

# 2011 { Annual Report & Program Assessment





## Providing building blocks for Minnesota's changing housing needs

As we move through different phases of our lives, our housing needs change. As this report highlights, Minnesota Housing has been there to provide the building blocks to meet these changing needs. As a result, thousands of Minnesota families have moved successfully from phase to phase with a safe and decent place to call home. Through our work to end homelessness and prevent foreclosure, we provide help at times when housing crisis translates to family and community instability. Through our work to preserve aging affordable housing stock, we demonstrate that strategic investments now will secure the affordable housing supply for families decades in the future. By financing new affordable rental housing and first-time homebuyer loans, we're helping young people just getting started build a stable foundation for their families. Throughout each phase, we provide platforms for family stability and success.

In February of 2011, Governor Mark Dayton gave me the opportunity to return to Minnesota Housing where I began my professional career in 1976. After 10 years at the Agency, I went on to work in the private mortgage banking sector and for national non-profit financial intermediaries. I am thankful Governor Dayton opened the door for me to return to this organization for which I have deep respect and admiration. I am surrounded by staff committed to public service and motivated by our mission and a rich network of private housing developers, lenders, state and local government partners and non-profit service providers.

Thank you for the role that each of you played making homes affordable for Minnesotans in 2011. I look forward to working with you to meet the ever changing housing needs of Minnesota families.

Mary Tingerthal, Commissioner



# 2011 Highlights



*This report is divided into two sections—the first is our annual report (p. 1-11), which highlights Minnesota Housing activities in 2011. The pages that follow (p. 12 – 43) include our annual program assessment with descriptions of our programs and a detailed breakdown of programs and fund distribution. The program assessment also fulfills mandatory reporting requirements of the state.*



- Minnesota Housing assisted more than 70,000 households or units, deploying nearly \$727 million in 2011—a remarkable accomplishment in these tumultuous economic and political times.
- 2,245 families became homeowners for the first time with Minnesota Housing loans. This means nearly 5,000 more Minnesotans now live in an affordable home they can call their own. Of these families, 23% were households of color—more than double the percentage in the regular mortgage marketplace in 2010.
- 101 loans were closed for multifamily properties, resulting in nearly 4,300 new or rehabilitated rental housing units. This activity also resulted in an estimated 4,200 construction jobs at a time when building contractors are suffering from high levels of unemployment.
- Received strong bipartisan support for continued state appropriations, with a modest 6.3% reduction from the previous biennium, despite a \$5 billion State budget deficit.
- Reached the 3,582-unit mark toward the State’s goal of producing 4,000 supportive housing opportunities by 2015 for individuals and families that have experienced long-term homelessness.
- More than 10,000 households received foreclosure counseling, with nearly 60% of those households being able to avoid foreclosures and stay in their homes.
- Retained position as the HUD Performance Based Contract Administrator (PBCA) for Minnesota and will continue to administer rent subsidies for more than 30,000 households in Minnesota.
- The median household income served in all but three programs was below \$50,000 in 2011.
- The Quick Start Disaster Recovery Program provided flood relief to more than 100 households in southern Minnesota and \$1 million was approved to help residents of north Minneapolis recover from tornado damage.
- The Agency accomplished this and more with a staff of 208 dedicated public servants with all operating expenses paid from revenues generated by our programs.

# Financial Highlights

## Sound financial results in a weak housing market

The Agency achieved sound financial and programmatic results in a year when national and state housing markets continued to be weak. Focusing on the fundamentals, the Agency incorporated three key changes: reducing homeownership loan delinquencies with a resulting reduction in loan loss expense; reducing risk exposure by increasing reliance on mortgage-backed securities; and generating greater loan production in a difficult economy.

### Other 2011 financial highlights include:

- Retained credit ratings of “AA+” from Standard and Poor’s and “Aa1” from Moody’s, which results in better financial execution on Agency bond issues. This ultimately translates into lower borrowing costs for homeowners and developers. The Agency is one of only three housing finance agencies in the country with “Aa1/AA+” or higher credit ratings.
- This strong performance paired with reduced risk exposure to whole loans made it possible to transfer \$13.9 million to our Housing Affordability Fund (Pool 3/foundation) for use in program funding for our lowest income residents during the next year.

**Minnesota Housing was the fifth highest producing housing finance agency in the country under the New Issue Bond Program.**



*Don Wyszynski was appointed Chief Financial Officer in September 2011*

## **Major trends in the financial marketplace provided the backdrop for the Agency's programmatic results:**

- ❖ During the previous two fiscal years, Minnesota Housing maintained high levels of program activity in a tough economy with the help of federal stimulus funding. These programs provided a helpful bridge for housing developers during a time when more traditional finance programs, especially the Low Income Housing Tax Credit, were not functioning effectively in the marketplace. Fortunately, in 2011, investors returned to the Tax Credit market at the same time that stimulus programs began to wind down.
- ❖ At a time of historically low interest rates, Minnesota Housing was able to offer competitively priced mortgages for first-time homebuyers through careful debt management practices and utilization of the U.S. Treasury Department's New Issue Bond Program. This program was even more effective because of the Agency's earlier shift from holding whole loans to holding mortgage-backed securities, reducing the level of risk on our balance sheet. As investors have shown a preference for bonds backed by mortgage-backed securities, the Agency has enjoyed superior executions on its bond sales.
- ❖ Minnesota Housing took important steps in 2011 to ensure the strength of our financial, technology and risk management infrastructure and engaged our financial advisor to conduct a capital adequacy assessment, the results of which confirmed the Agency is sufficiently capitalized to weather a highly stressed (and highly unlikely) scenario of a continuing deterioration in the housing and financial markets.
- ❖ The Agency made significant investments in technology support in 2011 for our single-family mortgage-backed securities platform and multifamily asset management platform. These are the first steps in a program that will result in significant process improvements over the next two to three years.

**Minnesota Housing transferred \$13.9 million  
to our Housing Affordability Fund (Pool 3/  
foundation) to continue mission-driven activities  
that serve the lowest income residents.**

# Single Family

## Building and sustaining homeownership

In 2011 Minnesota Housing offered first-time homebuyer loans at the lowest interest rate in our 40-year history. Although the Agency will face a challenge in maintaining our single family mortgage lending program at similar levels for 2012, we are committed to finding new ways to use tools in the capital markets to maintain our lending programs.

- 2,245 families became homeowners for the first time with a Minnesota Housing first-time homebuyer loan. With an average family size of 2.1 people, that means that nearly 5,000 more Minnesotans now live in an affordable home they can call their own.
- Our diverse network of 77 homeownership lender partners includes nearly 800 branches across the state. Along with our 112 home improvement lenders with a total of 372 branches, we train this delivery network to address the changing housing needs across the state. Partners include banks and mortgage lenders, as well as nonprofit lenders, local units of government and community action agencies.

### Recognizing partners, expanding our reach

- The Top Producing Loan Officer Program highlights accomplishments of loan officers who achieve production thresholds with top producing loan officer designation on our website and recognition in regional Partners in Affordable Housing Awards.
- Recognizing the valuable link they provide in reaching first-time homebuyers, the Agency held training sessions in every corner of the state and trained more than 2,000 real estate professionals on our mortgage and entry cost and down payment assistance products.

### Home Improvement

- The Agency simplified delivery of our Rehab Loan Program which provides home improvement funding for very low income residents. As a result, the number of local administrators has increased, loans are processed faster and customer interest and satisfaction has risen.
- In 2011 Minnesota Housing partnered with the City of St. Louis Park through the Community Fix-Up Fund and Center for Energy and the Environment to buy down our interest rate resulting in interest rates as low as 4% for home improvement loans.
- In addition to allocating \$1 million of Quick Start Disaster Recovery funds to help residents of north Minneapolis affected by the May 2011 tornado, the Agency awarded \$1.5 million for home repairs and improvements in targeted Twin Cities neighborhoods.

### Typical single family mortgage:

Purchase price:  
**\$120,000**

30-year fixed rate:  
**3.625%**

Down payment and closing cost assistance:  
**\$4,700**

# “It’s a home. We feel like we can stay forever.”

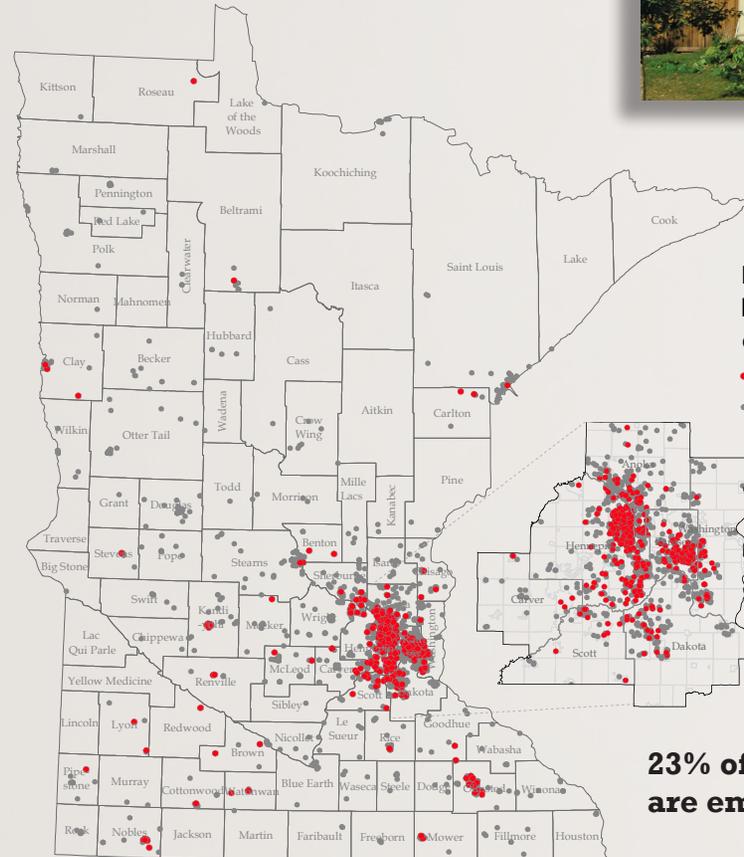
Beatrice Sime Sopsec was born in Cameroon and moved to the United States in 2006 and received political asylum. After arriving in Minneapolis, she lived in transitional housing, took classes to learn American culture, and worked hard to save money in order to bring her sons to the United States.

Homeownership wasn’t on her mind when she moved to the U.S. because she didn’t believe it would be possible. After learning about the City of Lakes Community Land Trust (CLCLT), she thought it would be a great fit for her and her family. Beatrice purchased her 1957 four-bedroom bungalow through CLCLT, which utilized a Minnesota Housing community development program. The Agency also provides support to CLCLT to assure long term affordability. Now she says it is a place where she feels safe and where she wants to be.

She enjoys her home and works full time at Homeward Bound, a non-profit organization that supports children and adults living with disabilities.



Beatrice Sime Sopsec



## Mortgage Revenue Bond Loans by Emerging Market Households

October 1, 2010 - September 30, 2011

- Emerging Markets (515 Loans)
  - White non-Hispanic Household (1,730 Loans)
- 2,245 Loans Purchased

**23% of first-time homebuyers are emerging market households.**

# Ongoing commitment to preventing foreclosure

## Leveraging federal funds - National Foreclosure Mitigation Counseling (NFMC)

- Based on the strength of our counseling network and clean compliance reviews, Minnesota Housing received \$3 million of round 5 NFMC funds, the third largest amount of federal funding in the country, for foreclosure counseling and outreach.
- Minnesota Housing provides about 70% of the funds the foreclosure counseling network utilizes to continue to provide this valuable service.

A recent evaluation of the first two rounds of NFMC had the following highlights to report on households that sought counseling under NFMC:

- Homeowners who received counseling were twice as likely to receive loan modifications compared to non-counseled homeowners.
- Counseled homeowners were 67% more likely to remain current on their mortgages nine months after receiving a loan modification.

## Emergency Homeowners' Loan Program (EHLF)

During the summer of 2011, Minnesota Housing participated in HUD's Emergency Homeowners' Loan Program (EHLF) designed to provide bridge financing for unemployed homeowners for up to two years while they sought re-employment.

- This program was administered under an extremely tight timeframe and in the three week application period for EHLF assistance, impressive outreach was conducted throughout Minnesota resulting in 3,592 pre-applications.
- While ultimately only 352 applicants met HUD's stringent screening requirements under the program, the program reached significant numbers of unemployed Minnesotans statewide and connected them to a quality foreclosure counseling provider. Focused outreach was conducted in the areas of highest foreclosure concentration, in addition to reaching households in need throughout the entire state.

## Success Story:

*In January 2011, Bob and Karen\* called a foreclosure counselor after Bob lost his job and Karen's hours were reduced by 20%. Bob applied for and was expected to receive unemployment, but they were not able to make their January and February house payment. They had not yet contacted the bank and were wondering about a possible modification through Making Home Affordable. After their foreclosure counselor reviewed their budget and found considerable credit card debt and a large monthly deficit, a hardship package was submitted in March. Bob and Karen were notified from their bank that they had been approved for a Trial Modification beginning May 1, 2011 through July 1, 2011. They completed their trial period and in September, received their final loan modification of 1-5 years at 2.00% interest with total monthly PITI payment of \$850.05 per month, a monthly savings of \$750.00.*

*\*Names have been changed*



*These formerly vacant and foreclosed St. Paul homes were rehabbed and put on the market by MyHomeSource, LLC.*

## Innovative partner in foreclosure mitigation

In 2011, Minnesota Housing continued its work to remediate the effects of foreclosure on heavily impacted neighborhoods under the first round of the federal Neighborhood Stabilization Program (NSP) with 19 subrecipients. The original \$38.8 million grant has grown to \$44 million, as communities reinvest program income and continue their work of acquiring and rehabilitating foreclosed properties. To date, 526 properties have been acquired under the program and during 2011, 115 of those have either been rehabbed and sold to a new owner, demolished to make way for a new use, or been land-banked for future redevelopment. Also in 2011, the Agency received an additional \$5 million grant through the third round of NSP funding and committed resources within 60 days to six communities for work in very targeted areas.

