer Assistance City of Minneapolis (CPED) | |
|---------------|---|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$59,999.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|---------------------------------|--|
| Philanthropic Leverage | Twin Cities Community Land Bank | |
|------------------------|---------------------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$200,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|--------------------------------|--|
| City Leverage | HOW City of Minneapolis (CPED) | |
|---------------|--------------------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$200,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$459,999.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$18,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

Applicant Name PRG, Inc.

Project Title PRG Foreclosure Recovery Program IV

Regulatory Leverage

| Incentive | Cost Savings per Unit | # of Units in Project | Total Project Cost Savings | Approval Date |
|-----------------------------------|--------------------------|--------------------------|-------------------------------|------------------|
| Other (Waive Code Compliance Fee) | \$448.00 | 4 | \$1,792.00 | 6/27/2011 |
| Other (Waive VBR Fee) | \$6,948.00 | 4 | \$27,792.00 | 6/27/2011 |
| | Total | 8 | \$29,584.00 | |

Financial Worksheet

Applicant Name PRG, Inc.

Project Title: PRG Foreclosure Recovery Program IV - New Construction

Location:

Typical Unit Information

| | |
|---|--|
| Unit Style | <input type="text" value="2+ Story"/> |
| Ownership Type | <input type="text" value="Fee Simple"/> |
| Finished SF | <input type="text" value="1800"/> |
| Typical Unit Stories | <input type="text"/> |
| Bedrooms | <input type="text" value="3"/> |
| Bathrooms | <input type="text" value="2"/> |
| <input checked="" type="checkbox"/> Garage? | # of Stalls <input type="text" value="2"/> |

Typical Lot Size Information

| | |
|-----------|-----------------------------------|
| Lot Width | <input type="text" value="125"/> |
| Lot Depth | <input type="text" value="40"/> |
| Lot SF | <input type="text" value="5000"/> |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name PRG, Inc.

Project Title: PRG Foreclosure Recovery Program IV - New Construction

Typical Unit Hard Costs

| | |
|-------------------------|---------------------|
| Land Acquisition | \$7,500.00 |
| Structure Acquisition | \$0.00 |
| Demolition | \$0.00 |
| Site Preparation | \$0.00 |
| General Construction | \$230,000.00 |
| Interior Finishing | \$0.00 |
| Exterior Finishing | \$0.00 |
| Roofing | \$0.00 |
| Electrical | \$0.00 |
| Plumbing | \$0.00 |
| Heating & Ventilation | \$0.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$0.00 |
| Garage Construction | \$0.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$11,000.00 |
| Other Hard Costs | \$0.00 |
| Total Hard Costs | \$248,500.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$4,647.00 |
| Architect Fee | \$1,500.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$22,148.00 |
| Other Fees | \$22,205.00 |
| Total Soft Costs | \$50,500.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$299,000.00 |
| RFP Funded Units | 1 |
| Est. Project TDC | \$299,000.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$204,000.00 |
| Recent Sales Price of Similar | \$199,000.00 |
| Anticipated Appraised Value | \$204,000.00 |
| Anticipated Sale Price | \$204,000.00 |
| Anticipated Mortgage Amount | \$164,501.00 |

Applicant Name PRG, Inc.

Project Title: PRG Foreclosure Recovery Program IV - New Construction

| Affordability Gap | | Value Gap | |
|-------------------------------|-------------|--------------------------------|-------------|
| Anticipated Affordability Gap | \$39,499.00 | Anticipated Value Gap | \$95,000.00 |
| Impact Fund Aff. Gap per Unit | \$20,000.00 | Impact Fund Value Gap per Unit | \$30,000.00 |
| Number of Units | 1 | Number of Units | 1 |
| Impact Fund Total Aff. Gap | \$20,000.00 | Impact Fund Total Value Gap | \$30,000.00 |
| Maximum Amount | \$20,000.00 | | |
| Average Amount | \$20,000.00 | | |

Financial & Regulatory Leverage

Applicant Name PRG, Inc.

Project Title PRG Foreclosure Recovery Program IV - New Construction

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|--|--|
| City Leverage | City of Minneapolis HOW Buyer Assistance | |
|---------------|--|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$14,999.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|------------------------------|--|
| State Leverage | MN Housing - Step Up Program | |
|----------------|------------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|------------|-----------------|
| Cash Pending | \$4,500.00 | In Kind Pending |
|--------------|------------|-----------------|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|------------------|--|
| Philanthropic Leverage | EPIC/MPNAI/CLCLT | |
|------------------------|------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|------------|-----------------|
| Cash Pending | \$7,500.00 | In Kind Pending |
|--------------|------------|-----------------|

| | | |
|---------------|--|--|
| City Leverage | City of Minneapolis Home Ownership Works (HOW) | |
|---------------|--|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$50,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$64,999.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$12,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

Applicant Name: Rebuilding Together Twin Cities
City of Applicant: Minneapolis
Name of Proposal: Critical Repair Projects for Low-Income Homeowners in North and South Mpls
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$70,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served**

- Less than 50% of AMI
 50% to 80% of AMI
 80% to 115% of AMI

Co-Funder InfoName: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Rebuilding Together Twin Cities (Rebuilding Together) is requesting grant funds for an owner-occupied rehabilitation program for six households earning up to 50 percent of area median income (AMI) who need basic home repairs. Households must be located in North Minneapolis (Lind-Bohanon, Shingle Creek, Webber-Camden, Victory, Cleveland, Folwell, McKinley, Jordan, Hawthorne, Near-North, Willard-Hay, Sumner-Glenwood, and Harrison (neighborhoods), South Minneapolis (Ventura Village, Phillips, Seward, Longfellow, Howe, Cooper, Powderhorn, Central, Bryant, Regina, Corcoran, Bancroft, Standish, and Ericsson neighborhoods) or in East Saint Paul in the Dayton's Bluff or Payne-Phalen neighborhoods.

Justification

The target areas have aging housing stock in need of repair and the various communities are in need of stabilization following the foreclosure crisis. The overall strategy is to keep low-income homeowners in their homes and by doing so, maintain neighborhood integrity and strengthen the community. To qualify for the program households must earn less than 50 percent of AMI. However, many of households served will likely earn at or below 30 percent of AMI and be current on their mortgages.

Selection Standards

Project Feasibility

The maximum loan amount is \$9,999. Impact Funds awarded to Rebuilding Together will be grant funds. Rebuilding Together will designate investments below \$5,000 as a grant to the household, while investments of \$5,000 or more will be an interest-free, five-year, forgivable, deferred loan to the household. The loan will be forgiven at a rate of 1/60th per month as long as the household maintains owner occupancy. Rebuilding Together will record a Property Retention Agreement placing a lien on any property that receives an investment of Impact Funds. On average, the households served in the program have owned their homes for more than 20 years. Impact Funds will enable Rebuilding Together to assist homeowners with critical home repairs, preserving affordable homeownership and ensuring safe and healthy homes.

Organizational Capacity

The Twin Cities Chapter of Rebuilding Together is a local affiliate of a national organization that has existed since 1997 and has coordinated more than 7,500 volunteers in the repair of 436 homes in the Twin Cities. Rebuilding Together will oversee the entire process, including outreach to community partners, locating and selecting homeowners, completing project work scopes, matching volunteers or contractors appropriately with repair work, and managing implementation. The proposed program is a comprehensive strategy in terms of local partnerships. A typical scope of work for projects may include re-roofing, installation of accessibility ramps, weatherization, plumbing, electrical repairs, cleaning, re-carpeting, patching and painting, siding, landscaping, and other health and safety improvements. Volunteers lead the efforts, and licensed contractors are brought on when needed. Rebuilding Together is a Certified Lead Renovation agency and adheres to lead safe work practices on all of their work sites.

Financial & Regulatory Leverage

Applicant Name Rebuilding Together Twin Cities

Project Title Critical Repair Projects for Low-Income Homeowners in North and South Mpls

Financial Leverage

Activity Funded: Deferred Loan

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|--------------------------------|--|
| Other | The Opus Group and Wells Fargo | |
|-------|--------------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$55,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

| | | |
|-------|--------------------------------------|--|
| Other | Federal Home Loan Bank of Des Moines | |
|-------|--------------------------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$150,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$150,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$55,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

Applicant Name: Urban Homeworks
City of Applicant: Minneapolis
Name of Proposal: Project Reclaim IV
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$700,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Urban Homeworks (UHW) requests value and affordability gap funds to acquire, rehabilitate, and resell at-risk units in North and South Minneapolis to credit-challenged homebuyer households under the Project: Reclaim model. The model consists of interim financing via a contract-for-deed. Upon purchase the property will be placed in the City of Lakes Community Land Trust (CLCLT) to ensure continued affordability. Households prepare to refinance to conventional mortgage financing within 2-4 years after contract-for-deed closing. Build Wealth provides financial counseling and a credit enhancement plan that is recorded with the contract-for-deed agreement and the CLCLT Housing Subsidy Covenant.

Justification

UHW targets areas with concentrations of "at-risk" properties in North Minneapolis and where it has previously-invested, including high-foreclosure neighborhoods with low incomes (median income of \$37,288), high unemployment rates (approaching 20%), and a high population of households of color (79%). A secondary focus is in South Minneapolis neighborhoods with an older housing stock and high poverty rates.

Selection Standards**Project Feasibility**

The Project: Reclaim model is a "high-touch" model that works with participant households on credit repair and financial counseling, and provides rehabilitation value gap and long-term affordability gap assistance. Since 2008, 89% of Project: Reclaim households have been from communities of color, with the median income of CLCLT buyers at 49% of the Twin Cities metro area median income (\$41,500). UHW received a 2011 affordability gap award for Project: Reclaim, as well as a 2012 award (value and affordability gap financing).

Organizational Capacity

UHW is a community development nonprofit that creates affordable housing by rehabilitating at-risk properties and employing local subcontractors. It acts as developer, general contractor, volunteer coordinator, marketing agent, contract-for-deed manager, and seller. Partners include the CLCLT, who immediately place Project: Reclaim rehabilitated units into the land trust to ensure long-term affordability, Build Wealth who provides financial literacy and budget counseling and land trust-approved mortgage lenders such as Wells Fargo, and others.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/24/2014

Applicant Name: Urban Homeworks

Project Title: Project Reclaim IV

Location:

Typical Unit Information

Unit Style

Ownership Type

Finished SF

Typical Unit Stories

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size

Lot Width

Lot Depth

Lot SF

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Urban Homeworks**Project Title:** Project Reclaim IV**Typical Unit Hard Costs**

| | |
|-------------------------|---------------------|
| Land Acquisition | \$10,000.00 |
| Structure Acquisition | \$60,000.00 |
| Rehab Hard Costs | \$75,000.00 |
| Total Hard Costs | \$145,000.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$5,000.00 |
| Architect Fee | \$1,500.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$15,000.00 |
| Contingency | \$3,000.00 |
| Other Fees | \$10,000.00 |
| Total Soft Costs | \$34,500.00 |

Typical Total Development Cost (TDC)

| | |
|------------------------------|---------------------|
| Typical Per-Unit TDC | \$179,500.00 |
| TDC per Sq. Foot | \$128.21 |
| RFP Funded Units | 4 |
| Estimated Project TDC | \$718,000.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$70,000.00 |
| Recent Sales Price of Similar | \$70,000.00 |
| Anticipated Appraised Value | \$145,000.00 |
| Anticipated Sale Price | \$145,000.00 |
| Anticipated Mortgage Amount | \$115,000.00 |

Affordability Gap

| | |
|-------------------------------|-------------|
| Anticipated Affordability Gap | \$30,000.00 |
| Impact Fund Aff. Gap Per Unit | \$15,000.00 |
| Number of Units | 4 |
| Impact Fund Total Aff. Gap | \$60,000.00 |
| Maximum Gap Amount | \$35,000.00 |
| Average Gap Amount | \$15,000.00 |

Value Gap

| | |
|--------------------------------|-------------|
| Anticipated Value Gap | \$34,500.00 |
| Impact Fund Value Gap Per Unit | \$20,000.00 |
| Number of Units | 4 |
| Impact Fund Total Value Gap | \$80,000.00 |

Financial & Regulatory Leverage

Applicant Name Urban Homeworks

Project Title Project Reclaim IV

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|------------------------------|-----------------|
| County Leverage | Hennepin County AHIF | 4/1/2015 |
| Cash Committed | In Kind Committed | |
| Cash Pending | \$300,000.00 In Kind Pending | |

Activity Funded: Other

| Source of Leverage | Organization Name | Est. Appr. Date |
|------------------------|------------------------------|-----------------|
| Philanthropic Leverage | Family Housing Fund | 8/31/2014 |
| Cash Committed | In Kind Committed | |
| Cash Pending | \$300,000.00 In Kind Pending | |

Other Sunrise Banks

| | | |
|----------------|----------------|-------------------|
| Cash Committed | \$1,500,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|--------------------------------|-----------------|
| City Leverage | Lead Paint Remediation Funding | 10/1/2014 |
| Cash Committed | In Kind Committed | |
| Cash Pending | \$90,000.00 In Kind Pending | |

City Leverage Healthy Homes - City of Minneapolis 10/1/2014

| | | |
|----------------|--------------|-------------------|
| Cash Committed | | In Kind Committed |
| Cash Pending | \$200,000.00 | In Kind Pending |

Cash Committed \$1,500,000.00 In Kind Committed

Cash Pending \$890,000.00 In Kind Pending

Applicant Name: St. Paul Housing and Redevelopment Authority
City of Applicant: St. Paul
Name of Proposal: Inspiring Communities Program
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: St.Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$360,000.00

Funding Recommendations

Amount:

Number of Units:

Incomes Served

Less than 50% of AMI

50% to 80% of AMI

80% to 115% of AMI

Co-Funder Info

Name:

Amount Requested:

Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

The St. Paul Housing and Redevelopment Authority (HRA) is requesting value gap to support the acquisition, rehabilitation and re-sale of six units through the Inspiring Communities Program in the St. Paul neighborhoods of Payne-Phalen and Dayton's Bluff. The target area is in the northern section of the Neighborhood Stabilization Program (NSP) 3 target area. The area was selected due to the high concentration of foreclosed and abandoned properties and the past prevalence of predatory lending. It is located within the Dayton's Bluff historic preservation district, and includes a highly focused, community effort called the Fourth Street Preservation Project. The Preservation Project is completing the rehabilitation on eight historic homes located in a single block on Fourth Street between Bates and Maria. Included in this Impact Fund application is the eighth and final home of the Preservation Project. It is estimated that each unit will require \$110,000 in value gap, \$40,000 of which will be from the Impact Fund. The HRA will provide \$5,000 to borrowers at or below 80% of area median income (AMI) and \$2,500 to borrowers between 81%-115% of AMI for downpayment or closing cost assistance.

Justification

The HRA expects there will be interest in the Payne-Phalen neighborhood due to new commercial developments and business growth in the area. All properties the HRA intends to rehabilitate were either foreclosed or abandoned at the time they were acquired. There has been disinvestment in Dayton's Bluff due to foreclosures and the burdensome upkeep of some of the oldest structures in the city. The HRA hopes to stimulate economic activity and investment in Dayton's Bluff through the rehabilitation and sale of these units.

Selection Standards

Project Feasibility

The HRA will issue a competitive RFP to solicit developers for the rehabilitation of the units. All awarded developers are required to solicit a minimum of two bids for all work. The Inspiring Communities program is designed to encourage developers to contain costs through a "net proceeds of sale" provision: if a developer uses less value gap than they were originally awarded by the program, the HRA will split the proceeds up to a cap of \$10,000 payable to the developer. Any dollars retained by the "net proceeds of sale" provision are recycled for future program use.

Organizational Capacity

St. Paul HRA has over 30 years experience in the housing industry. It has provided value gap financing since the 1980's, has implemented the Invest St. Paul/Inspiring Communities Program since 2006 and the Neighborhood Stabilization Program (NSP) more recently. The HRA has developed strong partnerships with community development corporations, for-profit developers, architects, banks, realtors, intermediaries, and neighborhood groups to facilitate implementation of the strategy. The Inspiring Communities Program works to create affordable and sustainable housing in neighborhoods that have experienced high vacancy and foreclosure rates in Saint Paul. The HRA partners with the Minnesota Homeownership Center for homebuyer education, financial planning, and debt management counseling programs. Each buyer is required to provide a Certificate of Completion for a Home Stretch homebuyer education class.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/6/2014

Applicant Name: St. Paul Housing and Redevelopment Authority**Project Title:** Inspiring Communities Program

Location: Various - St. Paul target neighborhoods

Typical Unit Information

| | | |
|---|-------------|---|
| Unit Style | 2+ Story | |
| Ownership Type | Fee Simple | |
| Finished SF | 1600 | |
| Typical Unit Stories | 2 | |
| Bedrooms | 3 | |
| Bathrooms | 2 | |
| <input checked="" type="checkbox"/> Garage? | # of Stalls | 2 |

Typical Lot Size

| | |
|-----------|------|
| Lot Width | 120 |
| Lot Depth | 40 |
| Lot SF | 4800 |

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: St. Paul Housing and Redevelopment Authority

Project Title: Inspiring Communities Program

| Typical Unit Hard Costs | |
|--------------------------------|---------------------|
| Land Acquisition | \$10,000.00 |
| Structure Acquisition | \$30,000.00 |
| Rehab Hard Costs | \$190,000.00 |
| Total Hard Costs | \$230,000.00 |

| Typical Unit Soft Costs | |
|--------------------------------|--------------------|
| Holding Costs | \$2,000.00 |
| Architect Fee | \$6,000.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$25,000.00 |
| Contingency | \$0.00 |
| Other Fees | \$7,000.00 |
| Total Soft Costs | \$40,000.00 |

| Typical Total Development Cost (TDC) | |
|---|-----------------------|
| Typical Per-Unit TDC | \$270,000.00 |
| TDC per Sq. Foot | \$168.75 |
| RFP Funded Units | 6 |
| Estimated Project TDC | \$1,620,000.00 |

| Sales Price Information | |
|--------------------------------|--------------|
| Appraised Value of Similar | \$160,000.00 |
| Recent Sales Price of Similar | \$160,000.00 |
| Anticipated Appraised Value | \$160,000.00 |
| Anticipated Sale Price | \$160,000.00 |
| Anticipated Mortgage Amount | \$155,000.00 |

| Affordability Gap | |
|-------------------------------|------------|
| Anticipated Affordability Gap | \$5,000.00 |
| Impact Fund Aff. Gap Per Unit | \$0.00 |
| Number of Units | 6 |
| Impact Fund Total Aff. Gap | \$0.00 |
| Maximum Gap Amount | \$0.00 |
| Average Gap Amount | \$0.00 |

| Value Gap | |
|--------------------------------|--------------|
| Anticipated Value Gap | \$110,000.00 |
| Impact Fund Value Gap Per Unit | \$40,000.00 |
| Number of Units | 6 |
| Impact Fund Total Value Gap | \$240,000.00 |

Financial & Regulatory Leverage

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title Inspiring Communities Program

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|--------------|--|
| City Leverage | St. Paul HRA | |
|---------------|--------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$30,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|--------------------------|--|
| Other | Banks - to be determined | |
|-------|--------------------------|--|

| | | |
|----------------|----------------|-------------------|
| Cash Committed | \$1,152,000.00 | In Kind Committed |
|----------------|----------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|--------------|--|
| City Leverage | St. Paul HRA | |
|---------------|--------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$180,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|------------------|-----|--|
| Federal Leverage | NSP | |
|------------------|-----|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$240,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|----------------|-------------------|
| Cash Committed | \$1,602,000.00 | In Kind Committed |
|----------------|----------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: St. Paul Housing and Redevelopment Authority
City of Applicant: St. Paul
Name of Proposal: Inspiring Communities Program
Activity Type: New Construction
City/Cities: St. Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$440,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

The St. Paul Housing and Redevelopment Authority (HRA) is requesting value gap to support new construction of eight homes through the Inspiring Communities Program in the St. Paul neighborhoods of Payne-Phalen and Dayton's Bluff. The target area is located within the Dayton's Bluff historic preservation district and includes a highly focused, community effort called the Fourth Street Preservation Project. There will be an average per unit subsidy of \$135,000, \$40,000 of which will be supported by the Impact Fund.

Justification

The target area is in the northern section of the Neighborhood Stabilization Program (NSP) 3 target area. It was selected due to the high concentration of foreclosed and abandoned properties and the past prevalence of predatory lending. All vacant lots the HRA intends to develop were foreclosed or abandoned at the time they were acquired. The HRA expects there will be interest in the Payne-Phalen neighborhood due to new commercial developments and businesses growth in the area.