- ❑ One example of the type of activity supported by Minnesota Housing through the Twin Cities Community Land Bank is the work of MyHomeSource, LLC. With funding from the Twin Cities Community Land Bank, MyHomeSource fine-tuned a business model that quickly, and with no public subsidy, cycles foreclosed properties back into the marketplace.
- ❑ **Innovative Model:** MyHomeSource utilizes the First Look Program to acquire foreclosed properties before they hit the open market. Of the 168 properties it has acquired, roughly 60% (102) have been acquired at a discount through the First Look Program. This has translated into more than \$1.5 million in savings.
- ❑ **Quality Rehab:** MyHomeSource rehabs the property, improves major systems, appliances, and other physical problems to ensure that home buyers do not immediately face significant repairs. A typical scope of work includes painting, flooring, cabinets, countertops, electrical, HVAC, and plumbing. MyHomeSource rehabs the homes in compliance with MN Green Communities rehab standards and offers a one-year home warranty on all homes, covering a variety of systems and appliances including heating, air conditioning, plumbing, electrical, water heaters, dishwashers, ranges and more.
- ❑ **Sales Volume:** MyHomeSource has been operating since the fall of 2008 and has redeveloped and sold 142 properties (as of February 6, 2012) in 37 metro communities. The average acquisition price is \$81,000, the average rehab cost is \$47,000, and the average sales price is \$156,000.

In addition, Minnesota Housing has \$23 million in Agency resources at work through partner organizations to acquire, rehab and resell vacant and foreclosed homes. The Greater Metropolitan Housing Corporation is using \$10 million on Minneapolis' North Side, working with the city and other developers to acquire key properties. Another \$13 million is being used by the Twin Cities Community Land Bank to fund the acquisition and rehabilitation of foreclosed properties by both non-profit and for-profit developers. Many of the non-profit developers combine this loan money with NSP subsidy dollars to tackle blighted properties in the hardest hit neighborhoods. The for-profit developers typically operate without public subsidy while meeting or exceeding a prescribed rehab standard.

# Multifamily

## Leveraging resources, creating jobs

### Multifamily by the numbers

- 101 loans for multifamily rental properties, including both new construction projects and preservation projects with new capital investments in existing properties
- \$421 million estimated total development cost (Minnesota Housing and partner financing)
- 4,200 estimated jobs created
- 4,290 units of multifamily rental housing created or preserved
- More than 500 supportive housing opportunities financed for long-term homeless

### Winning bid

- Minnesota Housing won the bid to continue to administer rent subsidies for more than 18,000 units—a total of more than 30,000 existing subsidized units under various housing voucher and subsidy programs for HUD
- This contract generates more than \$4 million in fee income for Minnesota Housing and ensures well maintained and managed Section 8 properties in Minnesota

### Ending homelessness

- The Agency recently convened commissioners of nine state agencies that make up the Minnesota Interagency Council on Homelessness and will develop a set of action items for making programs that address the needs of homeless families operate more efficiently and effectively. The council will submit an action plan to Governor Mark Dayton in 2012.
- Minnesota Housing won a 2011 National Council of State Housing Agencies (NCSHA) award for combating homelessness among Minnesota's American Indian population. Our successful integration of supportive services and housing and the successful adaptation of models on both tribal lands and in urban settings has improved access to health care, including mental health services for homeless individuals, families and youth and has leveraged additional resources for tribal lands and Indian-serving organizations.



*Renaissance Box, St. Paul*



*Grand Plaza,  
Grand Rapids*





The Depot at Elk River Station



Clare Midtown, Minneapolis



Cypress Apartments, Maplewood



Westwind Townhomes, Wilmar

## Government reform

- ❑ The Agency was selected to participate in a pilot program with HUD and USDA Rural Development to reduce the number of annual physical inspections for rental properties.
- ❑ The pilot could reduce annual inspections from three to one – that’s 60 fewer inspections over the life of a 30-year mortgage.
- ❑ A successful pilot will simplify the process for rental property owners and reduce public expenses to manage the properties over 30 years – a better program at a better price for Minnesota property owners that will set the standard for the rest of the country.



Colleen Landkamer, State Director of USDA Rural Development, Mary Tingerthal, Minnesota Housing Commissioner and Dexter Sidney, HUD Field Office Director, sign a Memorandum of Understanding to reduce regulatory burdens and eliminate duplicate inspection requirements.

The Agency is working with EnergyScoreCards Minnesota, a two-year pilot project funded by Xcel Energy and the Minnesota Department of Commerce Division of Energy Resources that implements energy benchmarking and tracking at multifamily rental buildings in Minnesota. This pilot project offers access to a web-based energy benchmarking tool comparing a building’s performance with that of similar buildings.



# Strategic Preservation

An estimated 10,000+ units of affordable rental housing in Minnesota are at risk of being lost in the next five years. The owners may choose to convert the units to market rate housing (this is possible because they are reaching the end of a 30-year mortgage and the property is located in an economically strong community) or the property needs significant capital investment and does not generate sufficient cash flow to pay for the needed improvements.

Minnesota has a history of taking a systemic, long-term approach to stabilization and preservation needs. In 2011, the Agency built an infrastructure based on the premise that good data, communication and planning between funders and owners is the smartest way to make informed policy and preservation decisions. The Agency invited a group of affordable multifamily housing owners to participate in a pilot project for a new Loan Portfolio Performance Tool that will collect and analyze property and program data to coordinate preservation efforts. The development of the Loan Portfolio Performance Tool is one activity of the Minnesota Preservation Plus Initiative, a collaboration between Minnesota Housing, Family Housing Fund and Greater Minnesota Housing Fund.

With funding from the MacArthur Foundation, the Minnesota Preservation Plus Initiative is expanding, accelerating, and leveraging the existing work being done in Minnesota to move meaningfully toward a stronger emphasis on prevention activities, including:

- Fill existing gaps through development of a policy framework to address preservation challenges around federal programs and existing portfolios.
- Significantly expand the application of the Minnesota Housing property risk predictive model.
- Provide technical assistance to property owners by expanding access to pioneering asset management tools developed locally for supportive housing providers to providers of standard affordable housing.
- Fund a feasibility study to explore local threats to existing unsubsidized but affordable properties. Develop for future testing an acquisition/preservation strategy to maintain this housing stock.
- Establish a flexible pool of philanthropic resources to create a revolving fund for a variety of short-term investment needs.



*Jefferson Square, Northfield*



*Riverside Plaza, Minneapolis*



*Riverside Plaza,  
Minneapolis*



*Nicollet Towers,  
Minneapolis*



*2011 brought significant changes to several large scale affordable housing developments. The three developments pictured here have a combined total of 1,659 preserved units.*

- ❑ **Nicollet Towers** is a 306-unit elderly and workforce development in the central business district of Minneapolis. Owned by Volunteers of America, the development had significant physical deficiencies that could not be met by debt restructuring alone. The ability of the Agency to issue bonds under the U.S. Treasury's New Issue Bond Program and the resulting favorable interest rate, in combination with a HUD approved rent increase, allowed the Agency to leverage an additional \$3.5 million in amortizing debt to ensure that all necessary improvements could be completed.
- ❑ **Riverside Plaza** is a 1,303-unit mixed use project which houses approximately 4,440 individuals of diverse cultural backgrounds. It is the largest affordable housing complex in Minnesota. The 11-building Riverside Plaza campus was designed by architect Ralph Rapson and completed in 1973 as part of HUD's "New Town in Town" initiative. There are also on-site services managed by a non-profit tenant resource association that include child care, a K-8 charter school, computer education lab and adult literacy facilities. There will be approximately 300,561 labor hours of work on the project over the next two years and a total refinance and renovation cost of \$132 million.
- ❑ **Jefferson Square** – This acquisition and rehabilitation of a 50-unit federally assisted development in Northfield benefits from a 100% project-based Section 8 contract and partnerships with local non-profits to provide supportive services, including employment readiness, parenting, education and financial literacy.

# Appendix

## Housing Assistance in Minnesota

### Program Assessment for Federal Fiscal Year 2011

The following appendix provides a comprehensive overview of Minnesota Housing funded activities and outcomes for the one-year period October 1, 2010 - September 30, 2011.

The appendix is broken into two parts:

- 1) Minnesota Housing program descriptions
- 2) Data tables

*Information in this report includes: home improvement, rehabilitation, and homeownership financing provided during the reporting year; units in multifamily developments for which Minnesota Housing disbursed deferred loans or permanent mortgage financing that closed (or initially closed) during the reporting year; and tenants who received rental assistance during the reporting year.*

### HOMEBUYER PROGRAMS

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#### **Minnesota Mortgage Program (MMP)**

MMP provides fully-amortizing first mortgage loans for low- and moderate-income first-time homebuyers. The loans are originated by participating first mortgage lenders throughout the state.

#### **Community Activity Set-Aside (CASA)**

CASA provides fully-amortizing mortgage loans to low- and moderate-income first-time homebuyers. The loans are originated through first mortgage lenders throughout the state. Under CASA, the Agency offers access to a designated pool of funding for lenders and their community partners that are addressing a locally identified community credit need.

#### **Homeownership Assistance Fund (HAF)**

HAF provides entry cost assistance to income eligible first-time homebuyers purchasing their homes through an Agency first mortgage program (i.e., the Minnesota Mortgage Program or the Community Activity Set Aside Program). HAF loans are deferred second mortgage loans with no interest.

#### **HOME Homeowner Entry Loan Program (HOME HELP)**

HOME HELP is interest-free, deferred funding to assist eligible homebuyers with downpayment and closing costs. Assistance is available to first-time buyers under Minnesota Housing's CASA first mortgage program.

#### **Habitat Next 1,000 Homes**

Minnesota Housing funds Habitat for Humanity's Next 1,000 Homes campaign, which provided no-interest loans to qualifying low-income homebuyers in the Twin Cities.

#### **Habitat 21st Century Fund**

Minnesota Housing funds Habitat for Humanity's 21st Century Fund, which provided no-interest loans to qualifying low-income homebuyers primarily through Habitat affiliates in Greater Minnesota.

#### **Homeownership Education, Counseling, and Training (HECAT)**

HECAT provides financial support to eligible nonprofit organizations or public agencies offering comprehensive homebuyer/owner training on a pre- or post-purchase basis. Funds also may be used to provide counseling services to individuals facing foreclosure through and, if applicable, mortgage payment or other financial assistance on a one-time basis. HECAT resources include federal NeighborWorks funding for foreclosure prevention counseling and resources from other funding partners.

### HOME IMPROVEMENT PROGRAMS

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#### **Fix-Up Fund (FUF)**

FUF provides below-market interest rate, fully-amortizing home improvement loans to low- and moderate-income homeowners to improve the livability and energy efficiency of their homes.

#### **Community Fix-Up Fund (CFUF)**

CFUF is a home improvement program with more flexible requirements than the Fix-up Fund and is designed to support local initiatives, including lower program interest rates and more aggressive loan underwriting criteria. Lenders participating in FUF may apply for CFUF resources for targeted activities that meet locally defined home improvement needs and objectives.

#### **Energy Saver Rebate**

Fix-Up Fund and Community Fix-Up Fund borrowers received federally-funded rebates for making energy saving improvements with their loan proceeds.

#### **Rehabilitation Loan Program**

The Rehabilitation Loan Program provides deferred loans at no interest to low-income homeowners to fund repairs directly affecting the safety, habitability, energy efficiency or accessibility of their homes. The program is administered by local agencies.

**Emergency and Accessibility Loan Program (ELP)**

ELP provides deferred loans to low-income homeowners to address emergency conditions or essential accessibility needs for a disabled resident.

**RENTAL PRODUCTION – NEW CONSTRUCTION AND REHABILITATION**

**Low- and Moderate-Income Rental Program (LMIR)**

LMIR provides interest-bearing, amortizing, first mortgages available for the refinance, acquisition, rehabilitation or new construction/conversion of rental apartment buildings that house low- and moderate-income Minnesotans. Flexible Financing for Capital Costs, offered only in conjunction with LMIR, provides additional deferred assistance to support the production, stabilization, and maintenance of multifamily rental housing.

**Housing Tax Credits (HTC)**

HTC is a federal income tax credit to owners and investors in the construction or acquisition with substantial rehabilitation of eligible rental housing. Housing must meet income and rent restrictions for a minimum of 30 years. Tax credits are awarded in a competitive allocation process held each year concurrently with the Minnesota Housing Consolidated Request for Proposals. The allocation of tax credits is based upon the state population and a per capita amount that increases each year with the cost of living. The syndication proceeds are the amount of private equity invested in developments as a result of federal housing tax credits awarded.

**Housing Tax Credits-Section 1602/Exchange**

Under this program, tax credit agencies such as Minnesota Housing could exchange a portion of their Housing Tax Credits for cash grants from the U.S. Treasury to replace tax credit equity for developments unable to find a syndicator or provide gap funding (in the form of a no-interest forgivable loan) for the development of affordable rental housing stalled by the deteriorated housing tax credit market.

**Housing Tax Credits-Tax Credit Assistance Program (TCAP)**

As with Section 1602, TCAP was designed to provide gap funding (in the form of a deferred loan or forgivable deferred loan) to assist in the development of affordable rental housing stalled by the deteriorated housing tax credit market.

**Affordable Rental Investment Fund-Preservation (PARIF)**

PARIF is a statewide program that provides deferred loans at below-market interest rates to help cover the costs of preserving permanent affordable rental housing with long-term, project-based federal subsidies that are in jeopardy of being lost. Program funds may also be used to preserve supportive housing developments. The program provides funds to help with the costs of acquisition, rehabilitation and debt restructuring, as well as equity take-out deferred loans.

**Publicly Owned Housing Program**

This program provides deferred loans at no interest to eligible public entities to acquire, construct, or rehabilitate permanent supportive rental or transitional housing (including land and buildings). Funds are from proceeds of state general obligation bonds and may be used only for eligible capital costs; operational expenses are not an eligible use.

**HOME Rental Rehabilitation Program**

This federally funded program provided deferred loans to rehabilitate privately owned rental property to support affordable, decent, safe, and energy efficient housing for lower-income families.

**Rental Rehabilitation Loan Program**

The Rental Rehabilitation Loan Program provides fully amortizing property improvement loans for up to 15 years to residential rental property owners. Financing is available statewide.