Selection Standards

Project Feasibility

The HRA's new construction model builds single family homes on previously acquired land to sell to families earning less than 115% AMI. The HRA will issue a competitive RFP to solicit developers for the construction of the units. Since community members have expressed a need for larger homes to accommodate extended families the proposed homes will have three bedrooms and two baths.

Organizational Capacity

St. Paul HRA has over 30 years' experience in the housing industry. It has provided value gap financing since the 1980's. It has originated the Invest St. Paul/Inspiring Communities Program since 2006 and the Neighborhood Stabilization Program (NSP) more recently. The HRA has developed strong partnerships with community development corporations, for-profit developers, architects, banks, realtors, intermediaries, and neighborhood groups to facilitate implementation of the strategy. The Inspiring Communities Program works to create affordable and sustainable housing in neighborhoods that have experienced high vacancy and foreclosure rates in Saint Paul. Habitat for Humanity is likely partner to produce homes to be sold to households earning up to 60% of area median income (AMI). The HRA partners with the Minnesota Homeownership Center for homebuyer education, financial planning, and debt management counseling programs.

Financial Worksheet

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title: Inspiring Communities Program

Location:

Typical Unit Information

| | |
|---|--|
| Unit Style | <input type="text" value="2+ Story"/> |
| Ownership Type | <input type="text" value="Fee Simple"/> |
| Finished SF | <input type="text" value="1600"/> |
| Typical Unit Stories | <input type="text" value="2"/> |
| Bedrooms | <input type="text" value="3"/> |
| Bathrooms | <input type="text" value="2"/> |
| <input checked="" type="checkbox"/> Garage? | # of Stalls <input type="text" value="2"/> |

Typical Lot Size Information

| | |
|-----------|-----------------------------------|
| Lot Width | <input type="text" value="120"/> |
| Lot Depth | <input type="text" value="40"/> |
| Lot SF | <input type="text" value="4800"/> |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name St. Paul Housing and Redevelopment Authority**Project Title:** Inspiring Communities Program**Typical Unit Hard Costs**

| | |
|-------------------------|---------------------|
| Land Acquisition | \$10,000.00 |
| Structure Acquisition | \$30,000.00 |
| Demolition | \$15,000.00 |
| Site Preparation | \$10,000.00 |
| General Construction | \$20,000.00 |
| Interior Finishing | \$40,000.00 |
| Exterior Finishing | \$20,000.00 |
| Roofing | \$0.00 |
| Electrical | \$20,000.00 |
| Plumbing | \$30,000.00 |
| Heating & Ventilation | \$30,000.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$10,000.00 |
| Garage Construction | \$20,000.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$20,000.00 |
| Other Hard Costs | \$0.00 |
| Total Hard Costs | \$275,000.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$2,000.00 |
| Architect Fee | \$6,000.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$25,000.00 |
| Other Fees | \$7,000.00 |
| Total Soft Costs | \$40,000.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|-----------------------|
| Typical Per-Unit TDC | \$315,000.00 |
| RFP Funded Units | 8 |
| Est. Project TDC | \$2,520,000.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$180,000.00 |
| Recent Sales Price of Similar | \$180,000.00 |
| Anticipated Appraised Value | \$180,000.00 |
| Anticipated Sale Price | \$180,000.00 |
| Anticipated Mortgage Amount | \$165,000.00 |

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title: Inspiring Communities Program

| Affordability Gap | | Value Gap | |
|-------------------------------|-------------|--------------------------------|--------------|
| Anticipated Affordability Gap | \$15,000.00 | Anticipated Value Gap | \$135,000.00 |
| Impact Fund Aff. Gap per Unit | \$0.00 | Impact Fund Value Gap per Unit | \$40,000.00 |
| Number of Units | 8 | Number of Units | 8 |
| Impact Fund Total Aff. Gap | \$0.00 | Impact Fund Total Value Gap | \$320,000.00 |
| Maximum Amount | | | |
| Average Amount | | | |

Financial & Regulatory Leverage

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title Inspiring Communities Program

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|------------------------|-------------------|
| Federal Leverage | NSP | |
| Cash Committed | \$40,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Federal Leverage | Federal Home Loan Bank | 11/15/2014 |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$80,000.00 | In Kind Pending |

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-------------------|
| Other | Developer | 1/15/2015 |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$510,000.00 | In Kind Pending |
| Other | Bank Financing | 1/15/2015 |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$2,040,000.00 | In Kind Pending |

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-------------------|
| City Leverage | St. Paul HRA | |
| Cash Committed | \$320,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Federal Leverage | NSP | |
| Cash Committed | \$440,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Applicant Name St. Paul Housing and Redevelopment Authority

Project Title Inspiring Communities Program

Cash Committed \$800,000.00 In Kind Committed

Cash Pending \$2,630,000.00 In Kind Pending

Applicant Name: Community Neighborhood Housing Services
City of Applicant: St Paul
Name of Proposal: Community Keys
Activity Type: Affordability Gap/Downpayment Program
City/Cities: St. Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$80,000.00

Funding Recommendations

Amount:
 Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
 Amount Requested:
 Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Community Neighborhood Housing Services (CNHS) requests deferred loan funds to provide affordability gap assistance to residents purchasing in the Frogtown and Rondo neighborhoods. Each participant will receive \$15,000 in assistance, with half of the funds in the form of an Impact Fund deferred loan and the other half as a fully-amortizing loan at a below market interest rate, currently two percent.

Justification

Affordability gap assistance is needed given the upward home price pressure in the Frogtown and Rondo housing markets due to the new light rail line. The main goals of the program are to increase the number of homeowners in the target area and to reduce homebuyers' monthly housing expenses.

Selection Standards

Project Feasibility

The Community Keys proposal is designed to provide affordability gap to offset the increasing home values the recovering market and light rail investment has triggered in the Frogtown and Rondo neighborhoods. The program will provide affordability assistance not currently available through Minnesota Housing programs, and could work in combination with Minnesota Housing down payment and closing cost assistance programs. Committed leverage of \$75,000 is provided from the US Treasury Department Community Development Financial Institutions Fund (CDFI).

Organizational Capacity

CNHS has significant experience administering loan programs, and its relationship with neighborhood partners and with the Local Initiative Support Corporation (LISC) will support its program. The targeted geography has affordability challenges resulting from the construction of the light rail.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/7/2014

Applicant Name: Community Neighborhood Housing Services**Project Title:** Community Keys

Property Address: Scattered Site within Frogtown Rondo Home Fund Area

Typical Unit Information

Unit Style: Acquisition-Rehabilitation-Resale Unit

Ownership Type: Fee Simple

Entrance Type: Individual (i.e. Single Family)

Finished SF:

Number of Units:

Bedrooms:

Bathrooms:

Garage? # of Stalls

Typical Lot Size

Lot Width:

Lot Depth:

Lot SF:

General Information Institutional Correctional Work Crew (IWCW) being used**Affordability Gap**

| | |
|-----------------------------|--------------|
| Estimated Value per Unit | \$115,000.00 |
| Anticipated Mortgage Amount | \$100,000.00 |
| Estimated per Unit Gap | \$7,500.00 |
| Number of Units | \$10.00 |
| Total Estimated Amount | \$75,000.00 |
| Maximum Gap Amount | \$7,500.00 |
| Average Gap Amount | \$7,500.00 |

Financial & Regulatory Leverage

Applicant Name Community Neighborhood Housing Services

Project Title Community Keys

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|----------------------------------|-------------------|
| Federal Leverage | US Treasury Department CDFI Fund | |
| Cash Committed | \$75,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Cash Committed | \$75,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Applicant Name: Dayton's Bluff Neighborhood Housing Services
City of Applicant: St. Paul
Name of Proposal: The Village on Rivoli
Activity Type: New Construction
City/Cities: St.Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$457,940.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Economic Integration
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Dayton's Bluff Neighborhood Housing Service (DBNHS) is requesting value gap for units to be constructed on infill lots on Rivoli Street within Railroad Island in St. Paul. The lots are owned by the St. Paul Housing and Redevelopment Authority (the HRA) and were acquired in the early 1990s through tax forfeiture. This is the second phase of the Village on Rivoli project which was partially funded last year. It is part of the Railroad Island Housing Initiative which is a part of a larger consolidated plan known as the Phalen Corridor Development Strategy. DBNHS will serve households earning incomes up to 115% of area median income (AMI) and has not included an administrative or developer fee with this proposal.

Justification

This proposal is well-designed to serve community recovery efforts in Railroad Island on St. Paul's East Side. Leverage sources will match 95% of the requested Impact Fund contribution. The value gap will enable low- and- moderate-income borrowers to purchase the four-and-five bedroom units to be constructed on the site.

Selection Standards

Project Feasibility

DBNHS reports anecdotally (based on their own market study), that there is strong demand among low- and-moderate-income homebuyers for single family homes with more than three bedrooms in the target area. An April 2014 Local Market Update which includes the Village on Rivoli, indicates that there is a 3.4-month supply of houses on the market in the Payne-Phalen District. None of the 102 homes currently on the market and built after 1975 have more than three bedrooms. The same report also states that year-to-date 2014, the average number of days on the market is 109, slightly longer than reported in 2013, in the Payne Phalen district. Community Profiles indicate the area is in need of community recovery and stabilization which this new construction project and the resulting single family homes will help provide.

Organizational Capacity

DBNHS has more than 30 years' experience developing, financing and selling both newly-constructed and rehabilitated affordable housing in St. Paul. Since inception through December of 2013, DBNHS has been responsible for the rehabilitation, construction and assisted purchase of 2,961 affordable housing units (both ownership and rental) at a cost of \$238,077,752. Most of these have been located on the East Side of St. Paul.

Financial Worksheet

Applicant Name Dayton's Bluff Neighborhood Housing Services

Project Title: The Village on Rivoli

Location:

Typical Unit Information

| | |
|---|--|
| Unit Style | <input type="text" value="2+ Story"/> |
| Ownership Type | <input type="text"/> |
| Finished SF | <input type="text" value="1800"/> |
| Typical Unit Stories | <input type="text"/> |
| Bedrooms | <input type="text" value="4"/> |
| Bathrooms | <input type="text" value="2"/> |
| <input checked="" type="checkbox"/> Garage? | # of Stalls <input type="text" value="2"/> |

Typical Lot Size Information

| | |
|-----------|-----------------------------------|
| Lot Width | <input type="text" value="40"/> |
| Lot Depth | <input type="text" value="125"/> |
| Lot SF | <input type="text" value="5000"/> |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name Dayton's Bluff Neighborhood Housing Services

Project Title: The Village on Rivoli

Typical Unit Hard Costs

| | |
|-------------------------|---------------------|
| Land Acquisition | \$0.00 |
| Structure Acquisition | \$0.00 |
| Demolition | \$0.00 |
| Site Preparation | \$0.00 |
| General Construction | \$134,815.00 |
| Interior Finishing | \$43,570.00 |
| Exterior Finishing | \$37,340.00 |
| Roofing | \$0.00 |
| Electrical | \$10,900.00 |
| Plumbing | \$14,360.00 |
| Heating & Ventilation | \$14,355.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$0.00 |
| Garage Construction | \$0.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$10,900.00 |
| Other Hard Costs | \$0.00 |
| Total Hard Costs | \$266,240.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$9,500.00 |
| Architect Fee | \$10,000.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$24,455.00 |
| Other Fees | \$19,950.00 |
| Total Soft Costs | \$63,905.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$330,145.00 |
| RFP Funded Units | 2 |
| Est. Project TDC | \$660,290.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$190,000.00 |
| Recent Sales Price of Similar | \$190,000.00 |
| Anticipated Appraised Value | \$195,000.00 |
| Anticipated Sale Price | \$195,000.00 |
| Anticipated Mortgage Amount | |

Applicant Name Dayton's Bluff Neighborhood Housing Services

Project Title: The Village on Rivoli

| Affordability Gap | Value Gap | |
|-------------------------------|--------------------------------|--------------|
| Anticipated Affordability Gap | Anticipated Value Gap | \$135,145.00 |
| Impact Fund Aff. Gap per Unit | Impact Fund Value Gap per Unit | \$65,420.00 |
| Number of Units | Number of Units | 2 |
| Impact Fund Total Aff. Gap | Impact Fund Total Value Gap | \$130,840.00 |
| Maximum Amount | | |
| Average Amount | | |

Financial & Regulatory Leverage

Applicant Name Dayton's Bluff Neighborhood Housing Services

Project Title The Village on Rivoli

Financial Leverage

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|-------|--|
| Philanthropic Leverage | DBNHS | |
|------------------------|-------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$52,696.00 | In Kind Pending |
|--------------|-------------|-----------------|

| | | |
|------------------------|-------|--|
| Philanthropic Leverage | DBNHS | |
|------------------------|-------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|----------------|-----------------|
| Cash Pending | \$1,365,000.00 | In Kind Pending |
|--------------|----------------|-----------------|

| | | |
|---------------|--------------------|--|
| City Leverage | City of Saint Paul | |
|---------------|--------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$226,693.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|---------------|--------------------|--|
| City Leverage | City of Saint Paul | |
|---------------|--------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$208,684.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$435,377.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|----------------|-----------------|
| Cash Pending | \$1,417,696.00 | In Kind Pending |
|--------------|----------------|-----------------|

Applicant Name: Greater Frogtown Community Development Corporation
City of Applicant: St. Paul
Name of Proposal: The Green Line's HIP for Community Land Trust
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: St. Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$600,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Economic Integration
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Greater Frogtown CDC which, together with Community Neighborhood Housing Services is to be known as NeighborWorks Home Partners, requests deferred loan funds, value gap funds, and Housing Infrastructure Bond Proceeds to acquire and rehabilitate 5 single family homes as a part of the Green Line Homebuyer Initiated Program (HIP) in the neighborhoods adjacent to University Avenue, as well as in Como and the North End. The Green Line HIP will allow eligible buyers to locate a home within in their price range and purchase and rehabilitate the structure while the land remains in a trust. The landtrust model strives to ensure long term affordability for current and future borrowers. Greater Frogtown projects a \$52,000 per-unit subsidy, \$43,500 of which is to be supported by the Impact Fund.

Justification

This proposal promises to secure long-term affordable units in an area with recent above-average appreciation in one or several stable, middle income communities such as Hamline Midway or Union Park. Much of this area is served by high-frequency transit. This proposal is consistent with the cooperatively-developed plans of each district in the target area, and with the City of St. Paul's comprehensive plan.

Selection Standards

Project Feasibility

The proposal targets an area that has seen faster-than-average home value appreciation, an important consideration for a model that depends on appreciation. The area homes for sale have spent less time on the market than have others citywide.

Organizational Capacity

Since 1995, Greater Frogtown CDC has constructed or renovated and sold over 90 housing units. Greater Frogtown projects have been funded by Invest St. Paul, NSP, Inspiring Communities, CDBG, and HOME funds. The merged organization of NeighborWorks Home Partners will have the expertise of a land trust administrator, including marketing and communications, lending, pre- and post-purchase homeownership counseling, land trust program management, and scope writing and construction management.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/29/2014

Applicant Name: Greater Frogtown Community Development Corporation**Project Title:** The Green Line's HIP for Community Land TrustLocation: **Typical Unit Information**Unit Style Ownership Type Finished SF Typical Unit Stories Bedrooms Bathrooms Garage? # of Stalls **Typical Lot Size**Lot Width Lot Depth Lot SF **General Information** Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Greater Frogtown Community Development Corporation

Project Title: The Green Line's HIP for Community Land Trust

| Typical Unit Hard Costs | |
|--------------------------------|---------------------|
| Land Acquisition | \$30,000.00 |
| Structure Acquisition | \$150,000.00 |
| Rehab Hard Costs | \$18,000.00 |
| Total Hard Costs | \$198,000.00 |

| Typical Unit Soft Costs | |
|--------------------------------|-------------------|
| Holding Costs | \$0.00 |
| Architect Fee | \$0.00 |
| Legal Fees | \$500.00 |
| Developer Fees | \$2,000.00 |
| Contingency | \$0.00 |
| Other Fees | \$1,642.00 |
| Total Soft Costs | \$4,142.00 |

| Typical Total Development Cost (TDC) | |
|---|-----------------------|
| Typical Per-Unit TDC | \$202,142.00 |
| TDC per Sq. Foot | \$134.76 |
| RFP Funded Units | 5 |
| Estimated Project TDC | \$1,010,710.00 |

| Sales Price Information | |
|--------------------------------|--------------|
| Appraised Value of Similar | \$180,000.00 |
| Recent Sales Price of Similar | \$180,000.00 |
| Anticipated Appraised Value | \$180,000.00 |
| Anticipated Sale Price | \$180,000.00 |
| Anticipated Mortgage Amount | \$147,258.00 |

| Affordability Gap | |
|-----------------------------------|---------------------|
| Anticipated Affordability Gap | \$32,742.00 |
| Impact Fund Aff. Gap Per Unit | \$32,742.00 |
| Number of Units | 5 |
| Impact Fund Total Aff. Gap | \$163,710.00 |
| Maximum Gap Amount | \$63,200.00 |
| Average Gap Amount | \$32,742.00 |

| Value Gap | |
|------------------------------------|--------------------|
| Anticipated Value Gap | \$22,142.00 |
| Impact Fund Value Gap Per Unit | \$10,714.00 |
| Number of Units | 5 |
| Impact Fund Total Value Gap | \$53,570.00 |

Financial & Regulatory Leverage

Applicant Name Greater Frogtown Community Development Corporation

Project Title The Green Line's HIP for Community Land Trust

Financial Leverage

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|--------------------------|--|
| Other | Frogtown Rondo Home Fund | |
|-------|--------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|------------|-----------------|
| Cash Pending | \$3,571.45 | In Kind Pending |
|--------------|------------|-----------------|

| | | |
|-----------------|---------------------|--|
| County Leverage | Lead Window Program | |
|-----------------|---------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$17,857.15 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|---------------|------|--|
| City Leverage | CDBG | |
|---------------|------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$35,714.30 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$53,571.45 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|------------|-----------------|
| Cash Pending | \$3,571.45 | In Kind Pending |
|--------------|------------|-----------------|

Applicant Name: Twin Cities Community Land Bank LLC
City of Applicant: Minneapolis
Name of Proposal: Strategic Acq. of Vacant & Abandoned Property in Frogtown Rondo Home Area Project Part 2
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: St. Paul
County: Ramsey
RHAG Region: Metro
Max Request: \$300,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Twin Cities Community Land Bank requests value gap financing to acquire, hold, and sell to a third-party developer five properties in the Rondo and Frogtown areas of St. Paul. The Twin Cities Land Bank will focus on tax forfeited, bank-owned, and long-vacant single family properties in order to reduce development costs, reduce blight, and prevent acquisition by real estate investor speculators. The entire value gap of \$50,000 per unit is to be supported by the Impact Fund.

Justification

This proposal targets an area that has seen above-average home value appreciation due in part to the construction of the Green Line (one piece of the high-frequency transit service in the area). The target area is one of the Agency's Community Recovery areas and has a large concentration of vacant and abandoned buildings. Significant cost savings are expected through the use of Ramsey County's tax forfeiture program which may discount the Land Bank's individual parcel purchases by as much as 75% of market value.

Selection Standards

Project Feasibility

The Land Bank currently owns ten properties in the target area, six of which are either complete and on the market for sale or under rehabilitation by developers Model Cities, the Rondo Community Land Trust, or Preserve Frogtown.