**RENTAL ASSISTANCE**

**Section 8**

The Section 8 program was enacted in 1974 to provide decent, safe, and sanitary affordable housing for households with a range of incomes. Eligible tenants pay no more than 30 percent of their income for rent; HUD pays the difference between tenant payments and the fair market rent of the housing. For informational purposes, data on Section 8 Performance Based Contract Administration units that Minnesota Housing administers under a contract with HUD, and Minnesota Housing-financed Section 8 units is reported separately.

### **Section 236** (Minnesota Housing-financed)

The Section 236 Program, which was used to fund low-income housing in the late 1960s and early 1970s, was predominately a program between the federal government, private lenders, and private for-profit and non-profit developers. Under Section 236 the federal government subsidized the interest rate on the mortgage from the then current market rate to a rate of one percent in order to reduce rents and make housing more affordable. Section 236 was a predecessor to the Section 8 program.

### **NON-CAPITAL RESOURCES TO PREVENT AND END LONG-TERM HOMELESSNESS**

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#### **Housing Trust Fund (HTF)**

Rental assistance and operating subsidies currently may be provided for unique costs associated with operating a low-income or supportive housing development or for revenue shortfall to help reduce the difference between the costs of operating a low-income housing development and the rents that the tenants can afford to pay. At least 75 percent of funds in HTF must be used for the benefit of persons and families whose income, at the time of initial occupancy, does not exceed 30 percent of the median family income for the Minneapolis/Saint Paul metropolitan area. HTF has been used for capital funding for acquisition, construction, and rehabilitation of affordable and/or permanent supportive housing.

#### **Ending Long-Term Homelessness Initiative Fund (ELHIF)**

ELHIF is assistance for permanent supportive housing for persons experiencing long-term homelessness and can be utilized for capital financing, operating subsidies, rental assistance, and non-bondable development costs in general obligation bond-funded supportive housing projects.

#### **Bridges**

Bridges operates in selected counties to provide grants for temporary rental assistance payments and security deposits paid directly to landlords. Assistance is provided on behalf of participants with serious and persistent mental illness who are on a waiting list for a permanent rent subsidy, typically a Section 8 Housing Choice Voucher. Other eligible uses of Bridges funding include utility deposits, or payment of contract rent or utilities for up to 90 days during a medical or psychiatric crisis. The program is admin-

istered by local housing organizations; referral to the program must be made by a mental health professional.

#### **Family Homeless Prevention and Assistance Program (FHPAP)**

FHPAP provides grants to encourage and support innovations at the county, region, or local level in redesigning the existing homelessness support system or in establishing a comprehensive system. Funds are used for a broad range of purposes aimed at preventing homelessness, shortening the length of stay in emergency shelters or length of homelessness, and assisting individuals and families experiencing homelessness to secure transitional or permanent affordable housing.

#### **Housing Opportunities for Persons with AIDS (HOPWA)**

This federally funded program provides grants to nonprofit agencies to meet the housing needs of persons with Acquired Immune Deficiency Syndrome (AIDS), HIV-positive status, or related diseases, and their families. Grants may fund both housing assistance and services. The City of Minneapolis receives and administers a direct grant for the 11-county Minneapolis/Saint Paul metropolitan area, and the State of Minnesota receives a direct award of funds for the portion of the state not covered by the City of Minneapolis grant.

### **PORTFOLIO MANAGEMENT**

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#### **Asset Management**

The Asset Management and Financing Adjustment Factor (FAF) and Financing Adjustment (FA) accounts are used to make interest and non-interest bearing amortizing and deferred loans as well as rent subsidy grants. Minnesota Housing-financed first mortgage developments may be eligible for funding if reserves are inadequate to fund capital improvements. Loans typically are made to provide funding necessary for repairs and maintenance to protect the Agency's assets and ensure the development is decent, safe and sanitary. FAF/FA savings are the result of an agreement between the U.S. Department of Housing and Urban Development (HUD) and Minnesota Housing to share in the savings resulting from refunding high interest rate bonds originally issued in 1980 and 1982 to finance Section 8 developments.

## MULTIPLE USE RESOURCES

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### **Economic Development and Housing Challenge Fund**

The Challenge Fund provides grants or loans for a variety of purposes including: construction, acquisition, rehabilitation, or permanent financing; interest rate reduction; refinancing and gap financing. Funds are to support economic development or job creation activities within a community or region by meeting locally identified housing needs and may be used for either rental or owner-occupied housing.

### **My Home Source**

My Home Source is a line of credit funded by the Economic Development and Housing Challenge Fund to enable a single developer to acquire foreclosed homes for rehab and resale.

### **Community Revitalization Program (CRV)**

CRV is the umbrella under which Minnesota Housing currently delivers the Challenge Fund and two interim financing programs for homeownership and rehabilitation of owner-occupied homes.

## OTHER

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### **Flood Economic Development and Housing Challenge Fund**

Challenge funding available for renter or owner occupied housing in areas needing flood relief.

### **Neighborhood Initiative Grant**

A federal grant that assisted supportive housing developments for homeless youth.

### **Neighborhood Stabilization Program (NSP)**

Federal NSP funds provide assistance to local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonments and blight. Minnesota Housing has awarded funds to nine agencies in the Twin Cities and 12 in Greater Minnesota.

### **Quick Start Disaster Recovery Program**

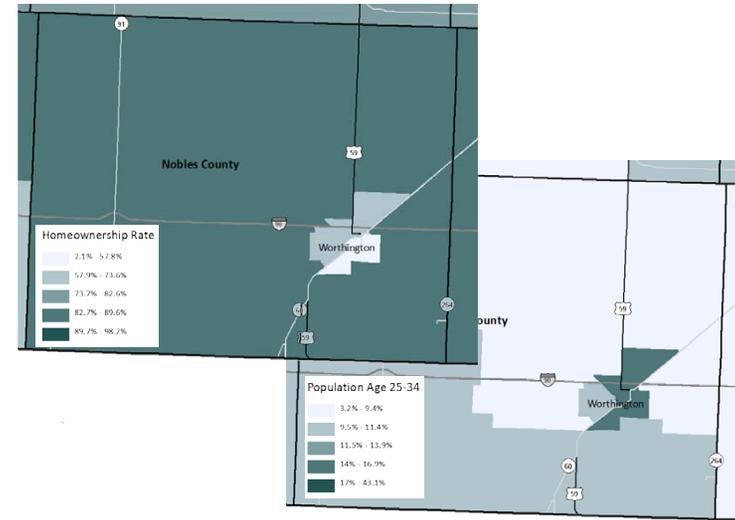
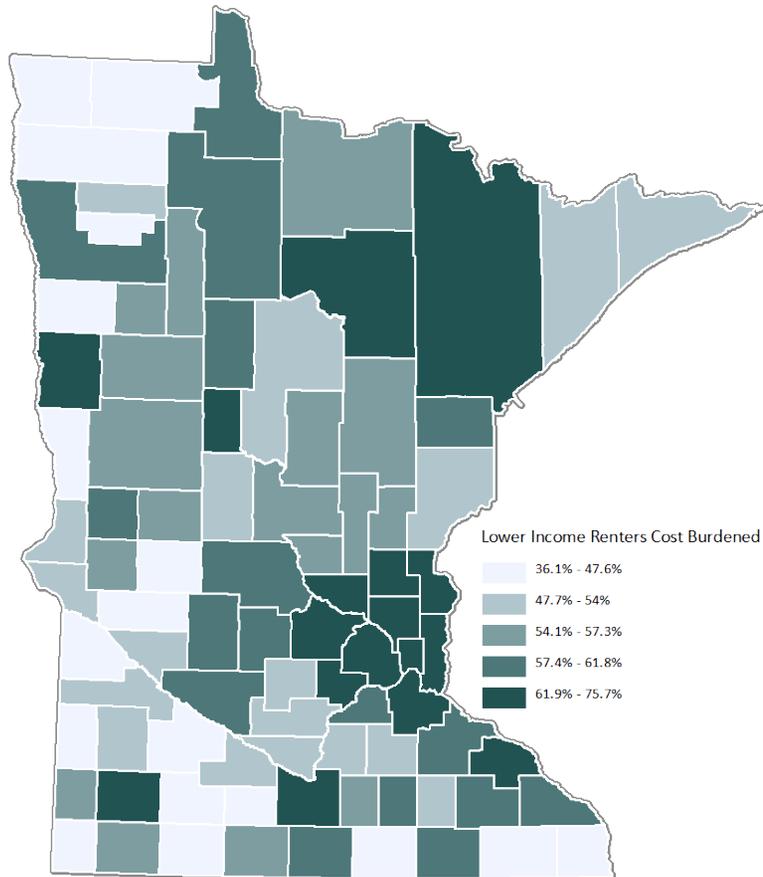
Quick Start assistance was intended to supplement private insurance, FEMA, and SBA assistance for homeowners with damage caused by the disasters in Minnesota. The program provides forgivable, no-interest loans for owner-occupied home repair, new construction or a comparable replacement home (including manufactured homes), or single family rental housing repair.

# Minnesota Housing Community Profiles

Accessible and user friendly data as the foundation to build strategic community investments

Minnesota Housing developed community profiles in 2011 to help guide affordable housing investment decisions. To build the community profiles, the Agency collected data for 24 indicators that capture critical housing market, community and population characteristics for the state's 87 counties and 1,300 census tracts.

- 25 data indicators to describe Minnesota's
  - employment and economy,
  - housing market, and
  - household demographics
- Map and drill down to information by county and census tract



Economy and Workforce | Household Demographics | **Housing Market** | Area of Need

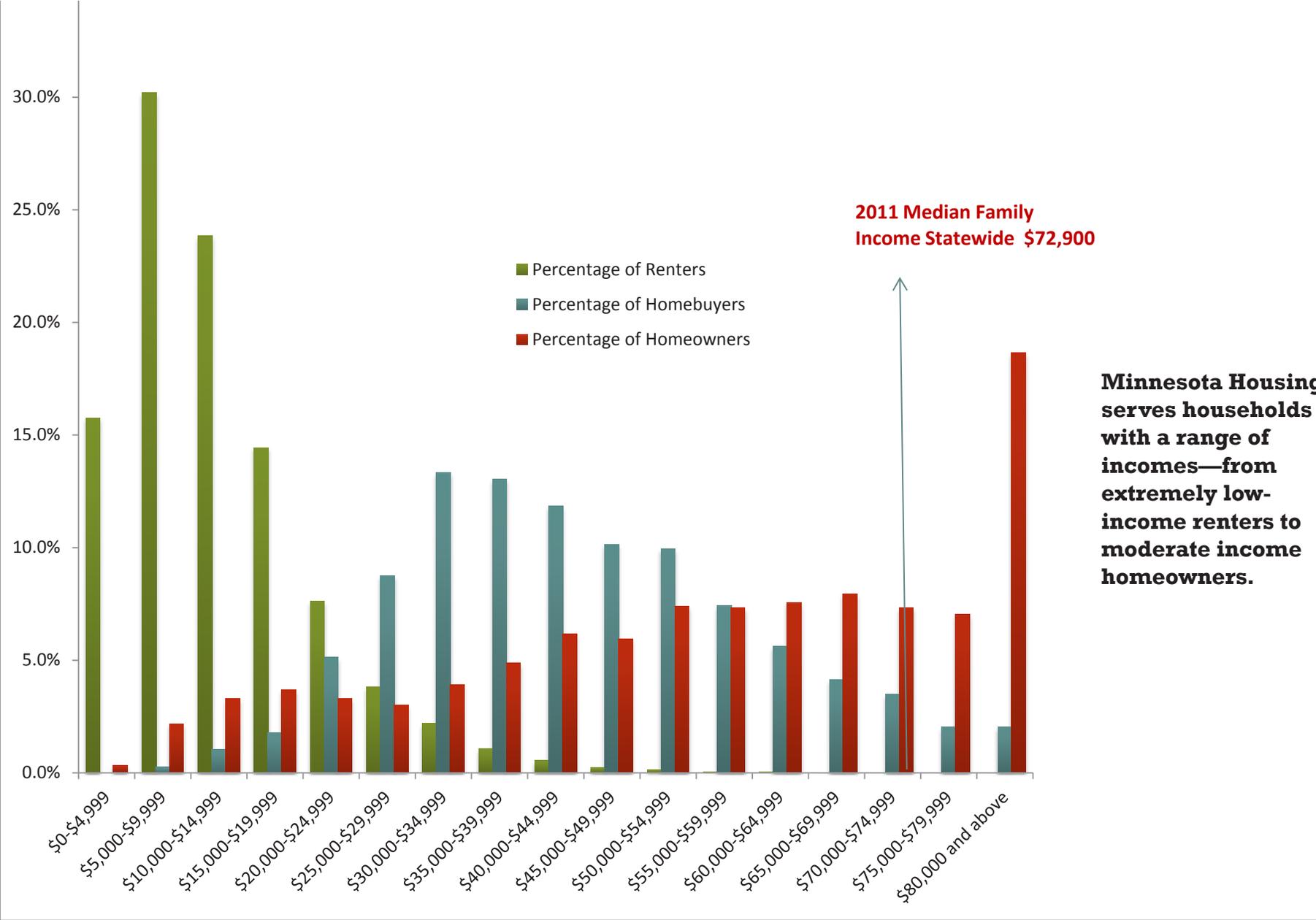
**990500 (Census Tract)**

Indicator	Value	Rank	Notes
Change in Households	-93	Minimum Gain	± 1.38% - Margin of Error
% Change in Households	-7.84%	Minimum Gain	± 1.38% - Margin of Error
Change in Jobs	2,283	Moderate Gain	Worthington, Nobles
% Change in Jobs	38.99%	Moderate Gain	Worthington, Nobles
Total Jobs	14,793	80-100th Percentile	Total Jobs with Low to Moderate Wages within 5 Miles
Travel Time to Work	9	0-20th Percentile	
Unemployment Rate	5.94	0-20th Percentile	City of Worthington

[Download Data](#)

Find detailed data at [www.mnhousing.gov/communityprofiles](http://www.mnhousing.gov/communityprofiles)

# Distribution of Assisted Households by Income and Assistance Type, FFY 2011



**Table 1:**  
Income Distribution of Minnesota Housing Assisted Households, FFY 2011

Gross Annual Household Income	Homebuyers			Homeowners <sup>1</sup>			Renters <sup>2</sup>		
	Number of Households Reporting	Percent of Total Reporting	Cumulative Percent	Number of Households Reporting	Percent of Total Reporting	Cumulative Percent	Number of Households Reporting	Percent of Total Reporting	Cumulative Percent
\$0-\$4,999	0	0.0%	0.0%	6	0.3%	0.3%	7,642	15.8%	15.8%
\$5,000-\$9,999	7	0.3%	0.3%	39	2.2%	2.5%	14,655	30.2%	46.0%
\$10,000-\$14,999	28	1.0%	1.3%	59	3.3%	5.8%	11,566	23.8%	69.8%
\$15,000-\$19,999	48	1.8%	3.1%	66	3.7%	9.5%	7,002	14.4%	84.2%
\$20,000-\$24,999	139	5.1%	8.2%	59	3.3%	12.8%	3,694	7.6%	91.9%
\$25,000-\$29,999	237	8.8%	16.9%	54	3.0%	15.8%	1,846	3.8%	95.7%
\$30,000-\$34,999	361	13.3%	30.3%	70	3.9%	19.7%	1,070	2.2%	97.9%
\$35,000-\$39,999	353	13.0%	43.3%	87	4.9%	24.6%	524	1.1%	99.0%
\$40,000-\$44,999	321	11.9%	55.2%	110	6.2%	30.8%	264	0.5%	99.5%
\$45,000-\$49,999	275	10.2%	65.3%	106	5.9%	36.7%	119	0.2%	99.7%
\$50,000-\$54,999	269	9.9%	75.3%	132	7.4%	44.1%	69	0.1%	99.88%
\$55,000-\$59,999	201	7.4%	82.7%	131	7.3%	51.4%	21	0.0%	99.93%
\$60,000-\$64,999	152	5.6%	88.3%	135	7.6%	59.0%	13	0.0%	99.95%
\$65,000-\$69,999	112	4.1%	92.4%	142	8.0%	66.9%	9	0.0%	99.97%
\$70,000-\$74,999	95	3.5%	95.9%	131	7.3%	74.3%	4	0.0%	99.98%
\$75,000-\$79,999	55	2.0%	98.0%	126	7.1%	81.3%	3	0.0%	99.99%
\$80,000 and above	55	2.0%	100.0%	333	18.6%	100.0%	6	0.0%	100.00%
<b>Total</b>	<b>2,708</b>	<b>100.0%</b>		<b>1,786</b>	<b>100.0%</b>		<b>48,507</b>	<b>100.0%</b>	

**Notes**

<sup>1</sup>These data exclude households reported under Homeownership Education, Counseling and Training, a program without income limits.

<sup>2</sup>The number of households will not equal units assisted due to a lag in when occupancy data are reported to Minnesota Housing.



**Table 2: Median Incomes of Minnesota Housing Assisted Households Compared with Selected Income Standards, FFY 2011**

<b>Programs and Benchmarks</b>	<b>Annual Household Incomes</b>	<b>Percent of State Median</b>
Housing Trust Fund, Rental Assistance	\$7,680	10.5%
Ending Long-Term Homelessness Initiative Fund (ELHIF), Capital	\$8,328	11.4%
Housing Trust Fund, Capital	\$9,060	12.4%
Bridges	\$9,234	12.7%
Family Homeless Prevention and Assistance Program (FHPAP)	\$9,360	12.8%
Section 8 Contract Administration	\$10,534	14.4%
HOME Rental Rehabilitation Program	\$11,160	15.3%
Publicly Owned Housing Program	\$11,172	15.3%
Section 8 (Minnesota Housing-financed)	\$11,752	16.1%
<b>Minnesota Family Investment Program (one adult, two children) maximum benefit including food support</b>	<b>\$12,060</b>	16.5%
Emergency and Accessibility Loan Program	\$12,596	17.3%
Rehabilitation Loan Program	\$13,826	19.0%
Affordable Rental Investment Fund-Preservation (PARIF)	\$13,845	19.0%
Housing Opportunities for Persons with AIDS (HOPWA)	\$15,807	21.7%
<b>Poverty guideline, three-person household</b>	<b>\$18,530</b>	25.4%
Housing Tax Credit syndication proceeds	\$18,532	25.4%
Economic Development and Housing Challenge Fund (multifamily)	\$20,293	27.8%
Low and Moderate Income Rental Program (LMIR)	\$21,840	30.0%
<b>Poverty guideline, four-person household</b>	<b>\$22,350</b>	30.7%
Rental Rehabilitation Loan Program	\$27,600	37.9%
Habitat 21st Century Fund	\$29,892	41.0%
Quickstart Disaster Recovery Program	\$31,594	43.3%
Habitat Next 1,000 Homes	\$33,900	46.5%
Homeownership Education, Counseling, and Training (HECAT)	\$34,944	47.9%
Community Revitalization Program (CRV)	\$35,220	48.3%
<b>50% of HUD median income, statewide</b>	<b>\$36,450</b>	50.0%
<b>200% of poverty, three-person household</b>	<b>\$37,060</b>	50.8%

Table 2, continued: Median Incomes of Minnesota Housing Assisted Households Compared with Selected Income Standards, FFY 2011

Programs and Benchmarks	Annual Household Incomes	Percent of State Median
HOME Homeowner Entry Loan Program (HOME HELP)	\$37,607	51.6%
<b>50% of HUD median income, Minneapolis/St. Paul</b>	<b>\$41,350</b>	56.7%
Neighborhood Stabilization Program (NSP)	\$41,854	57.4%
Community Activity Set-Aside (CASA)	\$42,058	57.7%
Homeownership Assistance Fund (HAF)	\$43,536	59.7%
<b>200% of poverty, four-person household</b>	<b>\$44,700</b>	61.3%
Minnesota Mortgage Program (MMP)	\$44,856	61.5%
<b>60% of HUD median income, Minneapolis/St. Paul</b>	<b>\$49,620</b>	68.1%
My Home Source	\$54,960	75.4%
<b>HUD median income, Minnesota non-metro areas</b>	<b>\$59,200</b>	81.2%
Community Fix-Up Fund (CFUF)	\$62,494	85.7%
Fix-Up Fund (FUF)	\$63,007	86.4%
<b>HUD median income, statewide</b>	<b>\$72,900</b>	100.0%
<b>HUD median income, Minnesota metro areas</b>	<b>\$79,100</b>	108.5%
<b>HUD median income for Minneapolis/St. Paul</b>	<b>\$82,700</b>	113.4%

**\$20,066**  
 The median annual salary of a retail salesperson.

**\$32,193**  
 The median annual salary of a city bus driver.

**\$41,661**  
 The median annual salary of a dental assistant.

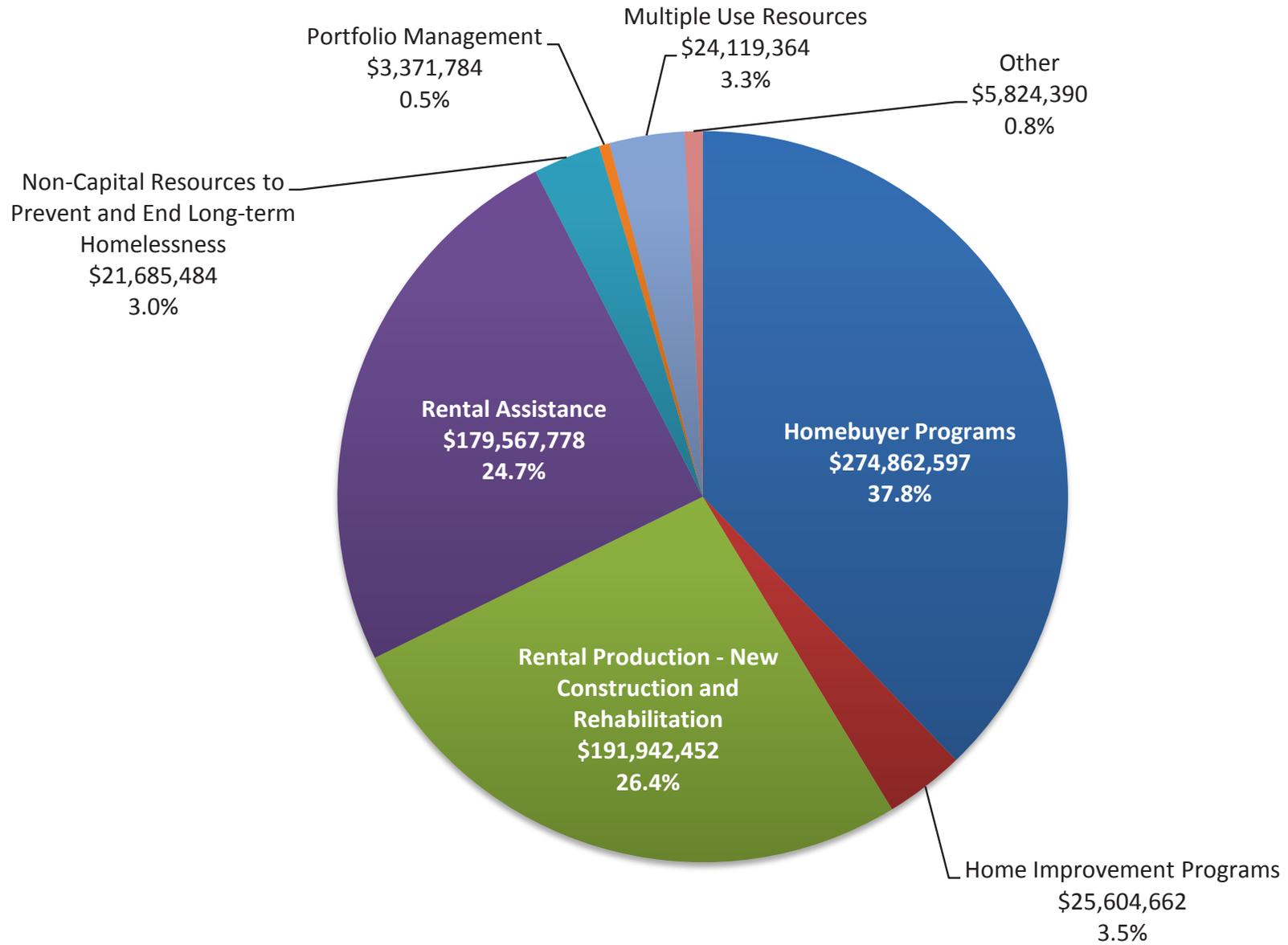


Table 3: Minnesota Housing Assistance, FFY 2011

Programs <sup>1</sup>	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income	Percentage Households of Color <sup>2</sup>
<b>Homebuyer Programs</b>	<b>\$274,862,597</b>	<b>20,802</b>			
Minnesota Mortgage Program (MMP)	\$157,593,503	1,352	\$116,563	\$44,856	18.0%
no downpayment assistance	\$98,496,569	858	\$114,798	\$45,486	11.8%
with HAF downpayment assistance	\$59,096,934	494	\$119,629	\$42,084	28.7%
Community Activity Set-Aside (CASA)	\$103,305,265	893	\$115,683	\$42,058	30.5%
no downpayment assistance	\$2,592,226	24	\$108,009	\$40,787	33.3%
with HAF downpayment assistance	\$76,984,122	668	\$115,246	\$43,961	26.5%
with HOME downpayment assistance	\$23,728,917	201	\$118,054	\$37,546	43.3%
Homeownership Assistance Fund (HAF, second mortgage amount)	\$4,561,156	1,162	\$3,925	\$43,536	27.5%
HOME Homeowner Entry Loan Program (HOME HELP, second mortgage amount) <sup>3</sup>	\$1,824,498	208	\$8,772	\$37,607	42.8%
Habitat Next 1000 Homes	\$2,659,863	35	\$75,996	\$33,900	85.7%
Habitat 21st Century Fund	\$1,210,824	19	\$63,728	\$29,892	21.1%
Homeownership Education, Counseling, and Training (HECAT) <sup>4</sup>	\$3,707,488	18,503	\$200	\$34,944	26.0%
<b>Home Improvement Programs</b>	<b>\$25,604,662</b>	<b>1,683</b>			
Fix-Up Fund (FUF)	\$18,129,947	1,322	\$13,714	\$63,007	6.7%
Community Fix-Up Fund (CFUF)	\$2,781,133	220	\$12,642	\$62,494	8.6%
Energy Saver Rebate <sup>5</sup>	\$2,157,297	831	\$2,596	See data on FUF and CFUF borrowers	
Rehabilitation Loan Program	\$2,125,966	96	\$22,145	\$13,826	9.4%
Emergency and Accessibility Loan Program	\$410,319	45	\$9,118	\$12,596	13.3%

**Table 3, continued:  
Minnesota Housing Assistance, FFY 2011**

<b>Programs<sup>1</sup></b>	<b>Minnesota Housing Assistance</b>	<b>Households or Units Assisted</b>	<b>Average Assistance Per Household or Unit</b>	<b>Median Annual Household Income</b>	<b>Percentage Households of Color<sup>2</sup></b>
<b>Rental Production - New Construction and Rehabilitation</b>	<b>\$191,942,452</b>	<b>4,130</b>			
Low and Moderate Income Rental Program (LMIR and Flexible Financing)	\$43,295,930	946	\$34,916	\$21,840	37.8%
Housing Tax Credits <sup>6</sup>	\$62,137,381	1,110	\$55,980	\$18,532	48.7%
Housing Tax Credits-Section 1602/Exchange	\$10,790,806	208	\$14,642	Occupancy data not yet available	
Housing Tax Credits-Tax Credit Assistance Program (TCAP)	\$6,686,576	95	\$17,145		
Affordable Rental Investment Fund-Preservation (PARIF)	\$17,321,435	1,703	\$7,760	\$13,845	43.3%
Ending Long-Term Homelessness Initiative Fund (ELHIF), Capital	\$4,492,407	75	\$10,773	\$8,328	63.2%
Housing Trust Fund, Capital	\$33,512,835	390	\$53,449	\$9,060	51.8%
Publicly Owned Housing Program	\$10,252,331	316	\$32,444	\$11,172	41.1%
HOME Rental Rehabilitation Program	\$3,131,255	252	\$11,597	\$11,160	8.2%
Rental Rehabilitation Loan Program	\$321,496	55	\$5,845	\$27,600	88.6%
<b>Rental Assistance</b>	<b>\$179,567,778</b>	<b>30,418</b>			
Section 8 Contract Administration	\$107,061,831	18,177	\$5,890	\$10,534	36.8%
Section 8 (Minnesota Housing-financed)	\$70,879,335	11,713	\$6,051	\$11,752	23.8%
Section 236 (Minnesota Housing-financed) <sup>7</sup>	\$1,626,612	528	\$3,081	Reported in previous years	