Organizational Capacity

Since 2009, the Land Bank has spent over \$94 million purchasing over 1,126 properties resulting in the preservation of over 1500 units of housing (some multi-unit buildings). The Land Bank has originated 369 loans totaling \$48 million.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/25/2014

Applicant Name: Twin Cities Community Land Bank LLC

Project Title: Strategic Acq. of Vacant & Abandoned Property in Frogtown Rondo Home Area P

Location:

Typical Unit Information

Unit Style

Ownership Type

Finished SF

Typical Unit Stories

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size

Lot Width

Lot Depth

Lot SF

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Twin Cities Community Land Bank LLC
Project Title: Statagic Acq. of Vacant & Abandoned Property in Frogtown Rondo Home Area P

| Typical Unit Hard Costs | | Sales Price Information | |
|---|---------------------|--------------------------------|--------------|
| Land Acquisition | \$19,000.00 | Appraised Value of Similar | \$82,000.00 |
| Structure Acquisition | \$63,000.00 | Recent Sales Price of Similar | \$131,000.00 |
| Rehab Hard Costs | \$73,200.00 | Anticipated Appraised Value | \$130,000.00 |
| Total Hard Costs | \$155,200.00 | Anticipated Sale Price | \$130,000.00 |
| | | Anticipated Mortgage Amount | \$130,000.00 |
| Typical Unit Soft Costs | | Affordability Gap | |
| Holding Costs | \$2,500.00 | Anticipated Affordability Gap | \$0.00 |
| Architect Fee | \$800.00 | Impact Fund Aff. Gap Per Unit | |
| Legal Fees | \$500.00 | Number of Units | |
| Developer Fees | \$8,000.00 | Impact Fund Total Aff. Gap | |
| Contingency | \$5,000.00 | Maximum Gap Amount | |
| Other Fees | \$8,000.00 | Average Gap Amount | |
| Total Soft Costs | \$24,800.00 | | |
| Typical Total Development Cost (TDC) | | Value Gap | |
| Typical Per-Unit TDC | \$180,000.00 | Anticipated Value Gap | \$50,000.00 |
| TDC per Sq. Foot | \$164.99 | Impact Fund Value Gap Per Unit | \$50,000.00 |
| RFP Funded Units | 5 | Number of Units | 5 |
| Estimated Project TDC | \$900,000.00 | Impact Fund Total Value Gap | \$250,000.00 |

Financial & Regulatory Leverage

Applicant Name Twin Cities Community Land Bank LLC

Project Title Strategic Acq. of Vacant & Abandoned Property in Frogtown Rondo Home Area Pr

Regulatory Leverage

| Incentive | Cost Savings per Unit | # of Units in Project | Total Project Cost Savings | Approval Date |
|-----------------------|--------------------------|--------------------------|-------------------------------|------------------|
| Tax Forfeited Program | \$0.00 | 5 | \$0.00 | |
| | Total | 5 | \$0.00 | |

Applicant Name: Build Wealth Minnesota, Inc.
City of Applicant: Minneapolis
Name of Proposal: Family Stabilization Plan
Activity Type: Affordability Gap/Downpayment Program
City/Cities: North Minneapolis
County: Hennepin
RHAG Region: Metro
Max Request: \$384,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Build Wealth Minnesota (BWM) is requesting funds in the form of deferred loans for affordability gap for homebuyers participating in its Family Stabilization Program (FSP), an intensive, two-year, financial literacy program that positions participants to become successful homeowners. BWM will provide affordability gap loans to 12 homebuyers purchasing properties in North Minneapolis, the East Side of St. Paul, Brooklyn Park, Brooklyn Center, or first or second-ring suburbs. The Impact Fund may cover the entire affordability gap, closing costs, and/or prepaid finance charges, with deferred loan amounts averaging \$10,000 per unit. In conjunction with Habitat for Humanity, funds may also be used to assist existing homeowners with mortgage modifications to help avoid foreclosures.

Justification

The Build Wealth Family Stabilization Plan (FSP) is more comprehensive than typical down payment assistance programs originated for mortgage-ready buyers that are approaching a closing date. The FSP is a longer-term, culturally-sensitive financial literacy education program for underserved families that aims to move them from economic distress to sustainable asset growth by reducing debt, increasing credit, and changing behavior. It includes 36 hours of classroom work plus 90 additional hours of one-on-one coaching, workshops, and homebuyer education provided via external referrals.

Selection Standards

Project Feasibility

In July 2014, BWM was selected to participate in two new Minnesota Housing initiatives – one as a financial literacy provider for the Homeownership Capacity program, as well as another as a mortgage originator for the Targeted Mortgage Opportunity Program (TMOP). Homeowner Capacity will support BWM in continuing to provide the FSP, while TMOP financing will provide another option for FSP homebuyers that do not qualify for traditional mortgage or portfolio mortgage financing.

Organizational Capacity

For ten years, Build Wealth Minnesota (BWM) has sought to empower underserved people, primarily those of color, using its model. BWM was awarded funds four times since 2008. To-date, they have assisted 47 families to improve their financial stability and purchase a home. BWM partners with homebuyer educators, community developers and traditional lenders that rehabilitate and sell affordable housing, and is currently working with 73 families that are interested in becoming homeowners.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/18/2014

Applicant Name: Build Wealth Minnesota, Inc.**Project Title:** Family Stabilization Plan

| | |
|------------------|--|
| Property Address | Various, North Minneapolis, East St. Paul, Brooklyn Park & Center, and tier I and II suburbs |
|------------------|--|

Typical Unit Information

| | | |
|---|--|--------------------------------|
| Unit Style | Acquisition-Rehabilitation-Resale Unit | |
| Ownership Type | Fee Simple | |
| Entrance Type | Individual (i.e. Single Family) | |
| Finished SF | <input type="text"/> | |
| Number of Units | <input type="text"/> | |
| Bedrooms | <input type="text" value="3"/> | |
| Bathrooms | <input type="text" value="1"/> | |
| <input checked="" type="checkbox"/> Garage? | # of Stalls | <input type="text" value="1"/> |

Typical Lot Size

| | |
|-----------|----------------------|
| Lot Width | <input type="text"/> |
| Lot Depth | <input type="text"/> |
| Lot SF | <input type="text"/> |

General Information Institutional Correctional Work Crew (IWCW) being used**Affordability Gap**

| | |
|-----------------------------|--------------|
| Estimated Value per Unit | \$130,000.00 |
| Anticipated Mortgage Amount | \$120,000.00 |
| Estimated per Unit Gap | \$10,000.00 |
| Number of Units | \$12.00 |
| Total Estimated Amount | \$120,000.00 |
| Maximum Gap Amount | \$12,500.00 |

Applicant Name: Build Wealth Minnesota, Inc.

Project Title: Family Stabilization Plan

| | |
|--------------------|-------------|
| Average Gap Amount | \$10,000.00 |
|--------------------|-------------|

Applicant Name: Hennepin County Housing and Redevelopment Authority
City of Applicant: Minneapolis
Name of Proposal: Home Accessibility Ramps Program
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Multiple
County: Hennepin & Ramsey
RHAG Region: Metro
Max Request: \$100,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Hennepin County Housing and Redevelopment Authority (HCHRA) is requesting grant funds to cover costs associated with construction of up to 25 accessibility projects (ramps, long-tread, low-riser steps, and walkways) and to maintain previously-built projects. The average cost per new accessibility project supported by the Impact Fund is \$4,000. The Home Accessibility Ramp Program (Ramps Program) will be available to disabled homeowners in both Ramsey and Hennepin Counties. The National Multiple Sclerosis Society, Minnesota Chapter, the ALS Association of Minnesota, the Metropolitan Center for Independent Living and the Minneapolis Department of Veterans Affairs will all provide referrals to their clients and patients who need a ramp or low-tread steps.

Justification

Elderly individuals or those who have physically-limiting disabilities often have difficulty with ingress and egress in older housing. The Ramps Program has been a cost-effective way to preserve accessible affordable housing for low-income homeowners in Hennepin and Ramsey counties since 1999. To date, under this program, HCHRA, and its partner Tree Trust have constructed 261 ramps in a cost-effective way to maintain accessibility for households the target area. Although the Impact Fund guidelines allow projects for homeowners with up to 115% of area median income (AMI), the Ramps Program has successfully served disabled homeowners earning below 50% of AMI. Demand for ramp and step construction grows each year.

Selection Standards

Project Feasibility

According to the 2010 U.S. Census, about one in five Americans has a disability, and one in ten is severely-disabled. Disabled individuals with physical limitations are often unable to live full or independent lives if unable to remain in their homes. The Ramps Program promotes and supports successful homeownership and stabilizes the lives of individuals who have limited mobility.

Organizational Capacity

Between 2001 and 2014 the HRA in partnership with Tree Trust, has built and/or repaired 251 modular wheelchair ramps and long-tread, low-riser steps in Hennepin and Ramsey Counties using a total of \$880,331.14 of Impact Funds or on average \$3,507 per installation. They will construct/repair another 35 units this year to fully expend the award approved in 2013. HCHRA and Tree Trust have a proven track record under previous Impact Fund awards. HCHRA will continue to financially manage and administratively oversee the program and its funds to ensure program compliance. Tree Trust will continue building ramps and low riser stairs and through that continue with its goal to provide an ongoing training opportunity in dimensional lumber construction techniques for young adults and adults in job training programs.

Financial & Regulatory Leverage

Applicant Name Hennepin County Housing and Redevelopment Authority

Project Title Home Accessibility Ramps Program

Financial Leverage

Activity Funded: Grant - Interest Write Down

| Source of Leverage | Organization Name | | Est. Appr. Date |
|-------------------------|---------------------|-------------------|-----------------|
| Local Employer Leverage | Shaw/Stewart | | |
| Cash Committed | | In Kind Committed | \$3,474.00 |
| Cash Pending | | In Kind Pending | |
| Local Employer Leverage | Tree Trust | | |
| Cash Committed | | In Kind Committed | \$18,000.00 |
| Cash Pending | | In Kind Pending | |
| County Leverage | Hennepin County HRA | | |
| Cash Committed | | In Kind Committed | \$3,750.00 |
| Cash Pending | | In Kind Pending | |
| Cash Committed | | In Kind Committed | \$25,224.00 |
| Cash Pending | | In Kind Pending | |

Applicant Name: Project for Pride in Living
City of Applicant: Minneapolis
Name of Proposal: PPL Impact Rehab Program
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Minneapolis & Saint Paul
County: Hennepin & Ramsey
RHAG Region: Metro
Max Request: \$620,840.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Project for Pride in Living (PPL) requests deferred loan funds for an owner-occupied rehabilitation program for homeowners in the Cities of St Paul and Minneapolis that earn between 30%-60% of area median income (AMI). The average deferred loan amount will be \$33,000, all of which will be supported by the Impact Fund.

Justification

The program will be available citywide. However, the bulk of applicants are expected from North Minneapolis, Midtown, Phillips, the Central area of South Minneapolis, the North End neighborhood of St. Paul, and the East Side of St. Paul. The income limit of 30%-60% of AMI allows an affordable financing option for those whose incomes are above the Rehabilitation Loan Program income limits but cannot afford the cost burden of a Fix Up loan payment. The improvements will be based on the needs of the household, ranging from accessibility improvements, deferred maintenance issues such as roofing, siding, plumbing, heating and cooling as well as health issues including mold, asbestos and radon abatement.

Selection Standards

Project Feasibility

The target areas in North Minneapolis and the East Side of St. Paul are high need foreclosure and community recovery priority areas, while neighborhoods in South Minneapolis are almost entirely in a community recovery priority area. This program will ensure that homeowners can retain their properties despite their low incomes, improve the health and safety of their homes, and contribute to overall neighborhood investment in these areas struggling with deferred maintenance issues and recent foreclosures. Other funding sources (City of Minneapolis Healthy Homes program, CDBG funds) will be used in conjunction with Impact funds when possible.

Organizational Capacity

PPL has been the recipient of previous Impact Fund awards, and is a Rehabilitation Loan and Emergency Loan program administrator for Minnesota Housing. PPL has also administered home improvement programs for many neighborhood organizations under the City of Minneapolis Neighborhood Revitalization Program.

Applicant Name: Carver County CDA
City of Applicant: Chaska
Name of Proposal: Carver Co. Community Land Trust Waconia Townhome Project
Activity Type: New Construction
City/Cities: Waconia
County: Carver
RHAG Region: Metro
Max Request: \$129,300.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Carver County Community Development Agency (CCDA) is requesting funds to provide affordability gap to purchasers of four townhome units to be constructed on infill lots in the City of Waconia. These townhome units will be included in the Carver County Community Land Trust (the Land Trust). CCDA will sell these units to households earning up to 80% of area median income (AMI) with a preference for households earning up to 50% of AMI.

Justification

This project will advance the goals of the Carver County 2030 Comprehensive Plan and Housing Implementation Plan among which are to diversify the housing stock of the City of Waconia by creating affordable workforce housing for individuals and families earning less than 80% of AMI, preserving housing affordability by including units in the Land Trust and promoting the economic integration of the city.

Selection Standards

Project Feasibility

Housing studies conducted by CCDA indicate that home prices in the City of Waconia have been increasing since 2011 and that there exists a shortage of affordable housing in the city. This project begins to address the shortage in affordable housing stock and ensures these units will remain affordable by placing them in the Land Trust. Data from 2013 indicates Waconia has a 3.26 month supply of housing at prices exceeding \$200,000 per unit. A May 2014 study by Maxfield Research indicated the average resale price for a single family unit in Waconia was \$225,000, and that the city will need an additional 3,400 to 3,600 homes to support the anticipated addition of 2,900 jobs by 2020. This project's units will be marketed at \$189,000 per unit through the Land Trust.

Organizational Capacity

CCDA has been developing and marketing both single family and multifamily, mixed use affordable housing in Carver County since 1981 and was instrumental in expanding the Land Trust by partnering with the Cities of Chaska and Victoria. In their eight-unit East Creek project, the CCDA sold six homes to families earning less than 80% of AMI and two homes were constructed by Habitat for Humanity and sold to families earning incomes below 50% of AMI. In addition CCDA was responsible for rehabilitating, demolishing and constructing four homes under the Neighborhood Stabilization Program (NSP) that were eventually sold to families earning less than 80% of AMI.

Financial Worksheet

Applicant Name Carver County CDA

Project Title: Carver Co. Community Land Trust Waconia Townhome Project

Location:

Typical Unit Information

| | |
|---|---|
| Unit Style | <input type="text" value="Multi-Unit/Condo"/> |
| Ownership Type | <input type="text" value="Community Land Trust"/> |
| Finished SF | <input type="text" value="1611"/> |
| Typical Unit Stories | <input type="text" value="2"/> |
| Bedrooms | <input type="text" value="3"/> |
| Bathrooms | <input type="text" value="2"/> |
| <input checked="" type="checkbox"/> Garage? | # of Stalls <input type="text" value="2"/> |

Typical Lot Size Information

| | |
|-----------|-----------------------------------|
| Lot Width | <input type="text" value="34"/> |
| Lot Depth | <input type="text" value="62"/> |
| Lot SF | <input type="text" value="2108"/> |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name Carver County CDA**Project Title:** Carver Co. Community Land Trust Waconia Townhome Project**Typical Unit Hard Costs**

| | |
|-------------------------|---------------------|
| Land Acquisition | \$40,000.00 |
| Structure Acquisition | \$23,000.00 |
| Demolition | \$0.00 |
| Site Preparation | \$0.00 |
| General Construction | \$85,300.00 |
| Interior Finishing | \$15,200.00 |
| Exterior Finishing | \$12,500.00 |
| Roofing | \$0.00 |
| Electrical | \$6,700.00 |
| Plumbing | \$10,200.00 |
| Heating & Ventilation | \$9,400.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$2,700.00 |
| Garage Construction | \$9,000.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$0.00 |
| Other Hard Costs | \$6,500.00 |
| Total Hard Costs | \$220,500.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$1,000.00 |
| Architect Fee | \$1,500.00 |
| Legal Fees | \$400.00 |
| Developer Fees | \$0.00 |
| Other Fees | \$9,500.00 |
| Total Soft Costs | \$12,400.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$232,900.00 |
| RFP Funded Units | 4 |
| Est. Project TDC | \$931,600.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$189,000.00 |
| Recent Sales Price of Similar | \$189,000.00 |
| Anticipated Appraised Value | \$189,000.00 |
| Anticipated Sale Price | \$189,000.00 |
| Anticipated Mortgage Amount | \$149,000.00 |

Applicant Name Carver County CDA

Project Title: Carver Co. Community Land Trust Waconia Townhome Project

| Affordability Gap | | Value Gap | |
|-------------------------------|--------------|--------------------------------|-------------|
| Anticipated Affordability Gap | \$40,000.00 | Anticipated Value Gap | \$43,900.00 |
| Impact Fund Aff. Gap per Unit | \$30,000.00 | Impact Fund Value Gap per Unit | \$0.00 |
| Number of Units | 4 | Number of Units | 4 |
| Impact Fund Total Aff. Gap | \$120,000.00 | Impact Fund Total Value Gap | \$0.00 |
| Maximum Amount | \$30,000.00 | | |
| Average Amount | \$30,000.00 | | |

Financial & Regulatory Leverage

Applicant Name Carver County CDA

Project Title Carver Co. Community Land Trust Waconia Townhome Project

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|-----------------|--|
| City Leverage | City of Waconia | |
|---------------|-----------------|--|

| | | |
|----------------|-------------------|-------------|
| Cash Committed | In Kind Committed | \$10,000.00 |
|----------------|-------------------|-------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | |
|-------|-----------|--|
| Other | CCR Homes | |
|-------|-----------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$10,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | |
|-------------------------|--------------------------|--|
| Local Employer Leverage | Ridgeview Medical Center | |
|-------------------------|--------------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$10,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | |
|-----------------|-------------------|--|
| County Leverage | Carver County CDA | |
|-----------------|-------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$10,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | |
|---------------|-----------------|--|
| City Leverage | City of Waconia | |
|---------------|-----------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$10,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-----------------|-------------------|--|
| County Leverage | Carver County CDA | |
|-----------------|-------------------|--|

| | | |
|----------------|------------|-------------------|
| Cash Committed | \$5,560.00 | In Kind Committed |
|----------------|------------|-------------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | | |
|------------------------|--|-------------------|-------------|
| Applicant Name | Carver County CDA | | |
| Project Title | Carver Co. Community Land Trust Waconia Townhome Project | | |
| Other | Stadick Realty | | |
| Cash Committed | \$7,560.00 | In Kind Committed | |
| Cash Pending | | In Kind Pending | |
| Other | Burnett Title | | |
| Cash Committed | \$740.00 | In Kind Committed | |
| Cash Pending | | In Kind Pending | |
| Philanthropic Leverage | David Falk | | |
| Cash Committed | \$10,000.00 | In Kind Committed | |
| Cash Pending | | In Kind Pending | |
| Cash Committed | \$63,860.00 | In Kind Committed | \$10,000.00 |
| Cash Pending | | In Kind Pending | |

Applicant Name: Hennepin County Housing and Redevelopment Authority
City of Applicant: Minneapolis
Name of Proposal: Healthy Homes Assistance Program
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Mpls, Osseo, Corcoran (Hennepin County)
County: Hennepin
RHAG Region: Metro
Max Request: \$79,550.00

Funding Recommendations

Amount:
 Number of Units:

Incomes Served

- Less than 50% of AMI
 50% to 80% of AMI
 80% to 115% of AMI

Co-Funder Info

Name:
 Amount Requested:
 Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Hennepin County Housing and Redevelopment Authority (HCHRA) is requesting funds for the Healthy Homes Assistance program for homeowners living primarily in the inner-ring suburbs of Hennepin County. The deferred loans under this owner occupied rehabilitation loan program will provide money for emergency home repairs, radon mitigation, low level repairs such as fall prevention and repairs to manufactured homes. In limited cases when other financing is not available, funds may be used in Minneapolis to supplement their lead-based paint abatement grant program. Energy cost saving products will be used when replacement is required. The maximum loan amount will be \$15,000 with an anticipated average loan amount of \$5,770. An administration fee in the amount of \$350.00 will be charged to the homebuyer and included in the loan amount.

Justification

In addition to an aging population in the target areas, Community Profiles show that 67% of homeowners are cost burdened and unable to afford needed emergency home repairs. The Healthy Home Assistance Program provides needed repair financing alternatives allowing homeowners to age in place which promotes community stability. The target area housing stock is aging with an estimated 16,700 homes in need of repair.

Selection Standards

Project Feasibility

The Healthy Home Assistance Program provides the funding needed to keep the aging housing stock in the Hennepin County's first tier suburbs safe and in good repair. In addition, this program provides one of the few repair financing alternatives for manufactured housing in the area.

Organizational Capacity

HCHRA has been an administrative agency for local, federal and state-funded housing programs for 30 years. HCHRA is operated through the Housing Division of Hennepin County's Department of Housing, Community Works and Transit (HCWT), which is responsible for the administration of a variety of federal, state and county programs to address housing and community development needs throughout Hennepin County. HCHRA has a proven track record under previous Impact Fund awards.

Financial & Regulatory Leverage

Applicant Name Hennepin County Housing and Redevelopment Authority

Project Title Healthy Homes Assistance Program

Financial Leverage

Activity Funded: Deferred Loan

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------|-----------------------|--|
| Federal Leverage | Hennepin County Rehab | |
|------------------|-----------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$20,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|------------------|----------------------|--|
| Federal Leverage | Hennepin County Lead | |
|------------------|----------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$20,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$40,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: Robert Engstrom Capital Management, LLC
City of Applicant: Minneapolis
Name of Proposal: Robert Engstrom Foreclosure Recovery, Brooklyn Park
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Brooklyn Park
County: Hennepin
RHAG Region: Metro
Max Request: \$350,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Robert Engstrom Capital Management LLC (RECM LLC) is requesting value gap for acquisition, rehabilitation, and resale of foreclosed properties in the City of Brooklyn Park. The project is part of a continuing effort to address the destabilization of neighborhoods in Brooklyn Park that are impacted by foreclosed and vacant properties. RECM LLC will target households below 110% of area median income (AMI).