**Table 3, continue:  
Minnesota Housing Assistance, FFY 2011**

<b>Programs<sup>1</sup></b>	<b>Minnesota Housing Assistance</b>	<b>Households or Units Assisted</b>	<b>Average Assistance Per Household or Unit</b>	<b>Median Annual Household Income</b>	<b>Percentage Households of Color<sup>2</sup></b>
<b>Non-Capital Resources to Prevent and End Long-Term Homelessness</b>	<b>\$21,685,484</b>	<b>12,368</b>			
Housing Trust Fund, Rental Assistance <sup>8</sup>	\$10,772,986	1,993	\$6,813	\$7,680	64.3%
Housing Trust Fund, Operating Subsidy	\$1,056,338	266	\$2,802	Reported under other funding programs	
Ending Long-Term Homelessness Initiative Fund (ELHIF), Operating Subsidy	\$426,000	62	\$5,195		
Bridges <sup>8</sup>	\$2,131,899	588	\$5,214	\$9,234	28.5%
Family Homeless Prevention and Assistance Program (FHPAP) <sup>9</sup>	\$7,174,349	9,299	\$772	\$9,360	51.9%
Housing Opportunities for Persons with AIDS (HOPWA)	\$123,912	160	\$774	\$15,807	49.0%
<b>Portfolio Management</b>	<b>\$3,371,784</b>	<b>72</b>			
Asset Management <sup>10</sup>	\$3,371,784	72	\$46,830	Reported in previous years	
<b>Multiple Use Resources</b>	<b>\$24,119,364</b>	<b>457</b>			
Economic Development and Housing Challenge Fund (multifamily)	\$10,363,029	160	\$6,782	\$20,293	59.7%
My Home Source	\$7,710,046	55	\$140,183	\$54,960	20.8%
Community Revitalization Program (CRV) <sup>11</sup>	\$5,663,289	242	\$23,402	\$35,220	39.7%
Capacity Building and Operating Support <sup>12</sup>	\$383,000	No demographic data; this is assistance to nonprofits.			

**Table 3, cont'd:**  
**Minnesota Housing Assistance in Minnesota, FFY 2011**

Programs <sup>1</sup>	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income	Percentage Households of Color <sup>2</sup>
<b>Other</b>	<b>\$5,824,390</b>	<b>241</b>			
Flood Economic Development and Housing Challenge Fund	\$260,000	6	\$43,333	Data not available	
Neighborhood Initiative Grant	\$198,000	10	\$19,800	Data not available	
Neighborhood Stabilization Program (NSP)	\$3,330,043	115	\$28,957	\$41,854	15.2%
Quick Start Disaster Recovery Program	\$2,036,347	110	\$18,512	\$31,594	6.4%
<b>Total</b>	<b>\$726,978,510</b>	<b>70,171</b>			

#### Notes

<sup>1</sup>For programs in which Minnesota Housing provides second mortgages in conjunction with other Minnesota Housing assistance, units are counted only once, i.e., under the program from which the first mortgage or greatest amount of financing was provided. Average assistance per unit of rental housing is based on program assistance amounts and an unadjusted count of assisted units. Averages per unit in 2011 were affected by several large developments, e.g., rehabilitation of the 1,303-unit Riverside Plaza, which received funding under PARIF and the Challenge Fund. Tenant demographics are based on data reported to Minnesota Housing by owners of developments and may vary widely from year to year reflecting the number, size, location, and type of developments for which owners report information.

<sup>2</sup>A household of color is defined here as one in which the head of household is of a race other than white or is of Hispanic origin.

<sup>3</sup>HOME HELP may be funded prior to or after closing on the first mortgage. To ensure complete HOME HELP reporting, the amount of the HOME HELP second mortgage is based on funding date of the HOME HELP.

<sup>4</sup>HECAT is also funded through other partners; amount shown is Minnesota Housing's contribution to all households assisted.

<sup>5</sup>Households are counted under FUF or CFUF.

<sup>6</sup>Beginning with the report for 2010, the total amount of syndication proceeds are reported for developments with loans that closed in the reporting year. Previous re-

ports have shown the annual amount of credit claimed for the first time in the previous year (an annual average of \$8.4 million in credits from 2007-2009), which underreports the value of housing tax credits. Tax credit units receiving Minnesota Housing assistance are counted only once, under the program from which the agency disbursed assistance funds. Data for 2011 do not include suballocator units.

<sup>7</sup>Section 236 provides an interest rate reduction on developments for which 20 units are reported under Section 8 (TCA).

<sup>8</sup>Assistance amount for Bridges and Housing Trust Fund Rental Assistance is the actual amount disbursed during the reporting year. Average assistance per household is estimated for 12 months based on average monthly assistance (including security deposits) paid in the reporting year. Both the Bridges and Housing Trust Fund assistance amounts include some ELHIF resources.

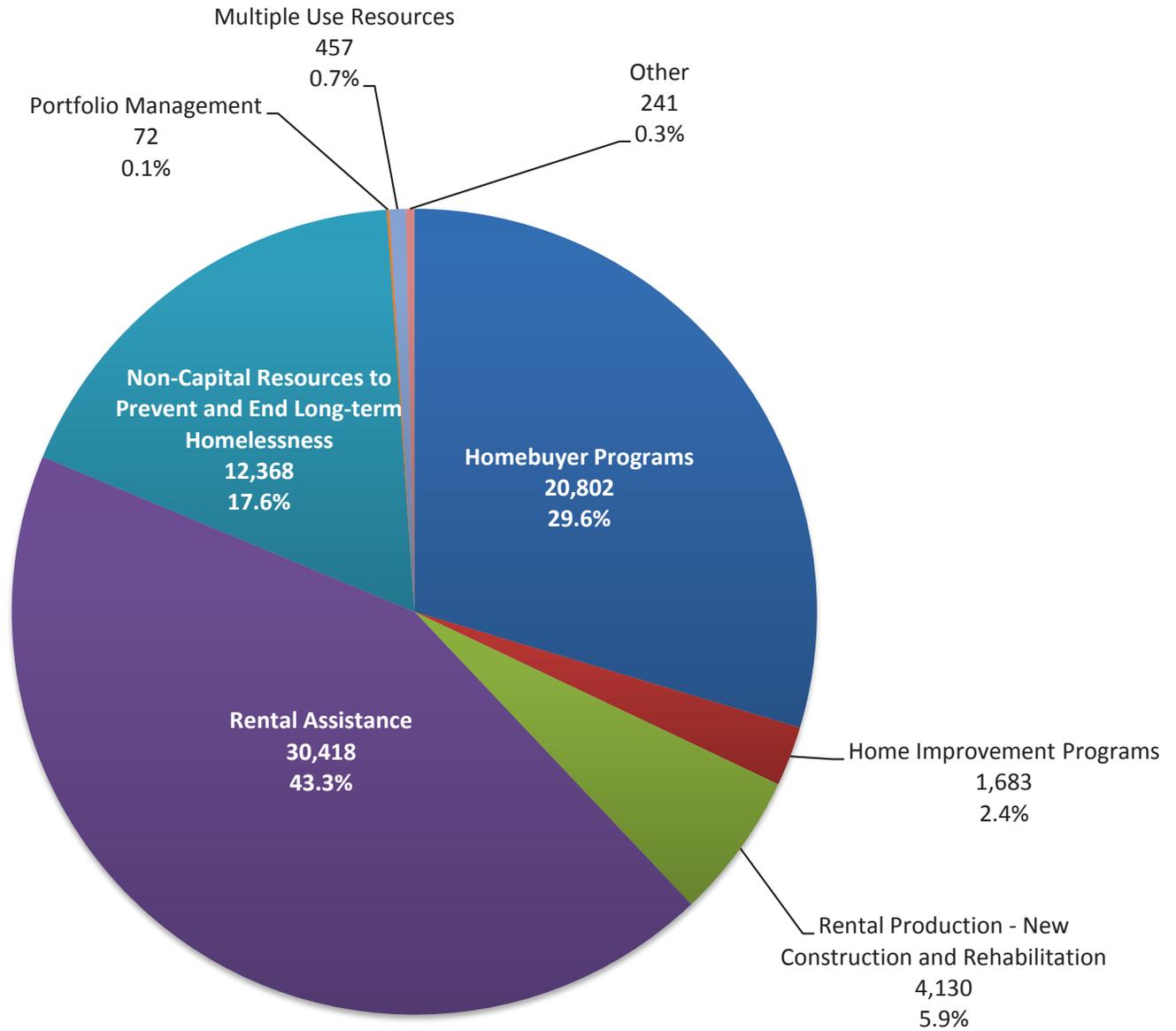
<sup>9</sup>Beginning in 2009, for greater consistency and accuracy, data on FHPAP assistance has been reported by State Fiscal Year (July 1 through June 30), based on expenditures for assistance and services reported to Minnesota Housing by FHPAP providers.

<sup>10</sup>Asset management includes funding under the Asset Management Fund and FAF/FA.

<sup>11</sup>CRV includes Single Family's Economic Development and Housing Challenge Fund and Single Family Interim Lending.

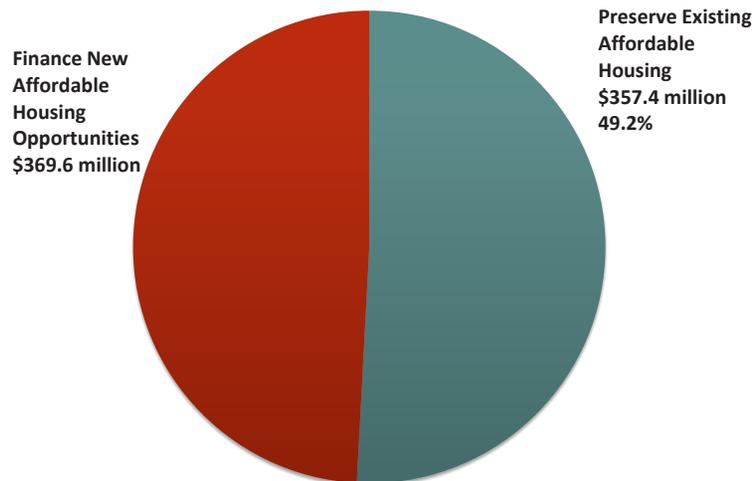
<sup>12</sup>State appropriations only.

### Minnesota Housing Assisted Units by Type, FFY 2011



**Table 4:**  
**Minnesota Housing Assistance by Strategic Priority, FFY 2011**

**2011 Assistance  
 by Comprehensive Priority  
 Percentage of All Assistance**



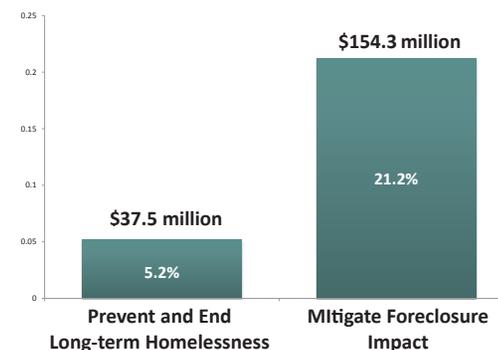
**Minnesota Housing resources are divided between two comprehensive priorities—finance new affordable housing opportunities and preserve existing affordable housing.**

Programs <sup>2</sup>	Total Assistance	
	Minnesota Housing Assistance	Households or Units Assisted
<b>Homebuyer Programs</b>	<b>\$274,862,597</b>	<b>20,802</b>
Minnesota Mortgage Program (MMP)	\$157,593,503	1,352
Community Activity Set-Aside (CASA)	\$103,305,265	893
Homeownership Assistance Fund (HAF, second mortgage amount)	\$4,561,156	1,162
HOME Homeowner Entry Loan Program (HOME HELP, second mortgage amount) <sup>3</sup>	\$1,824,498	208
Habitat Next 1000 Homes	\$2,659,863	35
Habitat 21st Century Fund	\$1,210,824	19
Homeownership Education, Counseling, and Training (HECAT) <sup>4</sup>	\$3,707,488	18,503
<b>Home Improvement Programs</b>	<b>\$25,604,662</b>	<b>1,683</b>
Fix-Up Fund (FUF)	\$18,129,947	1,322
Community Fix-Up Fund (CFUF)	\$2,781,133	220
Energy Saver Rebate <sup>5</sup>	\$2,157,297	831
Rehabilitation Loan Program	\$2,125,966	96
Emergency and Accessibility Loan Program	\$410,319	45
<b>Rental Production - New Construction and Rehabilitation</b>	<b>\$191,942,452</b>	<b>4,130</b>
Low- and Moderate-Income Rental Program (LMIR and Flexible Financing)	\$43,295,930	946
Housing Tax Credits <sup>6</sup>	\$62,137,381	1,110
Housing Tax Credits-Section 1602/Exchange	\$10,790,806	208
Housing Tax Credits-Tax Credit Assistance Program (TCAP)	\$6,686,576	95

**Table 4, continued:  
Minnesota Housing Assistance by Strategic Priority, FFY 2011**

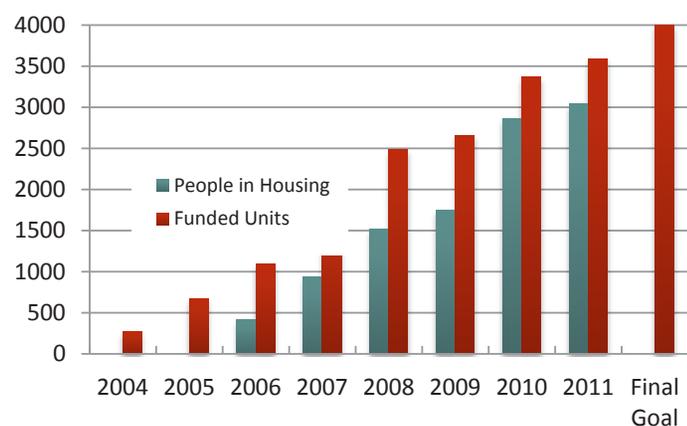
Comprehensive Priorities <sup>1</sup>				Targeted Priorities <sup>1</sup>			
Finance New Affordable Housing Opportunities		Preserve Existing Affordable Housing		Prevent and End Long-Term Homelessness		Mitigate Foreclosure Impact	
Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted
\$271,933,384	10,102	\$2,929,213	10,700			\$135,965,145	11,758
\$157,593,503	1,352					\$69,343,011	547
\$103,305,265	893					\$59,679,156	511
\$4,561,156	1,162					\$2,676,265	712
\$1,824,498	208					\$1,337,500	151
\$2,659,863	35						
\$1,210,824	19						
\$778,275	7,803	\$2,929,213	10,700			\$2,929,213	10,700
		<b>\$25,604,662</b>	<b>1,683</b>				
		\$18,129,947	1,322				
		\$2,781,133	220				
		\$2,157,297	831				
		\$2,125,966	96				
		\$410,319	45				
<b>\$77,235,810</b>	<b>559</b>	<b>\$114,706,642</b>	<b>3,571</b>	<b>\$15,540,543</b>	<b>363</b>	<b>\$10,602,999</b>	<b>386</b>
\$5,658,496	93	\$37,637,434	853	\$1,082,396	31	\$6,105,237	117
\$30,746,868	262	\$31,390,513	848	\$2,785,255	55	\$3,595,511	71
\$3,219,566	86	\$7,571,240	122	\$395,334	27	\$1,719,566	46
\$1,500,000	39	\$5,186,576	56	\$68,580	4		

**2011 Assistance by Targeted Priority Percentage of All Assistance**



**Table 4, continued:  
Minnesota Housing Assistance by Strategic Priority, FFY 2011**

**Housing Opportunities Created through the Business Plan to End Long-Term Homelessness**



**Minnesota Housing funded more than 500 units of supportive housing in 2011. This brings the total number of supportive housing units to 3,582 to meet the 4,000-unit goal of the Business Plan to End Long-Term Homelessness.**

Programs <sup>2</sup>	Total Assistance	
	Minnesota Housing Assistance	Households or Units Assisted
Affordable Rental Investment Fund-Preservation (PARIF )	\$17,321,435	1,703
Ending Long-Term Homelessness Initiative Fund (ELHIF), Capital	\$4,492,407	75
Housing Trust Fund, Capital	\$33,512,835	390
Publicly Owned Housing Program	\$10,252,331	316
HOME Rental Rehabilitation Program	\$3,131,255	252
Rental Rehabilitation Loan Program	\$321,496	55
<b>Rental Assistance</b>	<b>\$179,567,778</b>	<b>30,418</b>
Section 8 Contract Administration	\$107,061,831	18,177
Section 8 (Minnesota Housing-financed)	\$70,879,335	11,713
Section 236 (Minnesota Housing-financed) <sup>7</sup>	\$1,626,612	528
<b>Non-Capital Resources to Prevent and End Long-Term Homelessness</b>	<b>\$21,685,484</b>	<b>12,368</b>
Housing Trust Fund, Rental Assistance <sup>8</sup>	\$10,772,986	1,993
Housing Trust Fund, Operating Subsidy	\$1,056,338	266
Ending Long-Term Homelessness Initiative Fund (ELHIF), Operating Subsidy	\$426,000	62
Bridges <sup>8</sup>	\$2,131,899	588
Family Homeless Prevention and Assistance Program (FHPAP) <sup>9</sup>	\$7,174,349	9,299
Housing Opportunities for Persons with AIDS (HOPWA)	\$123,912	160
<b>Portfolio Management</b>	<b>\$3,371,784</b>	<b>72</b>
Asset Management <sup>10</sup>	\$3,371,784	72

**Table 4, continued:  
Minnesota Housing Assistance by Strategic Priority, FFY 2011**

Comprehensive Priorities <sup>1</sup>				Targeted Priorities <sup>1</sup>			
Finance New Affordable Housing Opportunities		Preserve Existing Affordable Housing		Prevent and End Long-Term Homelessness		Mitigate Foreclosure Impact	
Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted
		\$17,321,435	1,703	\$62,080	8	\$900,000	52
\$1,812,489	30	\$2,679,918	45	\$96,957	9		
\$25,002,182	182	\$8,510,653	208	\$11,758,780	220	\$320,360	6
\$9,296,209	68	\$956,122	248	\$2,076,416	64	\$307,886	40
		\$3,131,255	252			\$1,249,950	125
		\$321,496	55				
		<b>\$179,567,778</b>	<b>30,418</b>				
		\$107,061,831	18,177				
		\$70,879,335	11,713				
		\$1,626,612	528				
		<b>\$21,685,484</b>	<b>12,368</b>	<b>\$21,685,484</b>	<b>12,368</b>		
		\$10,772,986	1,993	\$10,772,986	1,993		
		\$1,056,338	266	\$1,056,338	266		
		\$426,000	62	\$426,000	62		
		\$2,131,899	588	\$2,131,899	588		
		\$7,174,349	9,299	\$7,174,349	9,299		
		\$123,912	160	\$123,912	160		
		<b>\$3,371,784</b>	<b>72</b>				
		\$3,371,784	72				

**Table 4, continued:  
Minnesota Housing Assistance by Strategic Priority, FFY 2011**

Programs <sup>2</sup>	Total Assistance	
	Minnesota Housing Assistance	Households or Units Assisted
<b>Multiple Use Resources</b>	<b>\$24,119,364</b>	<b>457</b>
Economic Development and Housing Challenge Fund (Multifamily)	\$10,363,029	160
My Home Source	\$7,710,046	55
Community Revitalization Program (CRV) <sup>11</sup>	\$5,663,289	242
Capacity Building and Operating Support <sup>12</sup>	\$383,000	0
<b>Other</b>	<b>\$5,824,390</b>	<b>241</b>
Flood Economic Development and Housing Challenge Fund	\$260,000	6
Neighborhood Initiative Grant	\$198,000	10
Neighborhood Stabilization Program (NSP)	\$3,330,043	115
Quick Start Disaster Recovery Program	\$2,036,347	110
<b>Total</b>	<b>\$726,978,510</b>	<b>70,171</b>

**Notes**

<sup>1</sup>All Minnesota Housing activities meet one of two comprehensive priorities: financing affordable housing opportunities or preserving existing affordable housing. Activities that focus on preventing/ending long-term homelessness or mitigating the impact of foreclosures are identified as targeted priorities.

<sup>2</sup>For programs in which Minnesota Housing provides second mortgages in conjunction with other Minnesota Housing assistance, units are counted only once, i.e., under the program from which the first mortgage or greatest amount of financing was provided.

<sup>3</sup>HOME HELP may be funded prior to or after closing on the first mortgage. To ensure complete HOME HELP reporting, the amount of the HOME HELP second mortgage is based on funding date of the HOME HELP.

<sup>4</sup>HECAT is also funded through other partners; amount shown is Minnesota Housing's contribution to all households assisted.

<sup>5</sup>Households are counted under FUF or CFUF.

<sup>6</sup>Beginning with the report for 2010, the total amount of syndication proceeds are reported for developments with loans that closed in the reporting year. Previous reports have shown the annual amount of credit claimed for the first time in the previous year (an annual average of \$8.4 million in credits from 2007-2009), which underreports the value of housing tax credits. Tax credit units receiving Minnesota Housing assistance are counted only once, under the program from which the Agency disbursed assistance funds. Data on targeted priorities are unavailable for 90 HTC units. Data for 2011 do not include suballocator units.

**Table 4, continued:  
Minnesota Housing Assistance by Strategic Priority, FFY 2011**

Comprehensive Priorities <sup>1</sup>				Targeted Priorities <sup>1</sup>			
Finance New Affordable Housing Opportunities		Preserve Existing Affordable Housing		Prevent and End Long-Term Homelessness		Mitigate Foreclosure Impact	
Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted
\$16,859,110	228	\$7,260,254	229	\$250,934	37	\$4,195,446	282
\$3,447,911	12	\$6,915,118	148	\$250,934	37	\$939,055	148
\$7,710,046	55						
\$5,318,153	161	\$345,136	81			\$3,256,391	134
\$383,000							
<b>\$3,590,043</b>	<b>121</b>	<b>\$2,234,347</b>	<b>120</b>			<b>\$3,528,043</b>	<b>125</b>
\$260,000	6						
		\$198,000	10			\$198,000	10
\$3,330,043	115					\$3,330,043	115
		\$2,036,347	110				
<b>\$369,618,347</b>	<b>11,010</b>	<b>\$357,360,163</b>	<b>59,161</b>	<b>\$37,476,961</b>	<b>12,768</b>	<b>\$154,291,633</b>	<b>12,551</b>

<sup>7</sup>Section 236 provides an interest rate reduction on developments for which 20 units are reported under Section 8 (TCA).

<sup>8</sup>Assistance amount for Bridges and Housing Trust Fund Rental Assistance is the actual voucher and security deposit amounts disbursed during the reporting year. Average assistance per household is estimated for 12 months based on average monthly assistance (including security deposits) paid in the reporting year. Both the Bridges and Housing Trust Fund assistance amounts include some ELHIF resources.

<sup>9</sup>Beginning in 2009, for greater consistency and accuracy, data on FHPAP assistance has been reported by State Fiscal Year (July 1 through June 30), based on expenditures for assistance and

services reported to Minnesota Housing by FHPAP providers.

<sup>10</sup>Asset management includes funding under the Asset Management Fund and FAF/FA for loans and operating subsidies.

<sup>11</sup>CRV includes Single Family's Economic Development and Housing Challenge Fund and Single Family Interim Lending.

<sup>12</sup>Includes state appropriations only.

**Table 5:  
Minnesota Housing Assisted Households of Color, FFY 2011**

Programs <sup>1</sup>	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income
<b>Homebuyer Programs</b>	<b>\$69,036,713</b>	<b>5,288</b>		
Community Activity Set-Aside (CASA)	\$32,553,121	272	\$119,681	\$42,747
Minnesota Mortgage Program (MMP)	\$30,949,571	243	\$127,364	\$47,338
Homeownership Assistance Fund (HAF, second mortgage amount)	\$1,252,538	319	\$3,926	\$45,377
HOME Homeowner Entry Loan Program (HOME HELP, second mortgage amount) <sup>2</sup>	\$773,999	89	\$8,697	\$39,500
Habitat Next 1000 Homes	\$2,248,544	30	\$74,951	\$33,144
Habitat 21st Century Fund	\$311,140	<=5	Data not available	
Homeownership Education, Counseling, and Training (HECAT) <sup>3</sup>	\$947,800	4,739	\$200	\$34,965
<b>Home Improvement Programs</b>	<b>\$1,829,998</b>	<b>122</b>		
Fix-Up Fund (FUF)	\$1,171,390	88	\$13,311	\$61,368
Community Fix-Up Fund (CFUF)	\$241,927	19	\$12,733	\$63,887
Energy Saver Rebate <sup>4</sup>	\$119,647	48	\$2,493	See data on FUF and CFUF borrowers
Rehabilitation Loan Program	\$236,883	9	\$26,320	\$13,594
Emergency and Accessibility Loan Program	\$60,151	6	\$10,025	\$14,202
<b>Rental Assistance</b>	<b>\$66,318,457</b>	<b>9,300</b>		
Section 8 Contract Administration	\$46,505,530	6,559	\$7,090	\$9,060
Section 8 (Minnesota Housing-financed)	\$19,812,927	2,741	\$7,228	\$10,097

**Notes**

<sup>1</sup>This table includes data on assistance to households only. Information on occupants of rental housing is shown in Table 3. A household of color is defined here as one in which the head of household is of a race other than white or is of Hispanic origin.

<sup>2</sup>HOME HELP may be funded prior to or after closing on the first mortgage. To ensure complete HOME HELP reporting, the amount of the HOME HELP second mortgage is based on funding date of the HOME HELP.

**Table 5, cont'd:  
Minnesota Housing Assisted Households of Color, FFY 2011**

Programs <sup>1</sup>	Minnesota Housing Assistance	Households or Units Assisted	Average Assistance Per Household or Unit	Median Annual Household Income
<b>Non-Capital Resources to Prevent and End Long-Term Homelessness</b>	<b>\$11,817,109</b>	<b>11,624</b>		
Housing Trust Fund, Rental Assistance <sup>5</sup>	\$7,249,506	1,266	\$5,726	\$7,452
Bridges <sup>5</sup>	\$724,167	167	\$4,336	\$9,060
Family Homeless Prevention and Assistance Program (FHPAP) <sup>6</sup>	\$3,782,754	4,903	\$772	\$8,232
Housing Opportunities for Persons with AIDS (HOPWA) <sup>7</sup>	\$60,682	78	\$774	Not available
<b>Multiple Use Resources</b>	<b>\$4,561,711</b>	<b>106</b>		
My Home Source	\$1,449,361	11	\$131,760	\$52,777
Community Revitalization Program (CRV) <sup>8</sup>	\$3,112,350	95	\$32,762	\$34,088
<b>Other</b>	<b>\$708,986</b>	<b>24</b>		
Neighborhood Stabilization Program (NSP)	\$542,281	17	\$31,899	\$44,915
Quick Start Disaster Recovery Program	\$166,705	7	\$23,815	
<b>Total</b>	<b>\$154,272,974</b>	<b>26,464</b>		

<sup>3</sup>HECAT is also funded through other partners; amount shown in this table is Minnesota Housing's estimated contribution based on average assistance per household times the number of households participating.

<sup>4</sup>Households are counted under FUF or CFUF.

<sup>5</sup>Assistance amount for Bridges and Housing Trust Fund Rental Assistance is the estimated voucher and security deposit amounts disbursed during the reporting year. Average assistance per household is estimated for 12 months based on average monthly assistance (including security deposits) paid in the reporting year. Both the Bridges and Housing Trust Fund assistance amounts include some ELHIF resources.

<sup>6</sup>Beginning in 2009, for greater consistency and accuracy, data on FHPAP assistance has been reported by State Fiscal Year (July 1 through June 30). Assistance amount in this table is estimated based on average assistance per household times the number of households assisted.

<sup>7</sup>HOPWA assistance amount in this table is estimated based on average assistance per household times the number of households assisted.