Justification

RECM LLC will focus its work in Brooklyn Park's Foreclosure and Job Growth high priority zip codes (55443, 55444, and 55445). Approximately 75 percent of the target area is within one quarter mile of a high service public transportation fixed route stop. In addition, approximately one quarter of the target area is in the 80th percentile or more of median family income and one third of the target area is in the 40th percentile of median family income. RECM LLC intends to target households of color and other emerging markets in the resale of the properties it acquires and rehabilitates.

Selection Standards

Project Feasibility

Community Profiles indicate that within populations of eligible homeowners in Brooklyn Park, many are households of color and low-income wage earners. In addition there is a very low vacancy rate in Brooklyn Park. This project is in alignment with Hennepin County's Neighborhood Stabilization Action Plan (NSP3) and the City of Brooklyn Park's foreclosure remediation plans and will directly address some of the issues related to vacant and problem properties in Brooklyn Park. In addition, longer-term impacts are projected to stabilize home prices and possibly reduce the number of single family rentals.

The City of Brooklyn Park has committed to a 50/50 tax increment financing (TIF) funding match with Impact Funds for this project. The regulatory leverage provided by the City shows its commitment to addressing the number of foreclosed and vacant properties and increases the feasibility of this project.

Organizational Capacity

RECM LLC has extensive experience in acquiring, rehabilitating and reselling properties to households at or below 110% of area median income. To date, it has completed and sold over 150 homes throughout Brooklyn Park and Ramsey County. Moreover, RECM LLC has had two previous Impact Fund awards and has successfully closed 16 of 18 projects.

RECM LLC is an active member of the Twin Cities metropolitan real estate community. It markets its properties through its own brokerage company and acts as its own general contractor on each project.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/8/2014

Applicant Name: Robert Engstrom Capital Management, LLC

Project Title: Robert Engstrom Foreclosure Recovery, Brooklyn Park

Location:

Typical Unit Information

Unit Style

Ownership Type

Finished SF

Typical Unit Stories

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size

Lot Width

Lot Depth

Lot SF

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Robert Engstrom Capital Management, LLC
Project Title: Robert Engstrom Foreclosure Recovery, Brooklyn Park

| Typical Unit Hard Costs | |
|-------------------------|---------------------|
| Land Acquisition | \$0.00 |
| Structure Acquisition | \$130,000.00 |
| Rehab Hard Costs | \$49,000.00 |
| Total Hard Costs | \$179,000.00 |

| Typical Unit Soft Costs | |
|-------------------------|--------------------|
| Holding Costs | \$5,500.00 |
| Architect Fee | \$1,200.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$15,000.00 |
| Contingency | \$7,500.00 |
| Other Fees | \$19,500.00 |
| Total Soft Costs | \$48,700.00 |

| Typical Total Development Cost (TDC) | |
|--------------------------------------|---|
| Typical Per-Unit TDC | \$227,700.00 |
| TDC per Sq. Foot | \$113.85 |
| RFP Funded Units | 5 20 |
| Estimated Project TDC | \$4,554,000.00 \$1,138,500.00 |

| Sales Price Information | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$130,000.00 |
| Recent Sales Price of Similar | \$130,000.00 |
| Anticipated Appraised Value | \$189,000.00 |
| Anticipated Sale Price | \$189,000.00 |
| Anticipated Mortgage Amount | \$189,000.00 |

| Affordability Gap | |
|-------------------------------|--------|
| Anticipated Affordability Gap | \$0.00 |
| Impact Fund Aff. Gap Per Unit | \$0.00 |
| Number of Units | 0 |
| Impact Fund Total Aff. Gap | \$0.00 |
| Maximum Gap Amount | \$0.00 |
| Average Gap Amount | \$0.00 |

| Value Gap | |
|--------------------------------|-------------|
| Anticipated Value Gap | \$38,700.00 |
| Impact Fund Value Gap Per Unit | \$17,500.00 |
| Number of Units | 5 |
| Impact Fund Total Value Gap | \$87,500.00 |

Financial & Regulatory Leverage

Applicant Name Robert Engstrom Capital Management, LLC

Project Title Robert Engstrom Foreclosure Recovery, Brooklyn Park

Financial Leverage

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|-----------------------|--|
| City Leverage | City of Brooklyn Park | |
|---------------|-----------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$350,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$350,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Regulatory Leverage

| Incentive | Cost Savings per Unit | # of Units in Project | Total Project Cost Savings | Approval Date |
|-----------------|-----------------------|------------------------|----------------------------|---------------|
| Other (Specify) | \$0.00 | 5 20 | \$0.00 | |
| Total | | 5 20 | \$0.00 | |

Applicant Name: Twin Cities Habitat for Humanity
City of Applicant: Minneapolis
Name of Proposal: Cottage Grove Townhome Project
Activity Type: New Construction
City/Cities: Cottage Grove
County: Washington
RHAG Region: Metro
Max Request: \$160,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Twin Cities Habitat for Humanity ("Twin Cities Habitat," "Habitat") requests value gap funds to build four new construction townhome units in the Mississippi Dunes Estates development of Cottage Grove. This is the third phase of a 12 unit Habitat development at this site. Twin Cities Habitat projects a \$59,000 per-unit subsidy, \$40,000 of which will be supported by the Impact Fund.

Justification

This project is consistent with the City of Cottage Grove's comprehensive plan and meets Minnesota Housing's (Agency) Workforce Housing priority. This project will return foreclosed property to occupancy in an Agency-identified Foreclosure Priority Area using existing infrastructure. Habitat's proposal has strong support from Washington County, the City of Cottage Grove, and the local townhome association.

Selection Standards

Project Feasibility

Eligible households will have incomes at or below 60% of area median income (AMI). Habitat's construction model contains hard costs by incorporating volunteer and homeowner labor, AmeriCorps staff, and donated materials coordinated through its own warehouse.

Organizational Capacity

Twin Cities Habitat has built over 1,000 homes in the seven-county metro since 1985, including 120 townhomes. They have already built and sold a comparable four-unit townhome building in the Mississippi Dunes development and have another under construction. In an average year they complete and sell 55 units through new construction and acquisition-rehabilitation projects.

Financial Worksheet

Applicant Name Twin Cities Habitat for Humanity

Project Title: Cottage Grove Townhome Project

Location: Mississippi Dunes Estates - 6737, 6725, 6711, and 6703 98th St. S., Cottage Grove

Typical Unit Information

| | | |
|---|-------------|---|
| Unit Style | 2+ Story | |
| Ownership Type | Fee Simple | |
| Finished SF | 1560 | |
| Typical Unit Stories | 2 | |
| Bedrooms | 3 | |
| Bathrooms | 1.5 | |
| <input checked="" type="checkbox"/> Garage? | # of Stalls | 2 |

Typical Lot Size Information

| | |
|-----------|------|
| Lot Width | 58 |
| Lot Depth | 38 |
| Lot SF | 2204 |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name Twin Cities Habitat for Humanity
Project Title: Cottage Grove Townhome Project

Typical Unit Hard Costs

| | |
|-------------------------|---------------------|
| Land Acquisition | \$10,000.00 |
| Structure Acquisition | \$0.00 |
| Demolition | \$0.00 |
| Site Preparation | \$9,500.00 |
| General Construction | \$67,500.00 |
| Interior Finishing | \$30,500.00 |
| Exterior Finishing | \$0.00 |
| Roofing | \$0.00 |
| Electrical | \$5,600.00 |
| Plumbing | \$9,000.00 |
| Heating & Ventilation | \$9,500.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$0.00 |
| Garage Construction | \$0.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$5,500.00 |
| Other Hard Costs | \$0.00 |
| Total Hard Costs | \$147,100.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$0.00 |
| Architect Fee | \$1,000.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$20,510.00 |
| Other Fees | \$36,490.00 |
| Total Soft Costs | \$58,000.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$205,100.00 |
| RFP Funded Units | 4 |
| Est. Project TDC | \$820,400.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$156,000.00 |
| Recent Sales Price of Similar | \$156,000.00 |
| Anticipated Appraised Value | \$165,000.00 |
| Anticipated Sale Price | \$165,000.00 |
| Anticipated Mortgage Amount | \$146,000.00 |

Applicant Name Twin Cities Habitat for Humanity

Project Title: Cottage Grove Townhome Project

| Affordability Gap | | Value Gap | |
|-------------------------------|-------------|--------------------------------|--------------|
| Anticipated Affordability Gap | \$19,000.00 | Anticipated Value Gap | \$40,100.00 |
| Impact Fund Aff. Gap per Unit | \$0.00 | Impact Fund Value Gap per Unit | \$40,000.00 |
| Number of Units | 4 | Number of Units | 4 |
| Impact Fund Total Aff. Gap | \$0.00 | Impact Fund Total Value Gap | \$160,000.00 |
| Maximum Amount | | | |
| Average Amount | | | |

Financial & Regulatory Leverage

Applicant Name Twin Cities Habitat for Humanity

Project Title Cottage Grove Townhome Project

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|---|--|
| Other | TCHFH In-Kind Donations (Materials and Labor) | |
|-------|---|--|

| | | |
|----------------|-------------------|-------------|
| Cash Committed | In Kind Committed | \$32,000.00 |
|----------------|-------------------|-------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | |
|------------------|--|--|
| Federal Leverage | Self-help Homeownership Opportunity Program (SHOP) | |
|------------------|--|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$44,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

| | | | |
|----------------|-------------|-------------------|-------------|
| Cash Committed | \$44,000.00 | In Kind Committed | \$32,000.00 |
|----------------|-------------|-------------------|-------------|

| | | |
|--------------|-----------------|--|
| Cash Pending | In Kind Pending | |
|--------------|-----------------|--|

Applicant Name: West Hennepin Affordable Housing Land Trust
City of Applicant: Minnetonka
Name of Proposal: Homes Within Reach
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Suburbs of Henn. Co.
County: Hennepin
RHAG Region: Metro
Max Request: \$342,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

West Hennepin Affordable Housing Land Trust (WHAHLT) is requesting value gap from the Impact Fund and Housing Infrastructure Bond Proceeds for its Homes Within Reach Program (HWR). WHAHLT proposes to acquire, rehabilitate, and resell single family, detached units in western Hennepin County to increase the affordable housing stock available through the land trust. The target area includes Maple Grove, St. Louis Park, Hopkins, Eden Prairie, Edina, Minnetonka, Brooklyn Park and Golden Valley. The homes selected will be located in well-established neighborhoods that are typically 30 to 60 years old with three bedrooms and two baths. The acquisition price of an entry level home ranges from \$160,000 to \$250,000 depending on location, type and size.

Justification

WHAHLT's service area incorporates areas that demonstrate a need for economic integration with proximity to job centers. There are also areas that demonstrate need for community stabilization and recovery including St. Louis Park and Brooklyn Park. All communities WHAHLT serves have areas of high or moderate need for increasing homeownership. This Community Land Trust model is designed to provide low-and-moderate-income homebuyers access to affordable homeownership while maintaining long-term affordability of the homes within the land trust.

Selection Standards

Project Feasibility

While specific sites have not yet been determined, likely locations of properties will ensure proximity to transit, infrastructure, educational opportunities, commercial services and employment. This proposal includes leverage dollars from a number of suburban communities. The affordability enhancement that the land trust offers, by working in communities where land values are high is significant. WHALT has experienced an increase in the purchase price of properties over the past 24 months, from 12% to 16%.

Organizational Capacity

WHAHLT's ability to serve low-and-moderate-income homeowners is well-demonstrated by its history. WHAHLT has increased its service area from one community in 2002 to the 11 communities it serves today. To date, WHAHLT holds title to 111 parcels of land. They partner with rehabilitation advisors, contractors, mortgage lenders, a homebuyer educator (Community Action Partnership of Suburban Hennepin) and have developed a track record of completing Impact Fund awards within the required timeframe. WHAHLT has also successfully developed strong leverage partners with a variety of local communities in Hennepin County's western suburbs.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/6/2014

Applicant Name: West Hennepin Affordable Housing Land Trust**Project Title:** Homes Within Reach

Location: Various style units in target cities

Typical Unit Information

| | | |
|---|---|--------------------------------|
| Unit Style | <input type="text"/> | |
| Ownership Type | <input type="text" value="Community Land Trust"/> | |
| Finished SF | <input type="text" value="1200"/> | |
| Typical Unit Stories | <input type="text" value="1"/> | |
| Bedrooms | <input type="text" value="3"/> | |
| Bathrooms | <input type="text" value="2"/> | |
| <input checked="" type="checkbox"/> Garage? | # of Stalls | <input type="text" value="2"/> |

Typical Lot Size

| | |
|-----------|------------------------------------|
| Lot Width | <input type="text" value="120"/> |
| Lot Depth | <input type="text" value="200"/> |
| Lot SF | <input type="text" value="24000"/> |

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: West Hennepin Affordable Housing Land Trust

Project Title: Homes Within Reach

| Typical Unit Hard Costs | |
|--------------------------------|---------------------|
| Land Acquisition | \$110,000.00 |
| Structure Acquisition | \$93,100.00 |
| Rehab Hard Costs | \$55,000.00 |
| Total Hard Costs | \$258,100.00 |

| Typical Unit Soft Costs | |
|--------------------------------|--------------------|
| Holding Costs | \$4,200.00 |
| Architect Fee | \$0.00 |
| Legal Fees | \$800.00 |
| Developer Fees | \$6,500.00 |
| Contingency | \$0.00 |
| Other Fees | \$5,400.00 |
| Total Soft Costs | \$16,900.00 |

| Typical Total Development Cost (TDC) | |
|---|-----------------------|
| Typical Per-Unit TDC | \$275,000.00 |
| TDC per Sq. Foot | \$229.17 |
| RFP Funded Units | 9 |
| Estimated Project TDC | \$2,475,000.00 |

| Sales Price Information | |
|--------------------------------|--------------|
| Appraised Value of Similar | \$225,000.00 |
| Recent Sales Price of Similar | \$225,000.00 |
| Anticipated Appraised Value | \$225,000.00 |
| Anticipated Sale Price | \$130,000.00 |
| Anticipated Mortgage Amount | \$130,000.00 |

| Affordability Gap | |
|-------------------------------|-------------|
| Anticipated Affordability Gap | \$95,000.00 |
| Impact Fund Aff. Gap Per Unit | \$10,000.00 |
| Number of Units | 9 |
| Impact Fund Total Aff. Gap | \$90,000.00 |
| Maximum Gap Amount | \$10,000.00 |
| Average Gap Amount | \$10,000.00 |

| Value Gap | |
|--------------------------------|--------------|
| Anticipated Value Gap | \$50,000.00 |
| Impact Fund Value Gap Per Unit | \$28,000.00 |
| Number of Units | 9 |
| Impact Fund Total Value Gap | \$252,000.00 |

Financial & Regulatory Leverage

Applicant Name West Hennepin Affordable Housing Land Trust

Project Title Homes Within Reach

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|------------------------|-------------------|-----------------|
| Philanthropic Leverage | WHAHLT | |
| Cash Committed | In Kind Committed | \$110,000.00 |
| Cash Pending | In Kind Pending | |

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|------------------------|-------------------|-----------------|
| Philanthropic Leverage | Fund Raiser | |
| Cash Committed | In Kind Committed | |
| Cash Pending | \$16,500.00 | In Kind Pending |

Federal Leverage Maple Grove, Eden Prairie, Edina or St. Louis Park

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$221,903.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

City Leverage Minnetonka, St. Louis Park

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$245,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Federal Leverage HOME

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$304,193.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

County Leverage AHIF -Hennepin County

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$120,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Cash Committed \$891,096.00 In Kind Committed \$110,000.00

Cash Pending \$16,500.00 In Kind Pending

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth

City of Applicant:

Name of Proposal: Housing Resource Connection

Activity Type: Acquisition, Rehabilitation, & Resale

City/Cities: Duluth

County: St. Louis

RHAG Region: Northeast

Max Request: \$460,000.00

Funding Recommendations

Amount: \$690,000.00

Number of Units: 10

Incomes Served

Less than 50% of AMI

50% to 80% of AMI

80% to 115% of AMI

Co-Funder Info

Name: Greater Minnesota Housing Fund

Amount Requested: \$68,000.00

Amount Recommended: \$34,000.00

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

One Roof Community Housing requests grant funds to acquire, rehabilitate, and re-sell four community land trust (CLT) homes and two market rate homes within core neighborhoods of Duluth, as well as four CLT homes within the cities of Proctor and Two Harbors. One Roof will use \$200,000 as value gap grant funds, \$140,000 as affordability gap grant funds (including \$100,000 reserved for American Indian buyers), and \$120,000 in housing infrastructure bond proceeds. In addition, \$230,000 in already-awarded interim construction lending will continue to be recycled.

Justification

The At Home in Duluth collaborative has worked on improving housing and quality of life in core neighborhoods that are central to transit, jobs, and services. These neighborhoods are characterized by low incomes, property values, and homeownership rates, as well as older housing stock. The average income served by One Roof's CLT model in these neighborhoods has been 60% of area median income (AMI). The two "market-rate" homes will serve households earning up to 115% AMI.

Selection Standards

Project Feasibility

One Roof has used Minnesota Housing's Impact Fund awards, Greater Minnesota Housing Fund awards and federal funds (CDBG and NSP) to acquire, rehabilitate, sell and provide purchase assistance for housing units. One Roof can acquire, rehabilitate, and sell CLT homes within 8-9 months, on average. It has successfully completed Impact Fund awards of 8-12 CLT units in the past.

Organizational Capacity

One Roof's single family business lines include CLT home development; down payment and closing cost assistance; homebuyer education and credit counseling; and loans for owner-occupied rehabilitation. One Roof has developed and sold 248 single family units, 92 of which were acquisition, rehabilitation and re-sale projects and, in 2014, 94% of One Roof homebuyers were first-time buyers. Implementation partners include Common Ground LLC, which will coordinate all rehabilitation activities, One Roof Community Realty, to sell homes, the Duluth HRA, to provide lead paint risk evaluations and abatement with Healthy Homes funds and area lenders (North Shore Bank; Wells Fargo, etc.).

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/22/2014

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth

Project Title: Housing Resource Connection

Location: 4 CLT properties in core Duluth (4 CLT properties in Proctor/Two Harbors NOT included and 2 core Duluth market rate units NOT included)

Typical Unit Information

Unit Style 2+ Story

Ownership Type Community Land Trust

Finished SF 1100

Typical Unit Stories 2

Bedrooms 3

Bathrooms 1

Garage? # of Stalls

Typical Lot Size

Lot Width 40

Lot Depth 100

Lot SF 4000

General Information

Institutional Correctional Work Crew (IWCW) being used

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Dulu
Project Title: Housing Resource Connection

| Typical Unit Hard Costs | | Sales Price Information | |
|---|---------------------|--------------------------------|--------------|
| Land Acquisition | \$15,000.00 | Appraised Value of Similar | \$70,000.00 |
| Structure Acquisition | \$52,000.00 | Recent Sales Price of Similar | \$70,000.00 |
| Rehab Hard Costs | \$85,000.00 | Anticipated Appraised Value | \$123,500.00 |
| Total Hard Costs | \$152,000.00 | Anticipated Sale Price | \$123,500.00 |
| | | Anticipated Mortgage Amount | \$89,000.00 |
| Typical Unit Soft Costs | | Affordability Gap | |
| Holding Costs | \$5,000.00 | Anticipated Affordability Gap | \$34,500.00 |
| Architect Fee | \$0.00 | Impact Fund Aff. Gap Per Unit | \$10,000.00 |
| Legal Fees | \$500.00 | Number of Units | 4 |
| Developer Fees | \$16,000.00 | Impact Fund Total Aff. Gap | \$40,000.00 |
| Contingency | \$3,500.00 | Maximum Gap Amount | \$15,000.00 |
| Other Fees | \$6,500.00 | Average Gap Amount | \$10,000.00 |
| Total Soft Costs | \$31,500.00 | | |
| Typical Total Development Cost (TDC) | | Value Gap | |
| Typical Per-Unit TDC | \$183,500.00 | Anticipated Value Gap | \$60,000.00 |
| TDC per Sq. Foot | \$166.82 | Impact Fund Value Gap Per Unit | \$25,000.00 |
| RFP Funded Units | 4 | Number of Units | 4 |
| Estimated Project TDC | \$734,000.00 | Impact Fund Total Value Gap | \$100,000.00 |

Financial & Regulatory Leverage

Applicant Name One Roof Community Housing & Housing and Redevelopment Authority of Duluth

Project Title Housing Resource Connection

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|------|-----------|
| Philanthropic Leverage | GMHF | 10/1/2014 |
|------------------------|------|-----------|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$68,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

| | | |
|-------|-----------------------------------|------------|
| Other | Fed. Home Loan Bank of Des Moines | 11/14/2014 |
|-------|-----------------------------------|------------|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$100,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

| | | |
|---------------|----------------|--|
| City Leverage | City of Duluth | |
|---------------|----------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$60,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|------|--|
| Philanthropic Leverage | GMHF | |
|------------------------|------|--|

| | | |
|----------------|----------------|-------------------|
| Cash Committed | \$1,000,000.00 | In Kind Committed |
|----------------|----------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|----------------|-------------------|--|
| State Leverage | Minnesota Housing | |
|----------------|-------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$120,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

| | | |
|-----------------|------------------|--|
| County Leverage | St. Louis County | |
|-----------------|------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$115,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|-----------------------|--|-------------------|
| Applicant Name | One Roof Community Housing & Housing and Redevelopment Authority of Duluth | |
| Project Title | Housing Resource Connection | |
| City Leverage | City of Duluth | |
| Cash Committed | \$25,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| City Leverage | City of Duluth | |
| Cash Committed | \$60,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Cash Committed | \$1,260,000.00 | In Kind Committed |
| Cash Pending | \$288,000.00 | In Kind Pending |

Applicant Name: One Roof Community Housing & Housing and Redevelopment Authority of Duluth

City of Applicant:

Name of Proposal: Housing Resource Connection 2014

Activity Type: Owner-Occupied Rehabilitation

City/Cities: Duluth

County: St. Louis

RHAG Region: Northeast

Max Request: \$400,000.00

Funding Recommendations

Amount:

Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:

Amount Requested:

Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

One Roof Community Housing in collaboration with the Housing and Redevelopment Authority of Duluth (Duluth HRA) requests deferred funds for a home rehabilitation program available to owner-occupants of single-family homes in neighborhoods with relatively low median incomes and higher concentrations of older, distressed housing stock. This effort will preserve and improve aging housing stock in the City of Duluth by revitalizing their distressed core neighborhoods. The deferred loans will average \$20,000 per household with a maximum loan amount of \$25,000 and will be entirely supported by the Impact Fund.

Justification

This proposal meets a basic need for affordable financing for home maintenance among low-income homeowners in low-income neighborhoods of Duluth. It leverages non-state resources at a ratio of nearly 2:1 and unites a number of Duluth-area stakeholders in an effort to preserve and improve affordable housing.

Selection Standards

Project Feasibility

This proposal promises to improve the condition and affordability of homes in Duluth's disinvested neighborhoods. One avenue for referrals to the program is the City of Duluth's Blight and Nuisance Property team, indicating a proactive approach to administering this loan program.

Organizational Capacity

The Duluth HRA has improved approximately 10,000 homes under its rehabilitation programs since 1975. Their staff has demonstrated experience with similar programs, including those funded under the Impact Fund. Their staff also has established partnerships with Ecolibrium3 and the Arrowhead Economic Opportunity Agency (AEOA) for provision of energy efficiency consultation and assessment.

Financial & Regulatory Leverage

Applicant Name One Roof Community Housing & Housing and Redevelopment Authority of Duluth

Project Title Housing Resource Connection 2014

Financial Leverage

Activity Funded: Other

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|-------------|--|
| Philanthropic Leverage | Ecolibrium3 | |
|------------------------|-------------|--|

| | | |
|----------------|------------|-------------------|
| Cash Committed | \$3,600.00 | In Kind Committed |
|----------------|------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|------------------|----------------|--|
| Federal Leverage | HUD Lead Paint | |
|------------------|----------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$59,400.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|------------------|-----------------------|--|
| Federal Leverage | Lateral Line/SF Rehab | |
|------------------|-----------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$19,600.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|---------------|------------------|--|
| City Leverage | Duluth HOME/CDBG | |
|---------------|------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$100,400.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$183,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: City of Thief River Falls
City of Applicant: Thief River Falls
Name of Proposal: Thief River Falls Building a Better Neighborhood
Activity Type: New Construction
City/Cities: Thief River Falls
County: Pennington
RHAG Region: Northwest
Max Request: \$1,050,270.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Economic Integration
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

The City of Thief River Falls requests affordability gap, value gap, and interim construction financing to build five new homes in Thief River Falls. This is to be the first phase of a 29 unit development planned for this site. The entire value gap of \$112,635 is to be supported by the Impact Fund (Housing & Jobs Growth Initiative funds). In addition, the Impact Fund is to provide \$862,635 in interim construction financing at an interest rate of two percent.

Justification

This project is aligned with the goals of the Housing & Jobs Growth Initiative. More than 100 employees who work in the city, many of whom have stated they would relocate to suitable housing in Thief River Falls, drive more than 120 miles round trip to work. The target area is located within an Agency economic integration priority area and has strong support from the city and local employers.

Selection Standards

Project Feasibility

Plans call for modular homes, which are to take on average 40 days total to build offsite and assemble onsite. The area's workforce, including employees of Digi-Key and Arctic Cat, has in recent years grown much more quickly than the immediate area's population. Buses run within a 60 mile radius of Thief River Falls transporting workers to their facilities on a daily basis. These factors, together with the long commutes of area workers and low vacancy rates in Thief River Falls, demonstrate the demand for new housing in the city.

Organizational Capacity

The City of Thief River Falls built 75 new apartment units between 2008 and 2013, and plans to have an additional 84 units completed this year. The lead developer for the City of Thief River Falls is Rover Anderson Construction. Rob Anderson has over 24 years in building a variety of housing throughout northern Minnesota and has done scattered-site single family housing projects in Thief River Falls. Program staff is led by Councilman Edwin Dale Hahn. Bill Vanderwall from Minnesota Housing Partnership is a consultant on this project. Mark Borseth, a staff member from the City of Thief River Falls, has experience with state and federal funding from the Minnesota Department of Employment and Economic Development (DEED), Local Road Improvement Program (LRIP) and other funding sources. Kermit Generus is the broker and Realtor on the project who will market the properties to public. Larry Kruse had administered several housing infrastructure projects over the years in Albertville, Baxter, and Red Lake Falls.

Financial Worksheet

Applicant Name City of Thief River Falls

Project Title: Thief River Falls Building a Better Neighborhood

Location:

Typical Unit Information

| | |
|---|--|
| Unit Style | <input type="text" value="Rambler"/> |
| Ownership Type | <input type="text" value="Fee Simple"/> |
| Finished SF | <input type="text" value="987"/> |
| Typical Unit Stories | <input type="text" value="1"/> |
| Bedrooms | <input type="text" value="3"/> |
| Bathrooms | <input type="text" value="2"/> |
| <input checked="" type="checkbox"/> Garage? | # of Stalls <input type="text" value="2"/> |

Typical Lot Size Information

| | |
|-----------|-----------------------------------|
| Lot Width | <input type="text" value="125"/> |
| Lot Depth | <input type="text" value="62"/> |
| Lot SF | <input type="text" value="7750"/> |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name City of Thief River Falls

Project Title: Thief River Falls Building a Better Neighborhood

Typical Unit Hard Costs

| | |
|-------------------------|---------------------|
| Land Acquisition | \$10,000.00 |
| Structure Acquisition | \$0.00 |
| Demolition | \$0.00 |
| Site Preparation | \$9,500.00 |
| General Construction | \$127,740.00 |
| Interior Finishing | \$0.00 |
| Exterior Finishing | \$0.00 |
| Roofing | \$0.00 |
| Electrical | \$0.00 |
| Plumbing | \$0.00 |
| Heating & Ventilation | \$0.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$0.00 |
| Garage Construction | \$0.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$7,362.00 |
| Other Hard Costs | \$0.00 |
| Total Hard Costs | \$154,602.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$0.00 |
| Architect Fee | \$0.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$11,000.00 |
| Other Fees | \$6,925.00 |
| Total Soft Costs | \$17,925.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$172,527.00 |
| RFP Funded Units | 5 |
| Est. Project TDC | \$862,635.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$150,000.00 |
| Recent Sales Price of Similar | \$150,000.00 |
| Anticipated Appraised Value | \$150,000.00 |
| Anticipated Sale Price | \$150,000.00 |
| Anticipated Mortgage Amount | \$124,150.00 |

Applicant Name City of Thief River Falls

Project Title: Thief River Falls Building a Better Neighborhood

| Affordability Gap | | Value Gap | |
|-------------------------------|-------------|--------------------------------|--------------|
| Anticipated Affordability Gap | \$25,850.00 | Anticipated Value Gap | \$22,527.00 |
| Impact Fund Aff. Gap per Unit | \$15,000.00 | Impact Fund Value Gap per Unit | \$22,527.00 |
| Number of Units | 5 | Number of Units | 5 |
| Impact Fund Total Aff. Gap | \$75,000.00 | Impact Fund Total Value Gap | \$112,635.00 |
| Maximum Amount | \$15,000.00 | | |
| Average Amount | \$15,000.00 | | |

Financial & Regulatory Leverage

Applicant Name City of Thief River Falls
Project Title Thief River Falls Building a Better Neighborhood

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|--|-------------------|
| City Leverage | Thief Rivers Falls Down Payment Assistance | |
| Cash Committed | \$50,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|-------------------------|-------------------|-------------------|
| Local Employer Leverage | Homark Homes | |
| Cash Committed | \$50,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Activity Funded: Other

| Source of Leverage | Organization Name | Est. Appr. Date |
|-------------------------|-------------------------------|-------------------|
| Local Employer Leverage | Digi-Key Relocation Incentive | |
| Cash Committed | \$4,250.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Cash Committed | \$104,250.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Regulatory Leverage

| Incentive | Cost Savings per Unit | # of Units in Project | Total Project Cost Savings | Approval Date |
|-----------------------|-----------------------|-----------------------|----------------------------|---------------|
| Tax Abatement Program | \$6,000.00 | 5 | \$30,000.00 | 11/1/2014 |
| Total | | 5 | \$30,000.00 | |

Applicant Name: Headwaters RDC
City of Applicant: Bemidji
Name of Proposal: Headwaters RDC Owner-Occupied Rehabilitation
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Multiple
County: Beltrami, Clearwater, Hubbard, Lake of the Woods, and Mahnomen counties
RHAG Region: Northwest
Max Request: \$400,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Headwaters Regional Development Commission (HRDC) requests deferred loan funds for an owner-occupied rehabilitation program, and grant funds for a Community Fix-Up write-down initiative for five counties in northwest Minnesota. The program will assist low-and moderate-income homeowners to make health and safety improvements, energy-efficiency improvements, and accessibility improvements as needed. The total project cost will range from \$20,000-\$30,000, including a maximum of \$15,000/unit from the Impact Fund. For larger rehabilitation projects and when they qualify for other sources, HRDC will first review homeowner eligibility for Fix-Up loans, the Rehabilitation Loan Program, and/or city/HRA owner-occupied rehabilitation loans as a layered source (Small Cities Development Program or HRA loans). Households with incomes under 50% of area median income (AMI) will be eligible for a deferred loan to cover the entire rehabilitation project cost (not to exceed \$15,000/unit).

Justification

The five-county region's homeownership rate is high. Sixty-three percent of the region's population is over age 55, and 45% of homeowners are cost-burdened. The median household income is \$43,523 (under 60% of the state AMI), and represents Minnesota's lowest income region. It is also in the 60th-80th percentile for the state's poverty rate.

Selection Standards

Project Feasibility

HRDC seeks to enable homeowners to make necessary repairs. The program's special niche is 1) to serve low-to-moderate-income households that cannot be served by other programs (e.g. incomes above 30% AMI and/or a credit score below 620) or 2) to provide a source of additional funds to complete larger rehabilitation projects that cannot be fully-financed by other programs. As an example, the Small Cities Development Program (SCDP) project limit is \$25,000, but some project bids are higher than this, and SCDP funds can serve households only up to 80% of AMI.

Organizational Capacity

The Headwaters Regional Development Commission (HRDC) is a quasi-governmental entity for the region's five counties, including Beltrami, Clearwater, Hubbard, Lake of the Woods, and Mahnomen. HRDC is a Fix Up, Rehabilitation Loan Program, and Emergency and Accessibility Loan Program administrator/lender. It also received a 2014 Targeted Home Improvement Program (THIP) Pilot Community Fix-Up write-down award and has allocated 72% of the \$18,800 awarded. HRDC staff will review applications, qualify applicants, close loans, and partner with Becker County for inspections and scopes of work and with Northwest Minnesota Multi-County HRA for lead risk assessments and clearance tests.

Financial & Regulatory Leverage

Applicant Name Headwaters RDC
Project Title Headwaters RDC Owner-Occupied Rehabilitation

Financial Leverage

Activity Funded: Deferred Loan

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-----------------|------------------|-------------------|
| County Leverage | Beltrami Co. HRA | |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$44,000.00 | In Kind Pending |

| | | |
|-----------------|----------------------|-------------------|
| County Leverage | Hubbard Co. HRA GMHF | |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$46,000.00 | In Kind Pending |

| | | |
|-----------------|-----------------|-------------------|
| County Leverage | Hubbard Co. HRA | |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$30,000.00 | In Kind Pending |

| | | |
|----------------|-----------------------|-------------------|
| City Leverage | City of Mahnomen SCDP | |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$270,000.00 | In Kind Pending |

| | | |
|----------------|----------------|-------------------|
| City Leverage | City of Akeley | |
| Cash Committed | | In Kind Committed |
| Cash Pending | \$300,000.00 | In Kind Pending |

| | | |
|----------------|--------------|-------------------|
| Cash Committed | | In Kind Committed |
| Cash Pending | \$690,000.00 | In Kind Pending |

Applicant Name: White Earth Reservation Tribal Council
City of Applicant: White Earth
Name of Proposal: White Earth Housing Water & Sewer Project
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Multiple
County: Mahnomon, Clearwater & Becker
RHAG Region: Northwest
Max Request: \$450,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

White Earth Reservation Tribal Council (White Earth) requests grant funds for an owner-occupied rehabilitation program (15 homes) and major water/sewer repair program (20 homes) for homeowners earning up to 60% of Area Median Income (AMI) on the reservation, in Mahnomon County, and in portions of Clearwater and Becker counties. Average housing rehabilitation project costs from the Impact Fund will be \$8,412 per unit, and the average water/sewer repair and construction project costs from the Impact Fund will be \$7,239/unit, with an overall project limit of \$15,000/unit.

Justification

The White Earth Indian Nation and reservation has historically had some of the highest poverty rates in the state (23% currently) and 43% of homeowners are cost-burdened. There are 450 homes in the target area, with 223 in need of housing rehabilitation and 44 in need of water/sewer system repairs. These programs will lead to an overall decrease in the homeless population and number of abandoned homes over time.

Selection Standards

Project Feasibility

The White Earth Tribal Council was awarded in 2012 for the same two activities; all housing rehabilitation projects have been completed to-date and nine additional homeowners are pending recipients of water/sewer projects. White Earth also received a similar award in 2010, ultimately completing 47 units. White Earth has provided approximately \$11,250/unit in local home improvement leverage funds.

Organizational Capacity

White Earth Reservation Tribal Council applied on behalf of two divisions of tribal government - the White Earth Indian Housing Authority (WEIHA), which administers an owner-occupied rehabilitation program, and the tribal Public Works department, which has a construction and water/sewer maintenance section. Staff expertise includes a tribal housing director, and a housing rehabilitation manager with many years of experience (bids, scopes of work, work with contractors, etc.). Partners include the Indian Health Services which inspects water/sewer systems, and the White Earth Finance Department, which will monitor both programs' expenditures, keep documentation, and provide reporting.

Financial & Regulatory Leverage

Applicant Name White Earth Reservation Tribal Council

Project Title White Earth Housing Water & Sewer Project

Financial Leverage

Activity Funded: Other

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|----------------------|--|
| City Leverage | White Earth RTC cash | |
|---------------|----------------------|--|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$450,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$450,000.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: City of Winona
City of Applicant: Winona
Name of Proposal: City of Winona East End Neighborhood Revitalization Program
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Winona
County: Winona
RHAG Region: Southeast
Max Request: \$430,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

The City of Winona Community Development Department requests deferred loan funds for an owner-occupied rehabilitation program in three low-to-moderate income neighborhoods in eastern Winona. The deferred loans will serve households below 80% of area median income (AMI) with a focus on those households earning between 50% and 80% of AMI and will leverage layered DEED Small Cities Development Program (SCDP) funds, Greater Minnesota Housing Fund (GMHF) dollars, Semcac weatherization funds, Habitat for Humanity's A Brush with Kindness funds, and Fix-Up Loan proceeds. The Impact Fund deferred loan size is based on income and eligibility for other loan programs, but the maximum amount is \$21,500. GMHF may contribute up to \$8,500.

Justification

The target neighborhoods are the City's area of greatest need that have not been served by a rehabilitation program in 30 years. Thirty-seven percent of the area's owner-occupied homes need rehabilitation, and over 40% of its homeowners have incomes under \$35,000. Winona County is one of five Minnesota counties with homes at the highest risk for lead poisoning. The program will address health & safety items including lead abatement, code compliance, electrical updates, and energy conservation and efficiency items such as building envelope and heating systems.

Selection Standards

Project Feasibility

The proposal will layer GMHF and SCDP funds (if received), along with other available state funding such as the Minnesota Department of Health Healthy Homes program. Those eligible for Fix-Up loans or other home improvement loans will be able to access them through three local lenders.

Organizational Capacity

Winona's Community Development Department has rehabilitated 260 single family homes, and implemented both Impact Fund and SCDP-funded rehabilitation initiatives and is now completing a third DEED SCDP-funded program consisting of 23 units. The staff has knowledge of green rehabilitation, healthy homes, and experience qualifying applicants, preparing loan documents, and assisting with bids and scopes. Three licensed state-certified building officials will complete interim and final inspections for mechanicals and plumbing. Implementation partners include Semcac, that will complete lead risk assessments under this initiative as well as provide weatherization funds to qualifying homeowners, Habitat for Humanity that will providing A Brush with Kindness resources; and local lenders that can offer Fix-Up and other home improvement lending as a source of match for the qualifying higher-income homeowners.

Financial & Regulatory Leverage

Applicant Name City of Winona

Project Title City of Winona East End Neighborhood Revitalization Program

Financial Leverage

Activity Funded: Other

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|--------|--|
| Other | SEMCAC | |
|-------|--------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$50,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|---------------|----------------|--|
| City Leverage | City of Winona | |
|---------------|----------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$51,040.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$101,040.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: Southwest Minnesota Housing Partnership
City of Applicant: Slayton
Name of Proposal: St. Peter Homeowner Affordability Gap
Activity Type: Affordability Gap/Downpayment Program
City/Cities: St. Peter
County: Nicollet
RHAG Region: Southeast
Max Request: \$124,000.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Southwest Minnesota Housing Partnership (SWMHP) is requesting deferred loan funds for affordability gap and grant funds for administration of the St. Peter Homeownership Affordability Gap program. Welco West, the target area, is a tax-forfeited subdivision in western St. Peter. The entire development includes 12.72 acres, which was originally platted for for-sale townhome/triplex units. When the property went into tax forfeiture, only 11 of 42 lots were developed. Drummer Companies acquired the property and platted the remaining lots as single-family detached lots. The maximum needs-based affordability gap is \$25,000, with an anticipated average deferred loan of \$15,000. All affordability gap loans funded with Impact Fund dollars will be presold to minimize risk. Homes will be sold to buyers earning up to 100% of area median income (AMI).

Justification

Affordability gap subsidy for low to moderate income homebuyers is a part of St. Peter's strategy for maintaining and creating a wide range of affordable housing options in the community.

Selection Standards

Project Feasibility

The median price of homes in St. Peter has increased 15% in the last three years (2011-2013), while household incomes have remained stable which decreases the relative affordability of most housing. St. Peter is an increasingly diverse and growing community. The city has gained 208 households in the past 6 years, an increase of 15.6%. Drummer Companies is expected to start construction in the spring of 2015.

Organizational Capacity

SWMHP serves 36 Minnesota counties mostly in the southwest part of the state, and has the capacity in staff and experience to deliver an array of housing activities and services including real estate development, owner-occupied rehabilitation programs, green construction, property inspections and comprehensive homebuyer services, including but not limited to homebuyer education classes for first time homebuyers offered in multiple languages, foreclosure counseling, post purchase counseling and financial literacy classes. SWMHP will act as the administrator of the affordability gap assistance. Drummer Companies has been active in land development and housing construction in Mankato and St. Peter since 1992. They have developed over 1,000 acres of land for residential and commercial uses, including nearly 700 homes.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 10/6/2014

Applicant Name: Southwest Minnesota Housing Partnership

Project Title: St. Peter Homeowner Affordability Gap

Property Address

Typical Unit Information

Unit Style

Ownership Type

Entrance Type

Finished SF

Number of Units

Bedrooms

Bathrooms

Garage? # of Stalls

Typical Lot Size

Lot Width

Lot Depth

Lot SF

General Information

Institutional Correctional Work Crew (IWCW) being used

Affordability Gap

Estimated Value per Unit \$180,000.00

Anticipated Mortgage Amount \$165,000.00

Estimated per Unit Gap \$15,000.00

Number of Units \$4.00

Total Estimated Amount \$60,000.00

Maximum Gap Amount \$25,000.00

Average Gap Amount \$15,000.00

Applicant Name: Three Rivers Community Action, Inc.
City of Applicant: Zumbrota
Name of Proposal: Achieve Homeownership-Bridge Program Pilot
Activity Type: Acquisition, Rehabilitation, & Resale
City/Cities: Rochester
County: Olmsted
RHAG Region: Southeast
Max Request: \$150,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Three Rivers Community Action, Inc. (Three Rivers) is requesting grant funds for value gap for five acquisition/rehabilitation/resale units located in neighborhoods near downtown Rochester. The activity is associated with a contract-for-deed pilot initiative included within Three Rivers' existing Achieve Homeownership program that targets financial literacy, homebuyer education, pre-purchase counseling, and affordability gap financing to households of color.