<sup>8</sup>CRV includes Single Family's Economic Development and Housing Challenge Fund and Single Family Interim Lending.

**Table 6:**  
**Minnesota Housing Assistance by Region and Funds Source, FFY 2011**

Region <sup>3</sup>	RFP Awards <sup>1</sup>				Other Funds <sup>2</sup>				Area Share of Lower Income Cost-Burdened Households <sup>4</sup>
	Units or Households Assisted	Amount of Assistance	Area Share of Units or Households Assisted	Area Share of Funds Disbursed	Units or Households Assisted	Amount of Assistance	Area Share of Units or Households Assisted	Area Share of Funds Disbursed	
Central	43	\$465,970	0.9%	0.5%	6,901	\$60,913,270	10.8%	9.6%	13.5%
Twin Cities	3,905	\$71,337,382	78.9%	77.9%	35,622	\$406,264,790	55.7%	64.1%	53.7%
Minneapolis	2,420	\$46,668,574	48.9%	51.0%	8,846	\$100,384,053	13.8%	15.8%	11.8%
Saint Paul	664	\$9,579,488	13.4%	10.5%	6,267	\$47,811,167	9.8%	7.5%	7.7%
Northeast	328	\$11,302,279	6.6%	12.3%	5,953	\$32,435,120	9.3%	5.1%	7.1%
Duluth	131	\$3,132,128	2.6%	3.4%	2,085	\$14,863,780	3.3%	2.3%	2.4%
Northwest	170	\$1,923,707	3.4%	2.1%	2,247	\$13,450,312	3.5%	2.1%	3.2%
Southeast	333	\$4,162,133	6.7%	4.5%	7,739	\$68,616,263	12.1%	10.8%	12.8%
Southwest	60	\$1,137,167	1.2%	1.2%	2,866	\$31,387,483	4.5%	5.0%	5.1%
West Central	113	\$1,249,725	2.3%	1.4%	2,611	\$20,360,520	4.1%	3.2%	4.5%
<b>Total</b>	<b>4,952</b>	<b>\$91,578,363</b>	<b>100%</b>	<b>100%</b>	<b>63,939</b>	<b>\$633,427,758</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

#### Notes

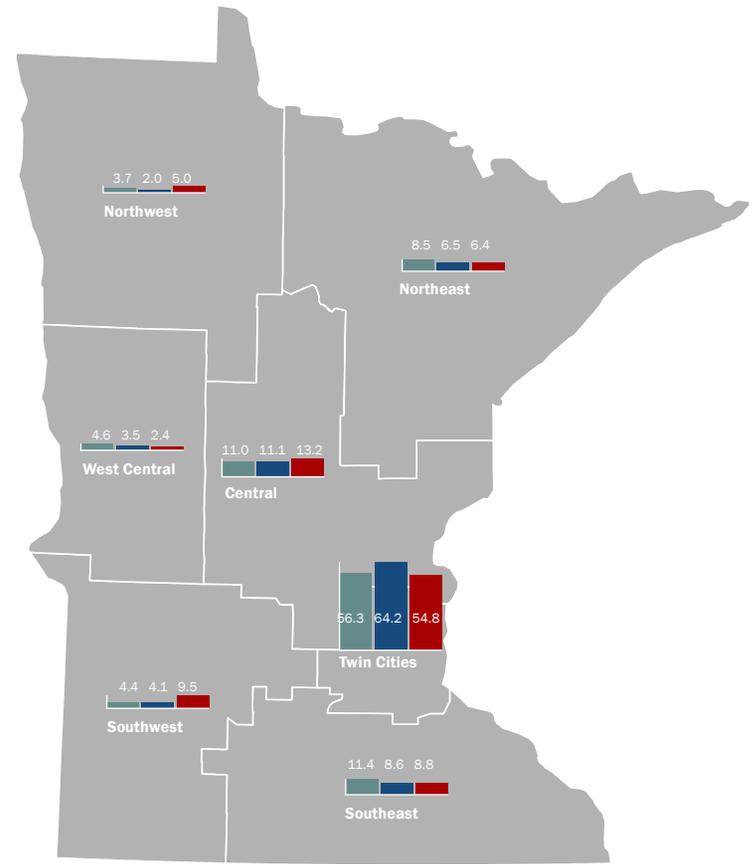
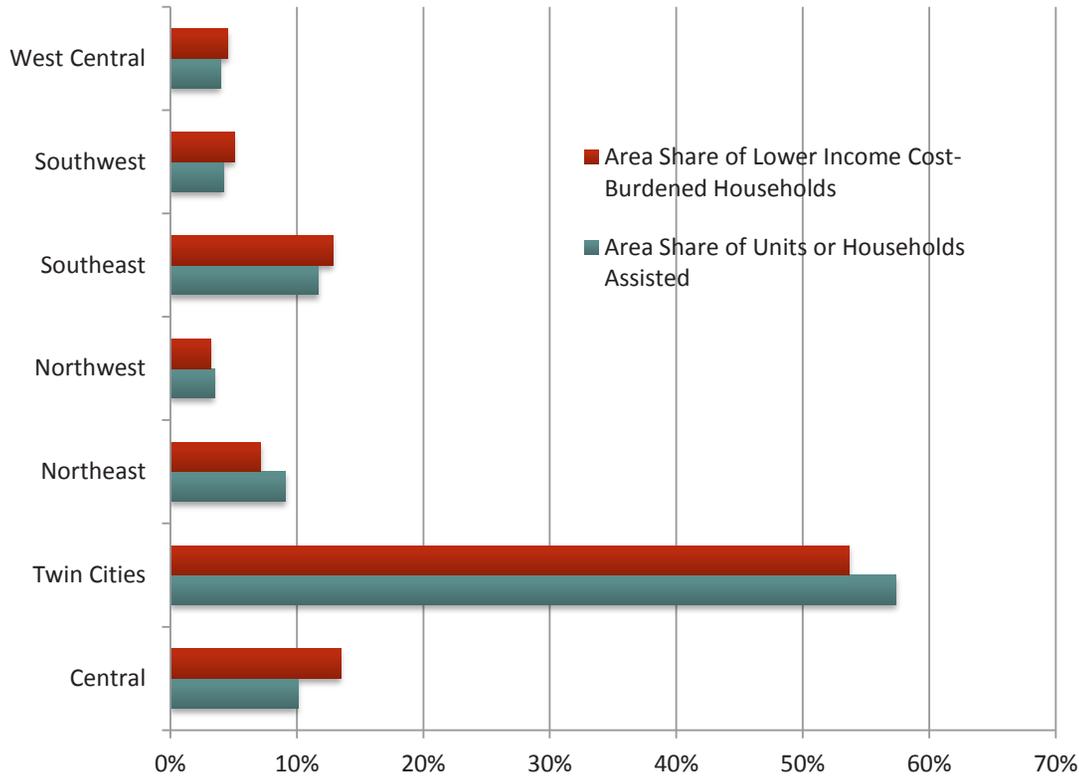
<sup>1</sup>Programs for which funds are awarded through Minnesota Housing's Request for Proposals (RFP) process include: Affordable Rental Investment Fund-Preservation, Challenge Fund, Community Revitalization Program, Ending Long-Term Homelessness Initiative Fund, and Housing Trust Fund (all).

<sup>2</sup>Other Funds includes: first mortgages, downpayment assistance, rehabilitation and improvement loans, housing with tax credits, homebuyer education, and all Section 8 units for which Minnesota Housing currently administers Housing Assistance Payments contracts (both Agency-financed and other).

<sup>3</sup>Regional totals include data for Duluth, Minneapolis, and Saint Paul. The sum of regional shares is 100 percent. City percentages are subsets of regional data.

<sup>4</sup>Area shares are based on estimates of the number of households with incomes of less than \$50,000 who are paying more than 30 percent of income for housing costs (from the Census Bureau's American Community Survey, 2006-2010).

## Distribution of Minnesota Housing Assistance by Region, FFY 2011



**Minnesota Housing assistance in 2011 was distributed throughout the state in close proportion to estimated need.**

- Share of Assisted Households
- Share of Funds
- Share of Eligible Households

**Table 7:**  
**Distribution of Minnesota Housing Assistance by Region, FFY 2011**

Region <sup>2</sup>	All Assistance <sup>1</sup>				
	Units or Households Assisted	Amount of Assistance	Area Share of Units or Households Assisted	Area Share of Funds Disbursed	Area Share of Lower Income Cost-Burdened Households <sup>3</sup>
Central	6,944	\$61,379,240	10.1%	8.5%	13.5%
Twin Cities	39,527	\$477,602,173	57.4%	65.9%	53.7%
Minneapolis	11,266	\$147,052,627	16.4%	20.3%	11.8%
Saint Paul	6,931	\$57,390,655	10.1%	7.9%	7.7%
Northeast	6,281	\$43,737,399	9.1%	6.0%	7.1%
Duluth	2,216	\$17,995,908	3.2%	2.5%	2.4%
Northwest	2,417	\$15,374,019	3.5%	2.1%	3.2%
Southeast	8,072	\$72,778,396	11.7%	10.0%	12.8%
Southwest	2,926	\$32,524,650	4.2%	4.5%	5.1%
West Central	2,724	\$21,610,245	4.0%	3.0%	4.5%
<b>Total</b>	<b>68,891</b>	<b>\$725,006,121</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

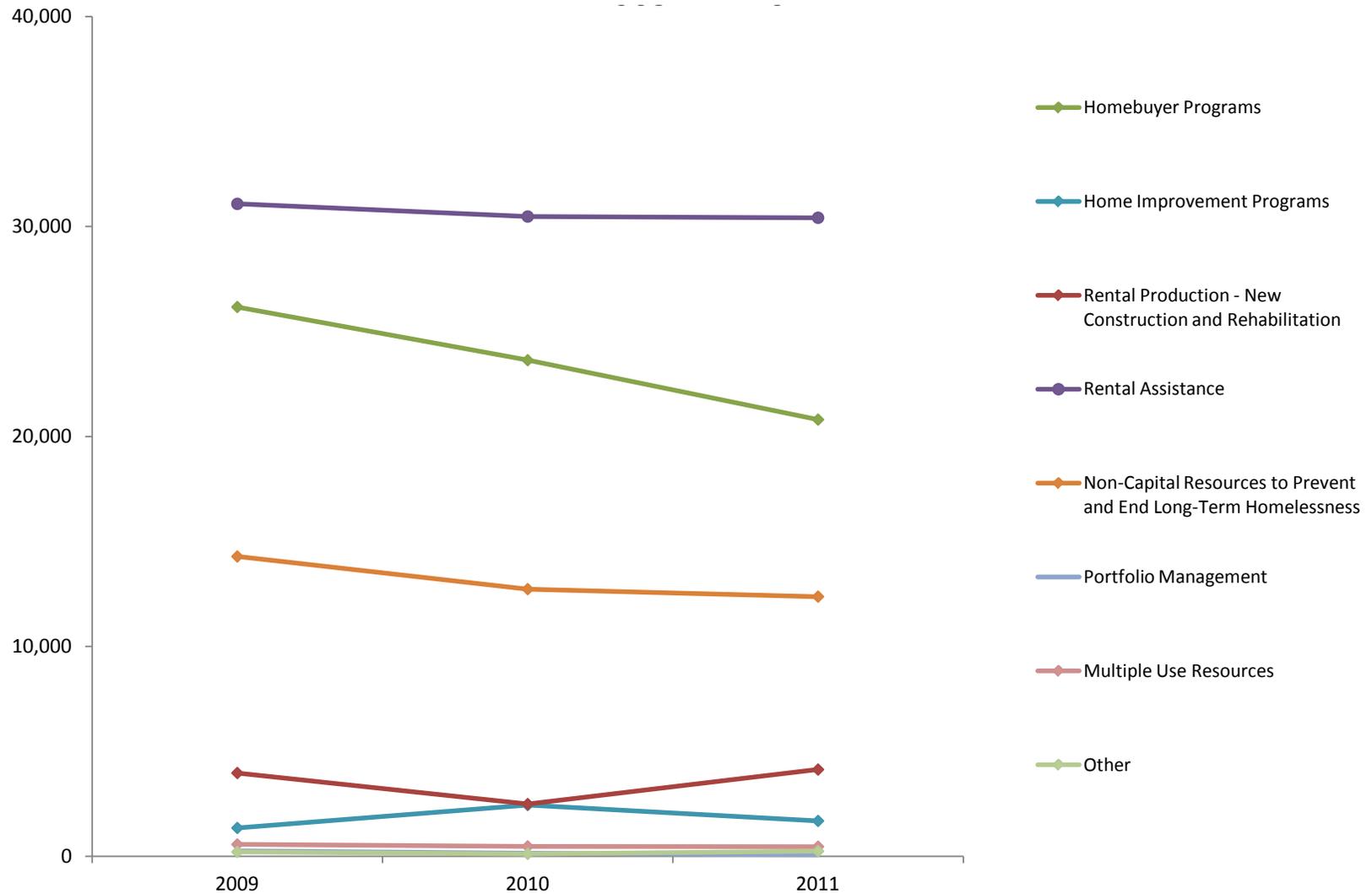
**Notes**

<sup>1</sup>The distribution of Minnesota Housing assistance varies from year to year and depends, in part, on the availability of feasible development proposals submitted to the Minnesota Housing. Data available for Tables 6 and 7 include more than 98 percent of units and 99 percent of assistance amount funded in 2011.

<sup>2</sup>Regional totals include data for Duluth, Minneapolis, and Saint Paul. The sum of regional shares is 100 percent. City percentages are subsets of regional data.

<sup>3</sup>Estimates of the number of households with incomes less than \$50,000 paying more than 30 percent of income for housing costs, Census Bureau's American Community Survey, 2006-2010.