Justification

While progress has been made on the homeownership rate gap between households of color versus white households in Rochester (dropping from 35% to 31.3% from 2000 to 2011), there is a continuing gap. Households to be served by the Bridge initiatives are those with sufficient income for home purchase (i.e. they do not need affordability gap financing) but have poor or no credit. Three Rivers will target households of color, households headed by a single female, or households containing a disabled family member. All households must earn between 60-80% of area median income (AMI). The new Olmsted County Housing Study shows that 679 modest or starter homes will be needed in the next 15 years, and the Mayo Clinic's Destination Medical Center is expected to add 25,000 new jobs in the next 20 years.

Selection Standards**Project Feasibility**

Three Rivers has developed 570 affordable rental or single family housing opportunities for low- and moderate-income households in southern Minnesota. It has also rehabilitated and sold four MURL homes, with much interest from households of color.

Organizational Capacity

Since 2008, Three Rivers' Achieve Homeownership programs have identified and addressed barriers to home purchases faced by households of color, counseling 191 households of color and providing affordability gap to 59 households of color and 52 underserved households (those headed by single females or containing a disabled family member). Implementation partners that will provide interim financing in the Bridge initiative include the First Alliance Credit Union, GMHF, and Three Rivers. Three Rivers will provide homebuyer education and counseling, Shirley Lee of First Homes will provide real estate services and Nine Square will provide construction management.

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/19/2014

Applicant Name: Three Rivers Community Action, Inc.**Project Title:** Achieve Homeownership-Bridge Program Pilot

Location: Various, in target area near downtown Rochester

Typical Unit Information

Unit Style Split Level (1.5 Story)

Ownership Type Contract for Deed

Finished SF 1800

Typical Unit Stories 2

Bedrooms 3

Bathrooms 2

 Garage? # of Stalls 2**Typical Lot Size**

Lot Width 50

Lot Depth 140

Lot SF 7000

General Information Institutional Correctional Work Crew (IWCW) being used

Applicant Name: Three Rivers Community Action, Inc.
Project Title: Achieve Homeownership-Bridge Program Pilot

| Typical Unit Hard Costs | |
|--------------------------------|---------------------|
| Land Acquisition | \$20,000.00 |
| Structure Acquisition | \$90,000.00 |
| Rehab Hard Costs | \$25,000.00 |
| Total Hard Costs | \$135,000.00 |

| Typical Unit Soft Costs | |
|--------------------------------|--------------------|
| Holding Costs | \$6,500.00 |
| Architect Fee | \$5,000.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$4,500.00 |
| Contingency | \$0.00 |
| Other Fees | \$4,000.00 |
| Total Soft Costs | \$20,000.00 |

| Typical Total Development Cost (TDC) | |
|---|---------------------|
| Typical Per-Unit TDC | \$155,000.00 |
| TDC per Sq. Foot | \$86.11 |
| RFP Funded Units | 5 |
| Estimated Project TDC | \$775,000.00 |

| Sales Price Information | |
|--------------------------------|--------------|
| Appraised Value of Similar | \$110,000.00 |
| Recent Sales Price of Similar | \$110,000.00 |
| Anticipated Appraised Value | \$125,000.00 |
| Anticipated Sale Price | \$125,000.00 |
| Anticipated Mortgage Amount | \$123,750.00 |

| Affordability Gap | |
|-------------------------------|------------|
| Anticipated Affordability Gap | \$1,250.00 |
| Impact Fund Aff. Gap Per Unit | \$0.00 |
| Number of Units | 5 |
| Impact Fund Total Aff. Gap | \$0.00 |
| Maximum Gap Amount | \$0.00 |
| Average Gap Amount | \$0.00 |

| Value Gap | |
|--------------------------------|--------------|
| Anticipated Value Gap | \$30,000.00 |
| Impact Fund Value Gap Per Unit | \$30,000.00 |
| Number of Units | 5 |
| Impact Fund Total Value Gap | \$150,000.00 |

Financial & Regulatory Leverage

Applicant Name Three Rivers Community Action, Inc.

Project Title Achieve Homeownership-Bridge Program Pilot

Financial Leverage

Activity Funded: Interim Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|------|--|
| Philanthropic Leverage | GMHF | |
|------------------------|------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$300,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

| | | |
|-------|--------------|--|
| Other | Three Rivers | |
|-------|--------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$75,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|-------|---------------------|--|
| Other | First Alliance Bank | |
|-------|---------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$375,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------|-----------------------------|--|
| Federal Leverage | UMOS - Federal pass through | |
|------------------|-----------------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$10,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$85,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$675,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

Applicant Name: Three Rivers Community Action, Inc.
City of Applicant: Zumbrota
Name of Proposal: Affordability Gap Financing
Activity Type: Affordability Gap/Downpayment Program
City/Cities: Multiple
County: 20 Counties in SE MN
RHAG Region: Southeast
Max Request: \$200,000.00

Funding Recommendations

Amount:

Number of Units:

Incomes Served

Less than 50% of AMI

50% to 80% of AMI

80% to 115% of AMI

Co-Funder Info

Name:

Amount Requested:

Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Minimizing Transportation Costs & Promoting Access to Transit
 Economic Integration
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Three Rivers Community Action, Inc. (Three Rivers) is requesting deferred loan funds for their Affordability Gap Financing Program to increase homeownership rates among households earning up to 80% of the Area Median Income (AMI) in southeastern Minnesota. Outreach will be targeted to households of color, new immigrants, single female-headed households with children and households with a disabled family member. The service area includes the following 20 counties: Blue Earth, Brown, Dodge, Faribault, Fillmore, Freeborn, Goodhue, Houston, Le Sueur, Martin, Mower, Nicollet, Olmsted, Rice, Sibley, Steele, Wabasha, Waseca, Watonwan and Winona. Specifically targeted cities include: Owatonna, Albert Lea, Austin, Faribault, Mankato, Northfield, Red Wing, Rochester and Winona. Eligible buyers will qualify for up to \$18,500 in assistance with a maximum of \$10,000 from the Impact Fund and a maximum of \$8,500 from Greater Minnesota Housing Fund.

Justification

In addition to the education and counseling needs, down payment assistance is the most frequent need of income-qualified households when purchasing a home.

Selection Standards**Project Feasibility**

The Affordability Gap Financing program is a part of a comprehensive strategy to increase homeownership rates among households earning up to 80% of AMI in southern Minnesota. This effort is consistent with Minnesota Housing's goals to provide homebuyer education, counseling and affordable mortgage financing across the state.

Organizational Capacity

Since 2008, the Impact Fund has supported and Three Rivers has administered 59 affordability gap loans totaling \$628,850. Sixty-nine percent of these loans were made to households of color. The balance, 31%, went to single female-headed households or households with a disabled family member. The average total assistance per borrower has been \$17,117 from all sources, and \$13,578 from sources administered by Three Rivers. Three Rivers not only provides affordability gap assistance but also offers financial literacy, intensive financial counseling and training, homebuyer education, pre-purchase counseling and individual development accounts through Family Assets for Independence in Minnesota (FAIM).

Financial Worksheet

10-2014 Impact Fund RFP

Report Date: 9/30/2014

Applicant Name: Three Rivers Community Action, Inc.

Project Title: Emerging Markets Gap Financing

Property Address: Unknown - Scattered Site - Southeastern Minnesota

Typical Unit Information

Unit Style: Acquisition-Rehabilitation-Resale Unit
Ownership Type: Fee Simple
Entrance Type: Individual (i.e. Single Family)
Finished SF: 1800
Number of Units:
Bedrooms: 3
Bathrooms: 1
 Garage? # of Stalls: 2

Typical Lot Size

Lot Width: 80
Lot Depth: 100
Lot SF: 8000

General Information

Institutional Correctional Work Crew (IWCW) being used

Affordability Gap

| | |
|-----------------------------|--------------|
| Estimated Value per Unit | \$140,000.00 |
| Anticipated Mortgage Amount | \$115,300.00 |
| Estimated per Unit Gap | \$10,000.00 |
| Number of Units | \$15.00 |
| Total Estimated Amount | \$150,000.00 |
| Maximum Gap Amount | \$10,000.00 |
| Average Gap Amount | \$9,000.00 |

Financial & Regulatory Leverage

Applicant Name Three Rivers Community Action, Inc.

Project Title Emerging Markets Gap Financing

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|----------------|---------------|--|
| State Leverage | HAF/Local DPA | |
|----------------|---------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$124,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

Activity Funded: Down Payment Assistance

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|------------------------|--------------------------------|--|
| Philanthropic Leverage | Greater Minnesota Housing Fund | |
|------------------------|--------------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$200,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|--------------|-----------------|
| Cash Pending | \$324,000.00 | In Kind Pending |
|--------------|--------------|-----------------|

Financial & Regulatory Leverage

Applicant Name Three Rivers Community Action, Inc.

Project Title Home Matters - Phase 3

Financial Leverage

Activity Funded: Other

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-------------------|
| City Leverage | Northfield HRA | |
| Cash Committed | \$150,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Cash Committed | \$150,000.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

Applicant Name: Three Rivers Community Action, Inc.
City of Applicant: Zumbrota
Name of Proposal: Home Matters - Phase 3
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Northfield
County: Rice
RHAG Region: Southeast
Max Request: \$150,000.00

Funding Recommendations

Amount:
 Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
 Amount Requested:
 Amount Recommended: <- Revision

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Three Rivers Community Action, Inc. (Three Rivers) requests deferred funds for phase three of an owner-occupied rehabilitation program for three neighborhoods in Northfield (Veteran's Park, East Side and West Side neighborhoods). The total project cost is limited to \$22,500, consisting of a homeowner match of up to \$7,500 (via other loan programs), \$7,500 from Northfield HRA grant funds, and \$7,500 from Minnesota Housing ~~or GMHF deferred loan funds~~.

Justification

In the three target neighborhoods, 44.1% of homes need minor repairs, 9.7% need major repairs, and 0.9% are dilapidated. Home values have dropped in these areas and most homeowners earn low-to-moderate income and have little or no equity (i.e. a disincentive to invest). The program provides matching deferred loan funds to low-and moderate-income homeowners to make exterior curb appeal improvements, health and safety improvements, and interior energy-saving measures. The homeowners will receive a home inspection, an energy audit and radon and lead testing assistance with bids and contractor oversight. Financial counseling is also a part of the process.

Selection Standards

Project Feasibility

Phases One and Two of this program, resulting from Impact Fund awards made in 2012 and 2013, are nearing completion. Northfield HRA has provided \$150,000 in committed grant funds for Phase Three. The Home Matters program complements pre-existing programs (Rehabilitation Loan Program (RLP), Weatherization programs and United States Department of Agriculture (Rural Development) programs by either providing additional resources for needed project costs not covered entirely by the other programs or by serving homeowners that do not meet the income limits of the other programs.

Organizational Capacity

Three Rivers is a nonprofit organization that serves south central and southeastern Minnesota with weatherization, energy assistance, and owner-occupied rehabilitation programs, including Minnesota Housing's Rehabilitation Loan Program. It also partners with local Fix Up lenders. Staff expertise includes rehabilitation scopes of work, inspections, energy auditing, energy assistance, loan processing, initiatives serving households of color/immigrants, and single family rehabilitation and development.

This page was omitted from the original packet

Applicant Name: Hutchinson Housing and Redevelopment Authority
City of Applicant: Hutchinson
Name of Proposal: Hutchinson Revitalization Project
Activity Type: New Construction
City/Cities: Hutchinson
County: McLeod
RHAG Region: Southwest
Max Request: \$147,500.00

Funding Recommendations

Amount:
Number of Units:

Incomes Served

- Less than 50% of AMI
- 50% to 80% of AMI
- 80% to 115% of AMI

Co-Funder Info

Name:
Amount Requested:
Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

This page was omitted from the original packet.

Project Description

The Hutchinson Housing and Redevelopment Authority (HRA) proposes to demolish a vacant, foreclosed home at 561 Adams Street in Hutchinson and build a new home on the site. The entire value gap of \$47,500 is to be supported by the Impact Fund. In addition, the applicant requests \$100,000 in interim construction financing. The HRA will continue its partnership with Hutchinson High School, whose students will acquire skills in carpentry as they contribute to the home's construction.

Justification

This project will replace a foreclosed, abandoned structure in poor repair with a new, owner-occupied home. The property is located within an economic integration priority area and a long-commute area where the median family income exceeds Greater Minnesota's 40th percentile and where there is a top-fifth concentration of low and moderate-wage jobs within five miles.

Selection Standards

Project Feasibility

Three of the other four homes the HRA has built in partnership with the Hutchinson High School have been sold prior to completion.

Organizational Capacity

This will be the fifth home the Hutchinson HRA has completed together with Hutchinson High School students and staff. These projects have been completed within reasonable timeframes.

REVISED due to re-pagination.

Financial Worksheet

Applicant Name Hutchinson Housing and Redevelopment Authority

Project Title: Hutchinson Revitalization Project

Location:

Typical Unit Information

| | |
|---|--|
| Unit Style | <input type="text" value="Split Entry"/> |
| Ownership Type | <input type="text" value="Fee Simple"/> |
| Finished SF | <input type="text" value="1000"/> |
| Typical Unit Stories | <input type="text"/> |
| Bedrooms | <input type="text" value="3"/> |
| Bathrooms | <input type="text" value="2"/> |
| <input checked="" type="checkbox"/> Garage? | # of Stalls <input type="text" value="2"/> |

Typical Lot Size Information

| | |
|-----------|-----------------------------------|
| Lot Width | <input type="text" value="132"/> |
| Lot Depth | <input type="text" value="66"/> |
| Lot SF | <input type="text" value="8712"/> |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name Hutchinson Housing and Redevelopment Authority

Project Title: Hutchinson Revitalization Project

Typical Unit Hard Costs

| | |
|-------------------------|---------------------|
| Land Acquisition | \$0.00 |
| Structure Acquisition | \$2,700.00 |
| Demolition | \$12,500.00 |
| Site Preparation | \$6,500.00 |
| General Construction | \$87,000.00 |
| Interior Finishing | \$14,840.00 |
| Exterior Finishing | \$0.00 |
| Roofing | \$0.00 |
| Electrical | \$9,800.00 |
| Plumbing | \$18,000.00 |
| Heating & Ventilation | \$0.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$2,000.00 |
| Garage Construction | \$4,900.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$1,000.00 |
| Other Hard Costs | \$3,300.00 |
| Total Hard Costs | \$162,540.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$4,660.00 |
| Architect Fee | \$0.00 |
| Legal Fees | \$1,000.00 |
| Developer Fees | \$12,500.00 |
| Other Fees | \$11,800.00 |
| Total Soft Costs | \$29,960.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$192,500.00 |
| RFP Funded Units | 1 |
| Est. Project TDC | \$192,500.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$0.00 |
| Recent Sales Price of Similar | \$0.00 |
| Anticipated Appraised Value | \$145,000.00 |
| Anticipated Sale Price | \$145,000.00 |
| Anticipated Mortgage Amount | \$145,000.00 |

Applicant Name Hutchinson Housing and Redevelopment Authority

Project Title: Hutchinson Revitalization Project

| Affordability Gap | | Value Gap | |
|-------------------------------|--------|--------------------------------|-------------|
| Anticipated Affordability Gap | \$0.00 | Anticipated Value Gap | \$47,500.00 |
| Impact Fund Aff. Gap per Unit | | Impact Fund Value Gap per Unit | \$47,500.00 |
| Number of Units | 1 | Number of Units | 1 |
| Impact Fund Total Aff. Gap | | Impact Fund Total Value Gap | \$47,500.00 |
| Maximum Amount | | | |
| Average Amount | | | |

Financial & Regulatory Leverage

Applicant Name Hutchinson Housing and Redevelopment Authority

Project Title Hutchinson Revitalization Project

Financial Leverage

Activity Funded: Affordability Gap

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|---------------|--------------------------------------|--|
| City Leverage | Hutchinson HRA Entry Cost Assistance | |
|---------------|--------------------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|------------|-----------------|
| Cash Pending | \$5,000.00 | In Kind Pending |
|--------------|------------|-----------------|

| | | |
|---------------|---------------------|--|
| City Leverage | City Revolving Loan | |
|---------------|---------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$20,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|-------|------------------------|--|
| Other | Hutchinson High School | |
|-------|------------------------|--|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$10,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

| | | |
|----------------|--|-------------------|
| Cash Committed | | In Kind Committed |
|----------------|--|-------------------|

| | | |
|--------------|-------------|-----------------|
| Cash Pending | \$35,000.00 | In Kind Pending |
|--------------|-------------|-----------------|

Regulatory Leverage

| Incentive | Cost Savings per Unit | # of Units in Project | Total Project Cost Savings | Approval Date |
|----------------------------------|-----------------------|-----------------------|----------------------------|---------------|
| Waiver of Permits or Impact Fees | \$1,632.00 | 1 | \$1,632.00 | 2/27/2001 |
| Total | | 1 | \$1,632.00 | |

Applicant Name: Southwest Minnesota Housing Partnership
City of Applicant: Slayton
Name of Proposal: Southwest Regional Rehab Pool
Activity Type: Owner-Occupied Rehabilitation
City/Cities: Multiple
County: Regional
RHAG Region: Southwest
Max Request: \$195,000.00

Funding RecommendationsAmount: Number of Units: **Incomes Served** Less than 50% of AMI 50% to 80% of AMI 80% to 115% of AMI**Co-Funder Info**Name: Amount Requested: Amount Recommended: **Meeting Agency Priorities**

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Southwest Minnesota Housing Partnership (SWMHP) is requesting deferred loan funds for an owner-occupied Regional Rehabilitation Loan Pool program and grant funds for program administration. The target area for the Regional Rehabilitation Loan Pool includes nine counties in Southwest Minnesota: Cottonwood, Jackson, Lincoln, Lyon, Murray, Nobles, Pipestone, Redwood, and Rock. SWMHP will prioritize Community Recovery areas by marketing in high-need areas, but will not exclude eligible homeowners with home repair needs elsewhere in the nine-county region from participation in the program based solely on geography. The program will address health and safety issues, energy efficiency, accessibility and lead hazard mitigation. Impact Funds will be available for qualified homeowners who are not able to obtain other rehabilitation assistance. The maximum Impact Fund loan per unit is \$15,000 with the average loan amount estimated to be \$10,250.

Justification

Southwest Minnesota has a low unemployment rate and has experienced employment growth in regional centers. Because new housing development is not feasible in many of the smaller communities, housing rehabilitation provides a mechanism for ensuring adequate safe and affordable housing resources for workers in smaller communities. In general, the region has low median household incomes, older housing stock and higher than average declining home sales prices that negatively impact the homeowners' ability to make necessary repairs.

Selection Standards

Project Feasibility

SWMHP's Regional Rehabilitation Pool has delivered this program to a large service area in need of home rehabilitation through long-established field administrators and funding participants. The Impact Fund contribution is leveraged with Small Cities Development Program (SCDP) funding and pending Greater Minnesota Housing Fund (GMHF) dollars. Homeowners are encouraged to invest their own funds in improvements to increase the home's value and lower utility costs.

Organizational Capacity

SWMHP has managed the Regional Rehab Pool since 2002. It has provided \$1.7 million to complete 180 rehabilitation projects on owner-occupied properties across Southwestern Minnesota. SWMHP will conduct inspections, prepare scopes of work, assist homeowners with the contractor selection process and conduct inspections during rehabilitation.

Financial & Regulatory Leverage

Applicant Name Southwest Minnesota Housing Partnership

Project Title Southwest Regional Rehab Pool

Financial Leverage

Activity Funded: Deferred Loan

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
|--------------------|-------------------|-----------------|

| | | |
|----------------|---------------------|--|
| State Leverage | MN Housing THIP/FUF | |
|----------------|---------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$56,200.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|------------------|--------------------------|--|
| Federal Leverage | Small Cities Dev Program | |
|------------------|--------------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$45,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|------------------|------------------------|--|
| Federal Leverage | Federal Home Loan Bank | |
|------------------|------------------------|--|

| | | |
|----------------|-------------|-------------------|
| Cash Committed | \$20,000.00 | In Kind Committed |
|----------------|-------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

| | | |
|----------------|--------------|-------------------|
| Cash Committed | \$121,200.00 | In Kind Committed |
|----------------|--------------|-------------------|

| | | |
|--------------|--|-----------------|
| Cash Pending | | In Kind Pending |
|--------------|--|-----------------|

Applicant Name: Southwest Minnesota Housing Partnership
City of Applicant: Slayton
Name of Proposal: Workforce Housing/Partnership CLT-Worthington & Jackson
Activity Type: New Construction
City/Cities: Worthington, Jackson
County: Nobles, Jackson
RHAG Region: Southwest
Max Request: \$242,220.00

Funding Recommendations

Amount:

Number of Units:

Incomes Served

Less than 50% of AMI

50% to 80% of AMI

80% to 115% of AMI

Co-Funder Info

Name:

Amount Requested:

Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
 Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
 Foreclosure Remediation
 Community Recovery
 Efficient Land Use
 Minimizing Transportation Costs & Promoting Access to Transit
 Economic Integration
 Development Readiness/Leverage Resources
 Workforce Housing Priority

Project Description

Southwest Minnesota Housing Partnership (SWMHP) is requesting value gap and affordability gap for 4-bedroom, two bath, 2300 square foot split entry new construction homes. The homes will be located in either the West Ridge Estates subdivision in Jackson, MN or in the Morning View Addition in the City of Worthington. Depending on the buyer's preference, one or more of the units may be included in the Partnership Community Land Trust (CLT) administered by SWMHP. The Impact Fund will support a mix of value and affordability gap of up to \$40,370 per unit and the cities of either Worthington or Jackson will support the balance of the gap financing for each unit. Housing Infrastructure Bond Proceeds and Housing and Jobs Growth Initiative funds will be used if the unit is included in the CLT, and only Housing and Jobs Growth Initiative funds will be used if not included in the CLT.

Justification

The Cities of Worthington and Jackson are both regional jobs centers. During the past decade, the area economy has been strong and gaining jobs. This proposal qualifies for the Housing and Jobs Growth Initiative because Community Profiles demonstrate the target area has a low housing vacancy rate and is located within a job growth and long commute area. In addition, SWMHP submitted a Cooperatively Developed Plan with goals aligned with this proposal. The proposal also helps further the goals of a 2013 Worthington Housing Study which describes the demand for 30 single family homes in the next five years. Jackson's West Ridge Estates project was identified in Jackson's 2013 Housing Study and Land Use Plan as a development providing options for affordable homeownership.

Selection Standards

Project Feasibility

The construction and sale of four larger homes is feasible given the strong demand for workforce housing. Risk will be mitigated by a pre-sale strategy. Affordability will be enhanced through the availability of an estimated \$18,664 per unit tax increment financing (TIF) assistance in Worthington and donation of lots by the city in Jackson.

Organizational Capacity

SWMHP serves 36 Minnesota counties mostly in the southwest part of the state, and past CLT experience. It also has the capacity staff capacity and experience to deliver an array of housing activities and services including real estate development, owner-occupied rehabilitation programs, green construction, property inspections and comprehensive homebuyer services, including but not limited to homebuyer education classes for first time homebuyers offered in multiple languages, foreclosure counseling, post purchase counseling and financial literacy classes.

Financial Worksheet

Applicant Name Southwest Minnesota Housing Partnership

Project Title: Workforce Housing/Partnership CLT-Worthington & Jackson

Location: Morning View Addition, Worthington

Typical Unit Information

| | | |
|----------------------------------|----------------------|---|
| Unit Style | Split Entry | |
| Ownership Type | Community Land Trust | |
| Finished SF | 2300 | |
| Typical Unit Stories | 1.5 | |
| Bedrooms | 4 | |
| Bathrooms | 2 | |
| <input type="checkbox"/> Garage? | # of Stalls | 2 |

Typical Lot Size Information

| | |
|-----------|------|
| Lot Width | 130 |
| Lot Depth | 65 |
| Lot SF | 8450 |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name Southwest Minnesota Housing Partnership

Project Title: Workforce Housing/Partnership CLT-Worthington & Jackson

Typical Unit Hard Costs

| | |
|-------------------------|---------------------|
| Land Acquisition | \$24,142.00 |
| Structure Acquisition | \$0.00 |
| Demolition | \$0.00 |
| Site Preparation | \$5,000.00 |
| General Construction | \$95,500.00 |
| Interior Finishing | \$13,200.00 |
| Exterior Finishing | \$13,000.00 |
| Roofing | \$0.00 |
| Electrical | \$10,050.00 |
| Plumbing | \$8,500.00 |
| Heating & Ventilation | \$10,250.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$0.00 |
| Garage Construction | \$14,000.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$1,000.00 |
| Other Hard Costs | \$0.00 |
| Total Hard Costs | \$194,642.00 |

Typical Unit Soft Costs

| | |
|-------------------------|--------------------|
| Holding Costs | \$3,200.00 |
| Architect Fee | \$450.00 |
| Legal Fees | \$0.00 |
| Developer Fees | \$7,500.00 |
| Other Fees | \$3,242.00 |
| Total Soft Costs | \$14,392.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|---------------------|
| Typical Per-Unit TDC | \$209,034.00 |
| RFP Funded Units | 4 |
| Est. Project TDC | \$836,136.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$180,283.00 |
| Recent Sales Price of Similar | \$142,250.00 |
| Anticipated Appraised Value | \$180,000.00 |
| Anticipated Sale Price | \$180,000.00 |
| Anticipated Mortgage Amount | \$147,000.00 |

Applicant Name Southwest Minnesota Housing Partnership

Project Title: Workforce Housing/Partnership CLT-Worthington & Jackson

| Affordability Gap | | Value Gap | |
|-------------------------------|-------------|--------------------------------|--------------|
| Anticipated Affordability Gap | \$33,000.00 | Anticipated Value Gap | \$29,034.00 |
| Impact Fund Aff. Gap per Unit | \$11,336.00 | Impact Fund Value Gap per Unit | \$29,034.00 |
| Number of Units | 4 | Number of Units | 4 |
| Impact Fund Total Aff. Gap | \$45,344.00 | Impact Fund Total Value Gap | \$116,136.00 |
| Maximum Amount | \$0.00 | | |
| Average Amount | \$11,336.00 | | |

Financial & Regulatory Leverage

Applicant Name Southwest Minnesota Housing Partnership

Project Title Workforce Housing/Partnership CLT-Worthington & Jackson

Financial Leverage

Activity Funded: Interim Construction Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|------------------------|-----------------|
| State Leverage | MN Dept of Corrections | 9/15/2014 |

Cash Committed In Kind Committed

Cash Pending \$210,000.00 In Kind Pending

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|--------------------|-------------------|-----------------|
| City Leverage | Worthington TIF | |

Cash Committed \$74,656.00 In Kind Committed

Cash Pending In Kind Pending

City Leverage Jackson lot write down

Cash Committed In Kind Committed \$45,000.00

Cash Pending In Kind Pending

Cash Committed \$74,656.00 In Kind Committed \$45,000.00

Cash Pending \$210,000.00 In Kind Pending

Applicant Name: Habitat for Humanity of Minnesota
City of Applicant: Minneapolis
Name of Proposal: Habitat for Humanity Minnesota -Impact Fund #2
Activity Type: New Construction
City/Cities: Multiple
County: 53 Counties
RHAG Region: Statewide
Max Request: \$405,000.00

Funding Recommendations

Amount:

Number of Units:

Incomes Served

Less than 50% of AMI

50% to 80% of AMI

80% to 115% of AMI

Co-Funder Info

Name:

Amount Requested:

Amount Recommended:

Meeting Agency Priorities

- Promote and support successful homeownership
- Prevent foreclosures and support community recovery

Meeting Funding Priorities

- Cooperatively-Developed Plan
- Foreclosure Remediation
- Community Recovery
- Efficient Land Use
- Minimizing Transportation Costs & Promoting Access to Transit
- Economic Integration
- Development Readiness/Leverage Resources
- Workforce Housing Priority

Project Description

Habitat for Humanity of Minnesota (Habitat Minnesota) is requesting grant funds for value gap on behalf of 32 Greater Minnesota Affiliates serving 53 counties statewide. Impact Fund dollars will be provided to the affiliates to construct homes in partnership with low-income homebuyers. Habitat Minnesota will contribute 14% of the anticipated purchase price of each home, while the other 86% will come from cash and in-kind donations of materials, labor, homeowner sweat equity and volunteer hours.

Justification

Habitat Minnesota uses county-wide and city-wide data to guide its selection of Greater Minnesota areas that exhibit a high median home sales price, a 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 jobs paying wages below 50% of AMI. Habitat Minnesota's first mortgage is an interest-free, 30-year mortgage in an amount equal to the building cost, exclusive of the value of sweat equity and volunteer labor. If necessary, Habitat Minnesota reduces the first mortgage so housing costs do not exceed 30% of the homeowner's income.

Selection Standards

Project Feasibility

Habitat Minnesota historically has built two to three more units with funding than anticipated. Almost all of their awards have been completed without any extension requests. They have an average minimum value gap of only \$14,564 per unit. There is an applicant pool of 15-30 families per home, with five qualified homebuyers for each house constructed. Buyers are selected and approved prior to home construction. Donated labor, materials, and homebuyer sweat equity allows Habitat to target homeowners with incomes unreachable with many other homeownership models. Homes are constructed on infill lots with sewer and water infrastructure already present.

Organizational Capacity

As of June 2013, Greater Minnesota Habitat affiliates had built or rehabilitated 1,048 homes since Habitat started over 22 years ago. In the last six years, almost two million dollars in Impact have been used to build 126 homes, with an additional 37 homes through the 2012 and 2013 funding rounds. Habitat anticipates using funds awarded in 2013 prior to the contract end date of July 1, 2015.

Financial Worksheet

Applicant Name Habitat for Humanity of Minnesota

Project Title: Habitat for Humanity Minnesota -Impact Fund #2

Location: Scattered Sites State of Minnesota exclusive of the Twin Cities Metropolitan Area

Typical Unit Information

| | | |
|---|-------------|---|
| Unit Style | Rambler | |
| Ownership Type | Fee Simple | |
| Finished SF | 1040 | |
| Typical Unit Stories | 1 | |
| Bedrooms | 3 | |
| Bathrooms | 1 | |
| <input checked="" type="checkbox"/> Garage? | # of Stalls | 1 |

Typical Lot Size Information

| | |
|-----------|------|
| Lot Width | 66 |
| Lot Depth | 148 |
| Lot SF | 9768 |

General Information

- Site requires environmental cleanup
- Institutional Correctional Work Crew (IWCW) being used

Applicant Name Habitat for Humanity of Minnesota**Project Title:** Habitat for Humanity Minnesota -Impact Fund #2**Typical Unit Hard Costs**

| | |
|-------------------------|---------------------|
| Land Acquisition | \$12,296.00 |
| Structure Acquisition | \$0.00 |
| Demolition | \$0.00 |
| Site Preparation | \$14,492.00 |
| General Construction | \$54,222.00 |
| Interior Finishing | \$9,864.00 |
| Exterior Finishing | \$0.00 |
| Roofing | \$0.00 |
| Electrical | \$7,600.00 |
| Plumbing | \$2,360.00 |
| Heating & Ventilation | \$5,215.00 |
| Energy Conservation | \$0.00 |
| Accessibility | \$250.00 |
| Garage Construction | \$5,494.00 |
| Lead Abatement | \$0.00 |
| Contingency | \$0.00 |
| Other Hard Costs | \$13,035.00 |
| Total Hard Costs | \$124,828.00 |

Typical Unit Soft Costs

| | |
|-------------------------|-------------------|
| Holding Costs | \$190.00 |
| Architect Fee | \$0.00 |
| Legal Fees | \$150.00 |
| Developer Fees | \$4,000.00 |
| Other Fees | \$600.00 |
| Total Soft Costs | \$4,940.00 |

Typical Total Development Cost (TDC)

| | |
|-------------------------|-----------------------|
| Typical Per-Unit TDC | \$129,768.00 |
| RFP Funded Units | 27 |
| Est. Project TDC | \$3,503,736.00 |

Sales Price Information

| | |
|-------------------------------|--------------|
| Appraised Value of Similar | \$104,000.00 |
| Recent Sales Price of Similar | \$104,000.00 |
| Anticipated Appraised Value | \$104,000.00 |
| Anticipated Sale Price | \$104,000.00 |
| Anticipated Mortgage Amount | |

Applicant Name Habitat for Humanity of Minnesota

Project Title: Habitat for Humanity Minnesota -Impact Fund #2

Affordability Gap

Anticipated Affordability Gap

Impact Fund Aff. Gap per Unit

Number of Units

Impact Fund Total Aff. Gap

Maximum Amount

Average Amount

Value Gap

Anticipated Value Gap \$25,768.00

Impact Fund Value Gap per Unit \$15,000.00

Number of Units 27

Impact Fund Total Value Gap \$405,000.00

Financial & Regulatory Leverage

Applicant Name Habitat for Humanity of Minnesota

Project Title Habitat for Humanity Minnesota -Impact Fund #2

Financial Leverage

Activity Funded: Value Gap Financing

| Source of Leverage | Organization Name | Est. Appr. Date |
|------------------------|-----------------------------------|-------------------|
| Philanthropic Leverage | Habitat for Humanity,of Minnesota | |
| Cash Committed | \$290,736.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |
| Cash Committed | \$290,736.00 | In Kind Committed |
| Cash Pending | | In Kind Pending |

2014 Single Family Consolidated RFP Summary

| Administrator - Project Name - Location | Unit Count | | | | Priorities* - Unit Count | | Minnesota Housing Funding | | | | | Funding Partners | | Total Funding | | |
|---|-------------|-----------------|-------------|--------------|--------------------------|---------------|---------------------------|-----------------------|------------------------------------|---------------------------|-------------------------|--------------------------------|------------------|---------------------------------|-----------------------|--------------------|
| | Rehab Exist | New To be Built | Total Units | Afford Units | Forecl Remed | Comm Recovery | EDHC | EDHC Indian Set-Aside | Housing and Jobs Growth Initiative | Infrastructure Bond Funds | 2% Interim Construction | Greater Minnesota Housing Fund | Met Council | Total Minnesota Housing Funding | Total Partner Funding | Total Funding |
| METRO | | | | | | | | | | | | | | | | |
| Minneapolis | | | | | | | | | | | | | | | | |
| City of Lakes Community Land Trust - Homebuyer Initiated Program | 17 | | 17 | 17 | 2 | 7 | \$600,000 | | | \$500,000 | | \$150,000 | \$1,100,000 | \$150,000 | \$1,250,000 | |
| City of Minneapolis Community Planning and Economic Development - Homeownership Opportunity | 4 | 6 | 10 | 7 | 2 | 7 | \$25,000 | | | | | | \$25,000 | \$0 | \$25,000 | |
| City of Minneapolis Community Planning and Economic Development - Rehab Support Program - N/NE/S Mpls | 16 | | 16 | 11 | 13 | 15 | \$200,000 | | | | | | \$200,000 | \$0 | \$200,000 | |
| Greater Metropolitan Housing Corporation - Minneapolis Community Revitalization II Acq/Rehab | 6 | | 6 | 4 | 5 | 5 | \$254,340 | | | | | | \$254,340 | \$0 | \$254,340 | |
| PRG. Inc. - Foreclosure Recovery Program IV - Acq/Rehab/New Construction | 4 | 1 | 5 | 5 | 4 | 4 | \$190,000 | | | | \$120,000 | | \$310,000 | \$0 | \$310,000 | |
| Rebuilding Together Twin Cities - Critical Repair Projects for Homeowners | 6 | | 6 | 6 | 5 | 4 | \$45,000 | | | | | | \$45,000 | \$0 | \$45,000 | |
| Urban Homeworks, Inc. - Project Reclaim IV | 4 | | 4 | 4 | 3 | 3 | \$140,000 | | | | | | \$140,000 | \$0 | \$140,000 | |
| Total Minneapolis | 57 | 7 | 64 | 54 | 34 | 45 | \$1,454,340 | \$0 | \$0 | \$500,000 | \$120,000 | \$0 | \$150,000 | \$2,074,340 | \$150,000 | \$2,224,340 |
| Saint Paul | | | | | | | | | | | | | | | | |
| City of St. Paul Housing and Redevelopment Authority Inspiring Communities Program - Acq/Rehab | 6 | | 6 | 4 | 6 | 6 | \$240,000 | | | | | \$160,000 | \$240,000 | \$160,000 | \$400,000 | |
| City of St. Paul Housing and Redevelopment Authority Inspiring Communities Program - New Construction | | 8 | 8 | 4 | 8 | 8 | \$320,000 | | | | | | \$320,000 | \$0 | \$320,000 | |
| Community Neighborhood Housing Services - Community Keys | 10 | | 10 | 7 | 10 | 10 | \$80,000 | | | | | | \$80,000 | \$0 | \$80,000 | |
| Dayton's Bluff Neighborhood Housing Services - The Village on Rivoli | | 2 | 2 | 1 | 2 | 2 | \$130,840 | | | | | | \$130,840 | \$0 | \$130,840 | |
| Greater Frogtown Community Development Corporation - The Green Line's Homebuyer Initiated Program | 5 | | 5 | 5 | 1 | 4 | \$92,280 | | | \$125,000 | | | \$217,280 | \$0 | \$217,280 | |
| Twin Cities Community Land Bank LLC - Frogtown Rondo Home Fund Area Project, Part 2 | 5 | | 5 | 4 | 1 | 5 | \$250,000 | | | | | | \$250,000 | \$0 | \$250,000 | |
| Total Saint Paul | 26 | 10 | 36 | 25 | 28 | 35 | \$1,113,120 | \$0 | \$0 | \$125,000 | \$0 | \$0 | \$160,000 | \$1,238,120 | \$160,000 | \$1,398,120 |
| Minneapolis and Saint Paul | | | | | | | | | | | | | | | | |
| Build Wealth, MN, Inc. - Family Stabilization Plan | 10 | 2 | 12 | 12 | 6 | 9 | \$168,000 | | | | | | \$168,000 | \$0 | \$168,000 | |
| Hennepin County Housing and Redevelopment Authority Home Accessibility Ramps Program | 25 | | 25 | 25 | 17 | 19 | 101,250 | | | | | | \$101,250 | \$0 | \$101,250 | |
| Project for Pride in Living - Impact Rehab Program | 9 | | 9 | 9 | 3 | 5 | \$319,280 | | | | | | \$319,280 | \$0 | \$319,280 | |
| Total Saint Paul/Minneapolis | 44 | 2 | 46 | 46 | 26 | 33 | \$588,530 | \$0 | \$0 | \$0 | \$0 | \$0 | \$588,530 | \$0 | \$588,530 | |
| Suburbs | | | | | | | | | | | | | | | | |
| Carver County Community Development Agency - CLT Townhome Project - Waconia | | 4 | 4 | 4 | | | | | | \$129,300 | | \$31,000 | \$129,300 | \$31,000 | \$160,300 | |
| Hennepin County Housing and Redevelopment Authority Healthy Homes Assistance Project | 10 | | 10 | 7 | 7 | 7 | 61,200 | | | | | | \$61,200 | \$0 | \$61,200 | |
| Robert Engstrom Capital Management LLC - Foreclosure Recovery - Brooklyn Park | 5 | | 5 | 3 | 5 | 1 | 87,500 | | | | | | \$87,500 | \$0 | \$87,500 | |
| Twin Cities Habitat for Humanity - Townhome Project Cottage Grove | | 4 | 4 | 4 | 4 | | 160,000 | | | | | | \$160,000 | \$0 | \$160,000 | |
| West Hennepin Affordable Housing Land Trust - Homes Within Reach | 9 | | 9 | 9 | 4 | | 171,000 | | | \$171,000 | | | \$342,000 | \$0 | \$342,000 | |
| Total Suburbs | 24 | 8 | 32 | 27 | 20 | 8 | \$479,700 | \$0 | \$0 | \$300,300 | \$0 | \$31,000 | \$780,000 | \$31,000 | \$811,000 | |
| Total METRO | 151 | 27 | 178 | 152 | 108 | 121 | \$3,635,690 | \$0 | \$0 | \$925,300 | \$120,000 | \$0 | \$341,000 | \$4,680,990 | \$341,000 | \$5,021,990 |