### Minnesota Housing Assisted Units by Activity, FFY 2009 - 2011



**Minnesota Housing programs reflect the market trends and have begun to stabilize.**

**Table 8:  
Minnesota Housing Assistance by Activity**

Programs <sup>1</sup>	2009		2010		2011	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted
<b>Homebuyer Programs</b>	<b>\$153,422,395</b>	<b>26,167</b>	<b>\$251,550,648</b>	<b>23,633</b>	<b>\$274,862,597</b>	<b>20,802</b>
Minnesota Mortgage Program (MMP)	\$31,066,155	328	\$92,821,578	801	\$157,593,503	1,352
no downpayment assistance	\$23,747,139	247	\$71,659,487	613	\$98,496,569	858
with HAF downpayment	\$7,319,016	81	\$21,162,091	188	\$59,096,934	494
Community Activity Set-Aside (CASA)	\$105,062,954	894	\$141,425,312	1,119	\$103,305,265	893
no downpayment assistance	\$7,906,114	68	\$7,242,857	61	\$2,592,226	24
with HAF downpayment	\$47,071,645	411	\$78,172,660	625	\$76,984,122	668
with HOME downpayment	\$50,085,195	415	\$56,009,795	433	\$23,728,917	201
Homeownership Assistance Fund (HAF, second mortgage amount)	\$1,618,353	492	\$3,459,828	813	\$4,561,156	1,162
HOME Homeowner Entry Loan Program (HOME HELP, second mortgage amount) <sup>2</sup>	\$6,084,608	415	\$4,989,863	433	\$1,824,498	208
Habitat Next 1000 Homes	\$1,931,715	25	\$1,995,461	24	\$2,659,863	35
Habitat 21st Century Fund	\$1,102,249	13	\$1,371,521	26	\$1,210,824	19
Homeownership Education, Counseling, and Training (HECAT) <sup>3</sup>	\$5,671,297	24,899	\$5,258,293	21,661	\$3,707,488	18,503
Homeownership Opportunity Program	No funds available		228,792	<=5	No funds available	
Minnesota Urban and Rural Homesteading Program (MURL)	\$885,065	8	No funds available			
<b>Home Improvement Programs</b>	<b>\$22,279,636</b>	<b>1,348</b>	<b>\$37,737,231</b>	<b>2,439</b>	<b>\$25,604,662</b>	<b>1,683</b>
Fix-Up Fund (FUF)	\$13,347,022	755	\$26,621,258	1,929	\$18,129,947	1,322
Community Fix-Up Fund (CFUF)	\$3,311,545	201	\$4,313,565	320	\$2,781,133	220
Energy Saver Rebate	No funds available		\$4,383,585	1,310	\$2,157,297	831
Rehabilitation Loan Program	\$5,621,070	392	\$1,070,919	74	\$2,125,966	96
Rehabilitation Loan Program (HOME)	No funds available		\$518,007	24	Reported under the Rehabilitation Loan Program	
Emergency and Accessibility Loan Program	Reported with Rehabilitation Loans		\$829,897	92	\$410,319	45

**Table 8, continued:  
Minnesota Housing Assistance by Activity**

Programs <sup>1</sup>	2009		2010		2011	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted
<b>Rental Production - New Construction and Rehabilitation</b>	<b>\$124,794,047</b>	<b>4,217</b>	<b>\$203,996,063</b>	<b>2,553</b>	<b>\$191,942,452</b>	<b>4,130</b>
Low- and Moderate-Income Rental Program (LMIR and Flexible Financing)	\$9,970,978	335	\$15,755,623	391	\$43,295,930	946
Housing Tax Credits <sup>4</sup>	\$78,256,346	925	\$91,030,074	1,142	\$62,137,381	1,111
Housing Tax Credits-Section 1602/Exchange	No funds available		\$41,430,021	442	\$10,790,806	208
Housing Tax Credits-Tax Credit Assistance Program (TCAP)	No funds available		\$15,306,652	457	\$6,686,576	95
Affordable Rental Investment Fund	No funds available		\$151,534			
Affordable Rental Investment Fund-Preservation (PARIF)	\$7,161,295	560	\$9,337,735	365	\$17,321,435	1,703
Affordable Rental Investment Fund-Preservation (PARIF Public Housing)	\$2,630,050	1,059	No funds available			
Ending Long-Term Homelessness Initiative Fund (ELHIF), Capital	\$6,099,592	252	\$6,321,704	67	\$4,492,407	75
Housing Trust Fund (HTF)	\$8,052,502	497	\$17,552,234	364	\$33,512,835	390
Publicly Owned Housing Program	\$3,523,380	25	\$4,066,068	52	\$10,252,331	316
HOME Rental Rehabilitation Program	\$8,703,771	649	\$2,603,181	223	\$3,131,255	252
Rental Rehabilitation Loan Program	\$396,133	224	\$441,237	143	\$321,496	55
<b>Rental Assistance</b>	<b>\$172,123,630</b>	<b>31,080</b>	<b>\$174,078,917</b>	<b>30,476</b>	<b>\$179,567,778</b>	<b>30,418</b>
Section 8 Contract Administration	\$98,709,532	18,134	\$102,671,917	18,159	\$107,061,831	18,177
Section 8 (Minnesota Housing-financed)	\$71,855,949	12,418	\$69,790,754	11,789	\$70,879,335	11,713
Section 236 (Minnesota Housing-financed) <sup>5</sup>	\$1,558,149	528	\$1,616,246	528	\$1,626,612	528

**Table 8, continued:  
Minnesota Housing Assistance by Activity, FFY 2011**

Programs <sup>1</sup>	2009		2010		2011	
	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted	Minnesota Housing Assistance	Households or Units Assisted
<b>Non-Capital Resources to Prevent and End Long-Term Homelessness</b>	<b>\$20,275,119</b>	<b>14,029</b>	<b>\$21,815,043</b>	<b>12,659</b>	<b>\$21,685,484</b>	<b>12,368</b>
Housing Trust Fund, Rental Assistance <sup>6</sup>	\$8,763,282	1,824	\$10,618,666	2,106	\$10,772,986	1,993
Housing Trust Fund, Operating Subsidy	Reported with HTF, Capital				\$1,056,338	266
Ending Long-Term Homelessness Initiative Fund (ELHIF), Operating Subsidy	\$267,949	11	\$2,151,260	81	\$426,000	62
Bridges <sup>6</sup>	\$2,966,126	800	\$2,680,913	664	\$2,131,899	588
Family Homeless Prevention and Assistance Program (FHPAP) <sup>7</sup>	\$8,170,823	11,227	\$6,251,827	9,653	\$7,174,349	9,299
Housing Opportunities for Persons with AIDS (HOPWA)	\$106,939	167	\$112,376	155	\$123,912	160
<b>Portfolio Management</b>	<b>\$2,865,805</b>	<b>261</b>	<b>\$4,520,687</b>	<b>151</b>	<b>\$3,371,784</b>	<b>72</b>
Asset Management <sup>8</sup>	\$2,865,805	261	\$4,520,687	151	\$3,371,784	72
<b>Multiple Use Resources</b>	<b>\$15,133,767</b>	<b>563</b>	<b>\$20,768,613</b>	<b>470</b>	<b>\$24,119,364</b>	<b>457</b>
Economic Development and Housing Challenge Fund (Multifamily)	\$3,257,475	261	\$7,391,815	117	\$10,363,029	160
My Home Source	\$3,264,584	21	\$6,706,564	52	\$7,710,046	55
Community Revitalization Program (CRV) <sup>9</sup>	\$4,725,100	248	\$6,357,235	301	\$5,663,289	242
Tribal Indian Housing Program	\$3,588,608	33	Funded and reported under CRV			
Capacity Building and Operating Support <sup>10</sup>	\$298,000		\$313,000		\$383,000	
<b>Other</b>	<b>\$3,472,903</b>	<b>206</b>	<b>\$2,908,383</b>	<b>113</b>	<b>\$5,824,390</b>	<b>241</b>
Flood Economic Development and Housing Challenge Fund	\$754,275	16			\$260,000	6
Flood Insurance Recovery Program (FIRP)	\$52,955	133	\$4,762	7	No funds available	
Neighborhood Initiative Grant					\$198,000	10
Neighborhood Stabilization Program (NSP)	\$2,242,306	40	\$2,609,300	89	\$3,330,043	115
Quick Start Disaster Recovery Program	\$423,367	17	\$294,321	17	\$2,036,347	110
<b>Total</b>	<b>\$514,367,302</b>	<b>77,871</b>	<b>\$717,375,585</b>	<b>72,494</b>	<b>\$726,978,510</b>	<b>70,171</b>

**Table 8, continued:  
Minnesota Housing Assistance by Activity, FFY 2011**

**Notes**

<sup>1</sup>For programs in which Minnesota Housing provides second mortgages in conjunction with other Minnesota Housing assistance, units are counted only once, i.e., under the program from which the first mortgage or greatest amount of financing was provided.

<sup>2</sup>HOME HELP may be funded prior to or after closing on the first mortgage. To ensure complete HOME HELP reporting, the amount of the HOME HELP second mortgage is based on funding date of the HOME HELP.

<sup>3</sup>HECAT is also funded through other partners; amount shown is Minnesota Housing's contribution to all households assisted.

<sup>4</sup>Beginning with the report for 2010, the total amount of syndication proceeds are reported for developments with loans that closed in the reporting year. The report for 2009, which showed the annual amount of credit claimed for the first time in the previous year, has been updated to show syndication proceeds for comparability with 2010 and 2011 data.

<sup>5</sup>Section 236 provides an interest rate reduction on developments for which 20 units are reported under Section 8

<sup>6</sup>Assistance amount for Bridges and Housing Trust Fund Rental Assistance is the actual voucher and security deposit amounts disbursed during the reporting year. Average assistance per household is estimated for 12 months based on average monthly assistance (including security deposits) paid in the reporting year. Both the Bridges and Housing Trust Fund assistance amounts include some ELHIF resources.

<sup>7</sup>Beginning in 2009, for greater consistency and accuracy, data on FHPAP assistance has been reported by State Fiscal Year (July 1 through June 30), based on expenditures for assistance and services reported to Minnesota Housing by FHPAP providers.

<sup>8</sup>Asset management includes funding under the Asset Management Fund and FAF/FA for loans and operating subsidies.

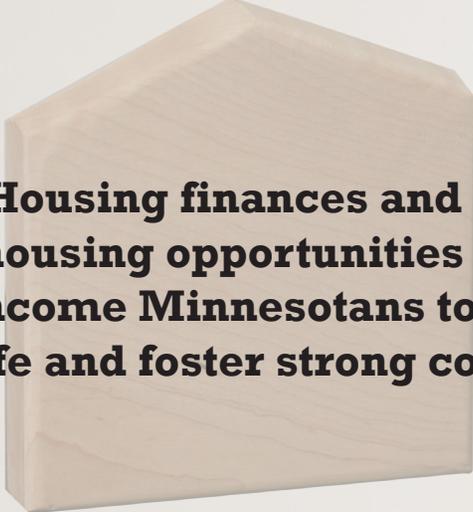
<sup>9</sup>CRV includes Single Family's Economic Development and Housing Challenge Fund and Single Family Interim Lending.

<sup>10</sup>Includes state appropriations only.

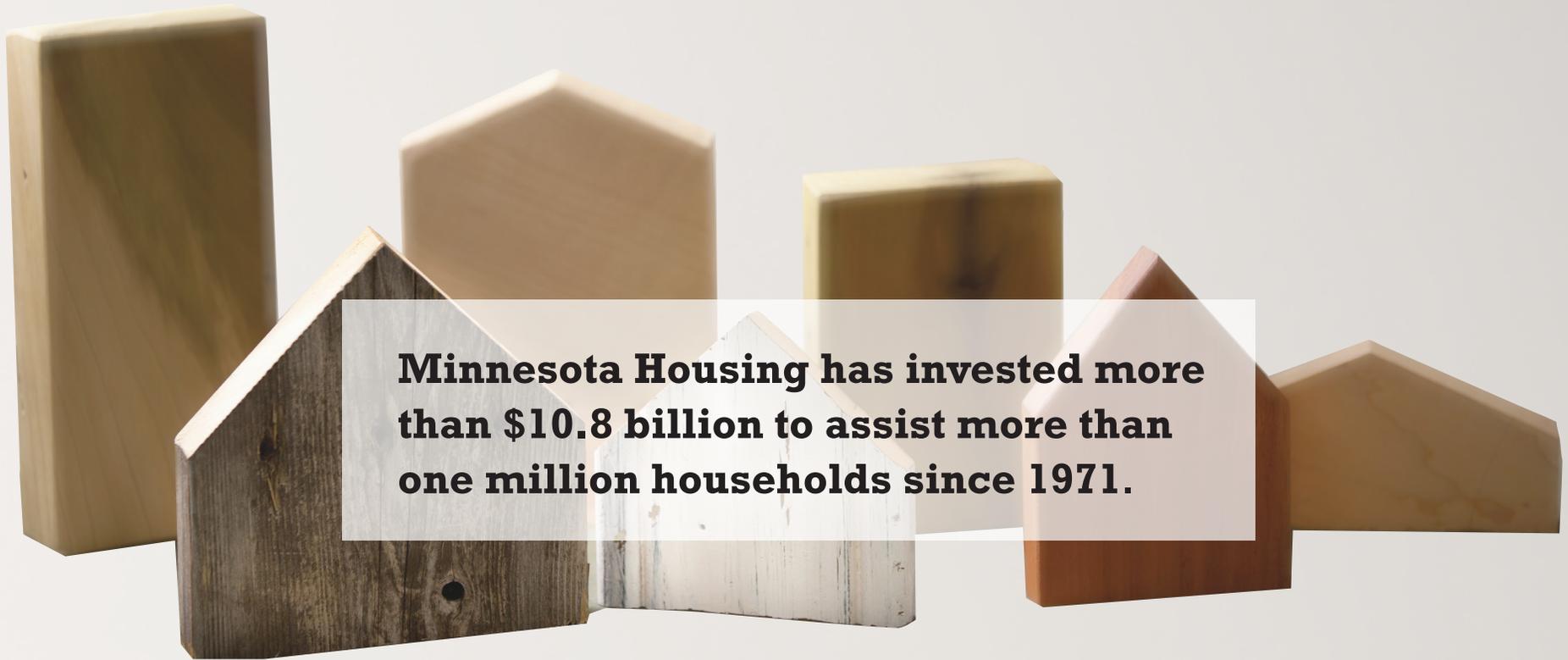
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**Minnesota Housing finances and advances affordable housing opportunities for low and moderate income Minnesotans to enhance quality of life and foster strong communities.**



**Minnesota Housing has invested more than \$10.8 billion to assist more than one million households since 1971.**

**Cover art credits:**

*Handcrafted wood houses by Minnesota Housing employee Cam Oyen.*

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