| Administrator - Project Name - Location | Unit Count | | | | *Priorities # of Units | | Minnesota Housing Funding | | | | | Funding Partners | | Total Funding | | |
|---|-------------|-----------------|-------------|--------------|------------------------|---------------|---------------------------|-----------------------|------------------------------------|---------------------------|-------------------------|--------------------------------|-------------|---------------------------------|-----------------------|---------------|
| | Rehab Exist | New To be Built | Total Units | Afford Units | Forecl Remed | Comm Recovery | EDHC | EDHC Indian Set-Aside | Housing and Jobs Growth Initiative | Infrastructure Bond Funds | 2% Interim Construction | Greater Minnesota Housing Fund | Met Council | Total Minnesota Housing Funding | Total Partner Funding | Total Funding |
| GREATER MINNESOTA | | | | | | | | | | | | | | | | |
| Central | | | | | | | | | | | | | | | | |
| Total Central | 0 | 0 | 0 | 0 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Northeast | | | | | | | | | | | | | | | | |
| One Roof Community Housing/ Housing and Redevelopment Authority of Duluth - Housing Resource Connection - Acq/Rehab | 10 | | 10 | | 4 | 8 | \$297,750 | \$42,250 | | \$120,000 | \$230,000 | \$34,000 | | \$690,000 | \$34,000 | \$724,000 |
| One Roof Community Housing/Housing and Redevelopment Authority of Duluth - Housing Resource Connection - Owner-occupied Rehab | 5 | | 5 | | 3 | 5 | \$100,000 | | | | | | | \$100,000 | \$0 | \$100,000 |
| Total Northeast | 15 | 0 | 15 | 0 | 7 | 13 | \$397,750 | \$42,250 | \$0 | \$120,000 | \$230,000 | \$34,000 | \$0 | \$790,000 | \$34,000 | \$824,000 |
| Northwest | | | | | | | | | | | | | | | | |
| City of Thief River Falls - Building a Better Neighborhood | | 5 | 5 | 3 | | | | | \$187,635 | | \$862,635 | | | \$1,050,270 | \$0 | \$1,050,270 |
| Headwaters Regional Development Commission - Owner-Occupied Rehabilitation | 15 | | 15 | 15 | 2 | 1 | \$105,000 | | | | | | | \$105,000 | \$0 | \$105,000 |
| White Earth Reservation Tribal Council - Housing Rehabilitation and Water & Sewer Project | 35 | | 35 | 35 | | 2 | | \$407,750 | | | | | | \$407,750 | \$0 | \$407,750 |
| Total Northwest | 50 | 5 | 55 | 53 | 2 | 3 | \$105,000 | \$407,750 | \$187,635 | \$0 | \$862,635 | \$0 | \$0 | \$1,563,020 | \$0 | \$1,563,020 |
| Southeast | | | | | | | | | | | | | | | | |
| City of Winona - East End Neighborhood Revitization Program - Winona | 20 | | 20 | 20 | | 20 | \$438,000 | | | | | \$59,500 | | \$438,000 | \$59,500 | \$497,500 |
| Southwest Minnesota Housing Partnership - Homeowner Affordability Gap - St. Peter | | 4 | 4 | 3 | | | \$64,000 | | | | | | | \$64,000 | \$0 | \$64,000 |
| Three Rivers Community Action, Inc. - Achieve Homeownership - Bridge Program Pilot - Rochester | 5 | | 5 | 5 | 1 | 2 | \$150,000 | | | | | | | \$150,000 | \$0 | \$150,000 |
| Three Rivers Community Action, Inc. - Affordability Gap Financing Program - Multiple cities in SE | 15 | | 15 | 15 | | | \$150,000 | | | | | \$127,500 | | \$150,000 | \$127,500 | \$277,500 |
| Three Rivers Community Action, Inc. - Home Matters 2.0 Neighborhood Investment Phase III - Northfield | 8 | | 8 | 8 | 8 | 7 | \$60,000 | | | | | | | \$60,000 | \$0 | \$60,000 |
| Total Southeast | 48 | 4 | 52 | 51 | 9 | 29 | \$862,000 | \$0 | \$0 | \$0 | \$0 | \$187,000 | \$0 | \$862,000 | \$187,000 | \$1,049,000 |
| Southwest | | | | | | | | | | | | | | | | |
| Housing & Redevelopment Authority of Hutchinson - Hutchinson Revitalization Project | | 1 | 1 | | | | \$47,500 | | | | \$100,000 | | | \$147,500 | \$0 | \$147,500 |
| Southwest Minnesota Housing Partnership - Southwest Regional Rehab Pool | 10 | | 10 | 10 | 2 | 4 | \$102,500 | | | | | \$37,500 | | \$102,500 | \$37,500 | \$140,000 |
| Southwest Minnesota Housing Partnership - Workforce Housing/Partnership CLT - Worthington & Jackson | | 4 | 4 | 3 | | 4 | \$0 | | \$161,480 | \$96,568 | | | | \$258,050 | \$0 | \$258,050 |
| Total Southwest | 10 | 5 | 15 | 13 | 2 | 8 | \$150,000 | \$0 | \$161,480 | \$96,568 | \$100,000 | \$37,500 | \$0 | \$508,050 | \$37,500 | \$545,550 |
| West Central | | | | | | | | | | | | | | | | |
| Total West Central | 0 | 0 | 0 | 0 | 0 | 0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| Multiple Regions/Statewide | | | | | | | | | | | | | | | | |
| Habitat for Humanity of Minnesota - Impact Fund #2 | | 27 | 27 | 27 | 0 | 7 | \$405,000 | | | | | | | \$405,000 | \$0 | \$405,000 |
| Total Multiple Regions/Statewide | 0 | 27 | 27 | 27 | 0 | 7 | \$405,000 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$405,000 | \$0 | \$405,000 |
| Total GREATER MINNESOTA | 123 | 41 | 164 | 144 | 20 | 60 | \$1,919,750 | \$450,000 | \$349,115 | \$216,568 | \$1,192,635 | \$258,500 | \$0 | \$4,128,070 | \$258,500 | \$4,386,570 |
| Total STATEWIDE | 274 | 68 | 342 | 296 | 128 | 181 | \$5,555,440 | \$450,000 | \$349,115 | \$1,141,868 | \$1,312,635 | \$258,500 | \$341,000 | \$8,809,060 | \$599,500 | \$9,408,560 |

KEY:
 Afford Units: Proposed units to serve households at or below 80% of area median income Forecl Remed: Foreclosure Remediation Comm Recovery: Community Recovery EDHC: Economic Development & Housing Challenge Program Met Council: Metropolitan Council
 *Units may achieve multiple priorities **Note: All Co-Funder allocations are contingent upon individual board approval.**

2014 Single Family Consolidated RFP Non-Recommended Applications

| Administrator - Project Name - Location | Funding Requested |
|---|--------------------|
| METRO | |
| City of Minneapolis Community Planning and Economic Development Homeownership Opportunity - Green Homes North Round 4 | \$500,000 |
| Greater Metropolitan Housing Corporation - Minneapolis Community Revitalization II - New Construction | \$1,359,000 |
| Northside Home LLC - Northside Home - Home Ownership Program | \$500,000 |
| The Rondo Community Land Trust - Shoreview Single Family Pilot Project | \$190,000 |
| Total METRO | \$2,549,000 |
| GREATER MINNESOTA | |
| Central | |
| Lakes and Pines Community Action Council, Inc. - Homeownership & Housing Revitalization Program | \$635,500 |
| Northeast | |
| One Roof Community Housing/Housing and Redevelopment Authority of Duluth - Housing Resource Connection 2014 - New Construction | \$1,540,000 |
| Northwest | |
| Beltrami County Housing & Redevelopment Authority - Mobile Home Replacement | \$300,000 |
| Headwaters Housing Development Corporation - Baudette New Construction | \$355,000 |
| Total GREATER MINNESOTA | \$2,830,500 |
| Total MINNESOTA | \$5,379,500 |

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AGENDA ITEM: 8.A
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: Homeless Management Information System (HMIS) Governance Structure

CONTACT: Paula Beck, 651-296-9806
 paula.beck@state.mn.us

Mary Tingerthal
 mary.tingerthal@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 requests direction from the board with respect to two governance structure models for the Minnesota Homeless Management Information System.

FISCAL IMPACT:

None.

MEETING AGENCY PRIORITIES:

Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets Prevent and end homelessness
 Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT(S):

- Background

The purpose of today's discussion is to provide board members with background on the Minnesota Homeless Management Information System and its need for a new governance structure and to describe two potential governance structures and Minnesota Housing's role in them. We are asking for the board's thoughts on these two options in anticipation of bringing one of these options to the board for approval at a future meeting.

Background

The Minnesota Homeless Management Information System (HMIS) has been in place since 2002. It was formed in response to a requirement by the Department of Housing and Urban Development (HUD) in conjunction with the formation of Continuum of Care organizations and the receipt of funds by those organizations under the McKinney-Vento Act for the provision of homeless service funds. Specifically, HUD requires that states provide electronic reporting on the use of these funds through HMIS software.

An HMIS Implementation Group was formed to determine how Minnesota Continuums of Care and state agencies that are required to report to HUD would accomplish that task. All Continuums of Care were represented in the group, along with 7 other members including representatives from Minnesota Housing and the Department of Human Services (DHS). The group collectively determined that Wilder Research Center would serve as both the system administrator and the fiscal agent for Minnesota's HMIS. Minnesota Housing, the Family Housing Fund (FHF) and the Greater Minnesota Housing Fund (GMHF) collectively contributed \$280,000 for the cost of initial start-up of the HMIS program.

As the HMIS was implemented, the HMIS Implementation Group became the HMIS Governing Group, which has served to advise Wilder Research on the administration of the HMIS for more than 10 years. The HMIS Governing Group has no actual legal standing; it is self-appointed and is not formally attached to any state agency or nonprofit organization.

As the implementation of the HMIS commenced, Wilder Research entered into a contract with HUD to provide HMIS reporting on behalf of the Continuums of Care and also into a contract with Bowman, the software company which licenses and supports the application used to support the HMIS. The HMIS Governing Group meets regularly to oversee and direct HMIS activities. Wilder Research also provides staff assistance to the HMIS Governing Group.

Wilder Research has day-to-day relationships with the Continuums of Care and the social service organizations that receive funding through the Continuums of Care, because these are the organizations that are the primary users of the HMIS application (i.e., they are the parties required to input data to the system so that it can be reported to HUD). Wilder Research also has relationships with the state agencies that fund programs related to homelessness because these agencies are the primary recipients of reports from the HMIS in addition to HUD.

The on-going cost of funding the administration of the HMIS in Minnesota comes from the Continuums of Care, user fees, and state agencies (Minnesota Housing, DHS, Minnesota Department of Veterans Affairs, Department of Corrections, Department of Public Safety, and the Metropolitan Council). In October of 2013, Minnesota Housing approved a one-year contribution of \$45,000 from the Technical Assistance budget to pay its portion of the \$131,223 that is required to come from state agencies to provide the 25% match required by HUD. The FY2014 total budget for HMIS administration is \$778,113, with the balance of revenue coming from the Continuums of Care and user fees. Since its inception, Minnesota Housing staff has been the "fundraiser" that aggregates the funding from the participating

state agencies and managed the Memorandums of Understanding with the agencies. This process is time-consuming and often difficult; as state agencies do not always have funds budgeted for this purpose. In addition to contributing toward the cost of the basic system administration, Minnesota Housing and DHS also contract with Wilder Research to have them provide data collection and reporting services related to state-funded homelessness programs. In October of 2013, Minnesota Housing also approved a one-year contribution of \$39,661.50, which is 75% of the cost for these services, with DHS providing the balance of the \$52,882 in total funding.

For quite some time, Minnesota Housing staff has been less than fully satisfied with level of service received under these contracts with Wilder Research. Reports have not always been timely and it has been difficult to obtain changes to reports when they are warranted. Several of the larger Continuums of Care have also expressed concerns about the level of information they are able to obtain back out of the HMIS, partly because of the manner in which data privacy protocols have been structured by Wilder Research. In addition, several prominent philanthropic organizations that fund programs related to homelessness have expressed frustration with the inability of their grantees to obtain useful reporting from the HMIS application.

Stemming from concerns about the reporting available from the HMIS, Minnesota Housing applied to HUD for technical assistance for an overall review and assessment of the HMIS, including the Bowman application and the manner in which Wilder Research is administering it, the needs of the various stakeholders, and the governance structure for administering the HMIS. The HUD technical assistance team completed its work late in 2013 and produced a very detailed report.

With the reconstitution of the Interagency Council on Homelessness and the hiring of Cathy ten Broeke as the State Director to Prevent and End Homelessness, the inadequacies of the current HMIS gained increased visibility. One of the key focus areas identified in the new State Plan to Prevent and End Homelessness is improving data collection and data coordination among agencies that provide funding for programs related to homelessness. The plan considers better data collection and coordinated assessment that is possible through the sharing of data to be key to serving those experiencing homelessness in a manner that is more effective and more cost effective. In addition, the philanthropic and government organizations that make up Heading Home Minnesota have expressed keen interest in assisting with improvement of the HMIS in Minnesota.

Upon receiving the HUD technical assistance report, a group of leaders formed an Interim Planning Team (IPT) to develop and oversee a detailed plan for responding to the report and implementing desired changes. The IPT includes representatives of the Continuums of Care (4), state (3), and community (6, including one representing Minnesota's tribes). Early in 2014, the IPT sponsored a Visioning Session, a major convening of HMIS stakeholders from across the state to review the findings of the HUD technical assistance report, develop a vision for the future, and plan next steps for implementation of an improved HMIS for Minnesota. Since then, the IPT has structured the work of implementing HMIS changes through two working groups. The first is focused on data and technical issues. The second, known as the Government and Lead Agency (GALA) group, is focused on governance and is chaired by Laura Kadwell, Director of the Heading Home Minnesota Funders Collaborative. The GALA group produced a chart which spells out four different roles that need to be fulfilled in the administration of the Minnesota HMIS Program. The group developed this chart after a thorough review of the HUD technical assistance report; on-going conversations with the stakeholders, including the current HMIS Governing Group; and review of other states' structures for overseeing and administering their Homeless Management information Systems. The roles identified in the chart are:

HMIS Lead Agency, Governing Board, System Administrator, and Continuums of Care/ State (representing stakeholders who fund the system).

The GALA group's research has determined that in many states, the role of the HMIS Lead Agency is fulfilled by a state government agency. However, in Minnesota, there has been a concern that this role should not be filled by a state agency, fueled primarily by concerns that, as administrations change, the program could be subject to budget cuts or inattention. It is this concern that led to the current governance system with a lack of clear cut roles. In essence, the role of the HMIS Lead Agency has been fulfilled by Wilder Research. The GALA group recognizes that the current governance needs to be changed, but it has not decided what entity should serve in the role of the HMIS Lead Agency going forward. The GALA group also believes that it will be essential that the new governance system include an active and meaningful role for a Governing Board that has representation from the Continuums of Care, state agencies and other stakeholders and that establishes policies and procedures for the administration of the HMIS.

Each Continuum of Care is required to select its own HMIS and designate its own Lead Agency. All of the stakeholders have an interest in bringing Minnesota's 10 Continuums of Care together around a single HMIS. This dynamic contributes substantially to the complexity of the IPT's task.

Next Steps

We developed two potential scenarios for Minnesota Housing's role in HMIS governance, either of which would be subject to approval by the Board if we were to move forward.

- **Task Force Model:** State law allows state agencies to appoint Advisory Task Forces to advise the agency on specific technical matters. Under this scenario, Minnesota Housing would serve as the HMIS Lead Agency and would appoint an Advisory Task Force, which would fulfill many (but not all) of the roles identified for the Governing Board in the chart of roles referred to above. The task force would be made up of no more than 15 members to provide advice and counsel to the agency regarding the design and operation of the HMIS. The composition and responsibilities of the task force and the duties of Minnesota Housing would be agreed upon in a charter document. Minnesota Housing would be obligated to receive and consider the advice of the task force, but the task force's direction would be advisory and not binding. As the HMIS Lead Agency, Minnesota Housing would enter into the contract with HUD to provide HMIS reporting and would select and contract with a statewide systems administrator to license and support the HMIS application.
- **Nonprofit Model:** Minnesota Housing's governing statute allows the agency to create nonprofit corporations to carry out its purposes and exercise its powers. Under this option, Minnesota Housing would create a new 501(c)(3) solely for the purpose of administering the Minnesota HMIS. The board of directors created in the articles of incorporation and by-laws of the new entity would fulfill the roles of the Governing Board on the chart of roles. The board of directors would be responsible for setting program policy, oversight of annual budget and management of staff. Minnesota Housing would designate a member of its staff to serve on the board of directors. The nonprofit corporation would be the HMIS Lead Agency, and as such would enter into the contract with HUD and contract with a statewide systems administrator.

On September 17, 2014, a lawyer retained by Family Housing Fund to provide information about governance structure to the GALA group and Paula Beck presented information regarding the two scenarios to the GALA group and answered their questions. The group agreed that the Task Force Model would be the far easier of the two models to implement and take little time to put in place. The Nonprofit Model, on the other hand, would take more time and money to implement. By the end of the discussion, the group seemed to be leaning toward starting out with the Task Force Model, and if that model does not adequately address the needs of the constituencies that have an interest in the HMIS, move to the Nonprofit Model.

Following discussion by the board, staff will brief the IPT on any concerns the board may have regarding the two governance structures outlined above. Staff anticipates bringing one of these options to the board for approval at a future meeting.

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AGENDA ITEM: 9.A
MINNESOTA HOUSING BOARD MEETING
October 23, 2014

ITEM: Report of Complaints Received by Agency or Chief Risk Officer

CONTACT: Will Thompson, 651-296-9813 Paula Beck, 651-296-9806
 will.thompson@state.mn.us paula.beck@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 Agency and the Chief Risk Officer have developed procedures for the receipt, retention and treatment of complaints received by the Agency or the Chief Risk Officer regarding conflict of interest, misuse of funds and fraud that have been submitted by any person external or internal to the Agency.

Update from the Chief Risk Officer regarding complaints of potential conflict of interest, alleged misuse of funds and alleged fraud that have been reported to the Agency or the Chief Risk Officer since the Board adopted Reporting Non-Compliance with Agency Policy and Procedures on January 27, 2011.

FISCAL IMPACT:

There were 35 instances of potential conflicts of interests, alleged misused funds and alleged fraudulent activity for the 46-month period beginning December 2010 and ending September 2014. A total of \$226,301 was not recovered: (\$148,758 in misused funds (unchanged from last quarter), and \$77,543 in fraudulent activity (unchanged from last quarter).

MEETING AGENCY PRIORITIES:

Promote and support successful homeownership Preserve federally-subsidized rental housing
 Address specific and critical needs in rental housing markets Prevent and end homelessness
 Prevent foreclosures and support community recovery Strengthening Organizational Capacity

ATTACHMENT:

Reporting Non-Compliance with Agency Policy and Procedures.

Reporting Non-Compliance with Agency Policy and Procedures

This reporting is designed to convey to the Board any complaints received, their current status, and their resolution, if one has been reached.

An updated report will be delivered to the Board quarterly, with the next report due January 22, 2015.

| Complaints Received by Agency or Chief Risk Officer | | | |
|--|---------------|-------------------|--------------------|
| Complaint | Status | | |
| Resolution | Closed | In Process | Grand Total |
| Conflict of Interest | 3 | 1 | 4 |
| External Employment Approved | 1 | | 1 |
| Insufficient Evidence | 2 | | 2 |
| None Yet | | 1 | 1 |
| Fraud / Embezzlement | 5 | 1 | 6 |
| Funding Transferred to Different Entity | 1 | | 1 |
| Insufficient Evidence | 3 | | 3 |
| FBI Investigation Initiated | 1 | | 1 |
| Provided Requested Loan Information | | 1 | 1 |
| Misuse of Funds | 17 | 8 | 25 |
| All Funds Returned to Agency | 2 | | 2 |
| Insufficient Evidence | 3 | | 3 |
| Issue Cured | 1 | | 1 |
| Negotiated Settlement | 5 | | 5 |
| None – Nonviable Counterparty | 1 | | 1 |
| OLA Forwarded Complaint to County | 1 | | 1 |
| Revenue Recapture | 2 | 1 | 3 |
| Entry of Judgment | 2 | | 2 |
| None Yet | | 3 | 3 |
| Notice of Default Sent | | 4 | 4 |
| Grand Total | 25 | 10 | 35 |

Key Trends:

- No new alleged misuse of funds cases opened from July 2014 through September 2014
- No cases closed from July 2014 through September 2014

Report Legend:

- Complaint – An allegation or inquiry of non-compliance with Agency policy and procedures
- Status – Can be either In Process or Closed
- Resolution – How was the complaint resolved (Closed Status) or current disposition (In Process)

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